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Psychological Aspects of United States Strategy

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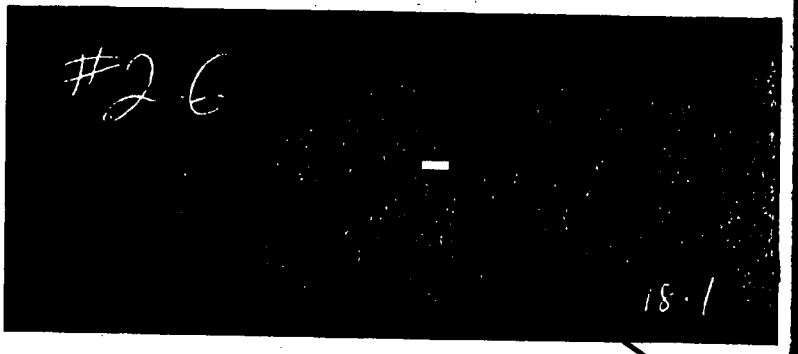
Panel Report



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Panel Report

NOVEMBER 1955

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November 29, 1955
Washington, D. C.

Dear Mr. Rockefeller:

On August 16 you invited the twelve persons listed below to participate in a group study and review of the psychological aspects of future U.S. strategy. You asked that a report be developed to recommend the means and methods best calculated to achieve U.S. objectives, taking into consideration the necessity for an integrated national program within which long-term military, economic, technological, and ideological programs could be developed.

As your designated Chairman, and on behalf of my colleagues, I transmit herewith the report of our panel. Although the focus of this report is psychological, it has not been possible to avoid a good deal of consideration of economic, political and military policies and programs that have a strong bearing on attitudes and outlooks both within the Free World and the Soviet orbit. This is because the net impact of all policies and programs is, at least in part, psychological. The report represents the agreed views of all the panel members. There are also available to you, for such use as they may serve, certain papers prepared by individual members as preliminary contributions to the final report. These papers are not to be considered as part of our report, but we commend them for their individual ideas.

I should emphasize a major premise of our report. We believe that the Free World is presently engaged in a vital struggle against the forces of Communism, a struggle which requires a sustained U.S. effort to avoid jeopardizing the future of the nation and of the Free World.

The four principal actions we deem urgent and vital are:

1. Explaining to the people of the United States the gravity of the world situation and spelling out what is required to overcome it.

2. Increasing the military budget to provide for the improvement of the air defense of North America, for the establishment of an acceptable air defense of Western Europe, and for development of a greater capability to deter limited war and to deal with it if it occurs.

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3. Providing the leadership, on a continuing basis, for Free World political, economic, and cultural common action to achieve dynamic growth, thus eliminating vulnerabilities to Communism.

4. Continually applying pressure on the Soviet bloc to expose the insincerity of their intentions and tactics.

I wish to express our appreciation for the contributions made by governmental officials from various departments and agencies. Without their briefings at our meetings at Washington in August and without their participation at our discussions at Quantico in September, we would have lacked the intimate, timely knowledge of current problems necessary to completion of this task.

At this point I wish to make clear that none of the panel members believes that this report is altogether original with the panel. We know that many of the points covered have been at some time discussed or advanced by members of the various departments of the U.S. Government. We also realize that most of the programs recommended in the report are being considered or are being implemented in various ways. We do believe, however, that proper emphasis and full governmental coordination are lacking in many areas.

Finally, I also wish to express the appreciation of all the panel members for the wonderful cooperation of your entire staff, who have worked night and day to make this report possible. Without their help the report could not have been produced on the schedule requested.

Thank you for this opportunity to serve.

Frederick L. Anderson

Frederick L. Anderson
Major General, USAF (Ret.)
Panel Chairman

The Honorable Nelson A. Rockefeller
Special Assistant to the President
The White House

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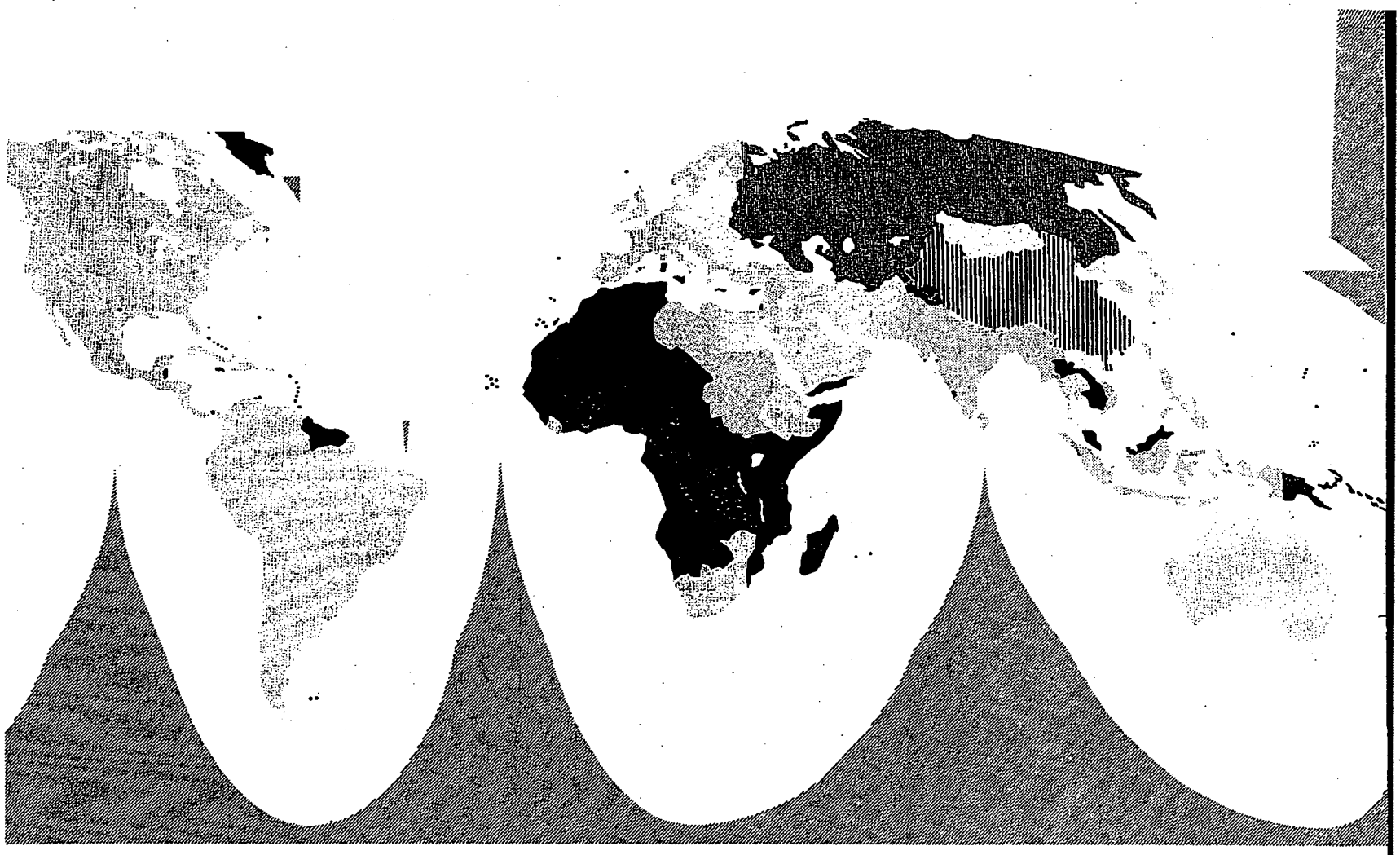
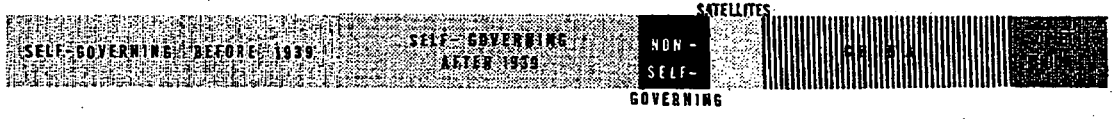
This is an examination of psychological aspects of U.S. strategy. Our panel's concept of psychological strategy is not that of a separate course of action, but of an integral component of all our policies and programs, economic, military, and political, designed to further U.S. security while working for a just peace. The things we say and the things we do inevitably affect the choices made by leaders and peoples throughout the world — those of our enemies, our allies, the uncommitted, and ourselves. Consequently, we have found it important to consider those political, economic, and military programs which influence attitudes and outlooks, both within the Free World and the Soviet orbit.



FREE WORLD

COMMUNIST BLOC

POPULATION OF THE WORLD



2.5 BILLION

Highlights of the Report

The world is in a period of revolutionary change manifested by the pressing political, social, and economic expectations of many peoples; of great and accelerating technological progress; and of grave struggle between the free nations and a dedicated Communist enemy.

In the short-term, the Free World military situation is only partially satisfactory; the overall Western economic situation is spotty; though potentially strong, the political and economic situation in many areas, particularly in the underdeveloped regions, is precarious; and Free World military security and psychological unity are generally deteriorating.

Although the focus of this report is psychological, it has not been possible to avoid a good deal of consideration of economic, political, and military policies, and programs that have a strong bearing on attitudes and outlooks within both the Free World and the Soviet orbit. This is because the net impact of all policies and programs is, at least in part, psychological.

In the course of our examination of the problems facing the United States, which are covered at length in our report, there emerges a necessity for:

1. Explaining to the people of the United States the gravity of the world situation, and spelling out what is required to overcome its dangers.

2. Increasing the military budget to provide for the improvement of the air defense of North America, for the establishment of a satisfactory air defense of Western Europe, and for the development of a greater capability to deter limited war and to deal with it if it occurs.

3. Providing the leadership, on a continuing basis, for Free World political, economic, and cultural common action to achieve dynamic growth, thus eliminating vulnerabilities to Communism.

4. Continually applying pressure on the Soviet bloc to expose the true nature of their intentions and tactics.

EXPLAINING THE SITUATION

Of the dangers confronting the United States in the next decade, two have concerned us particularly:

1. The United States, the only non-Communist power strong enough economically and militarily to provide sustaining leadership for the Free World, may in fact fail to fulfill that responsibility. In that event, Communist expansion by successive local actions may finally force the United States to abandon many of its traditions and ideals in order to survive as a nation.

2. Exploitation by the Soviets of their technological or military superiority, real or apparent, would shatter the cohesion of the Free World and so encircle and isolate the United States that it could probably survive only at the cost of its way of life.

These dangers must be explained clearly, frankly, and forcefully to the American public.

FURTHERING THE MILITARY EFFORT

Military security must be assured in order to provide time and opportunity for taking all other necessary action. Hence, the United States must build its military security to a level that provides a considerable margin of safety.

We do not believe that the general order of magnitude of our security programs, now being undertaken, will be adequate to provide the necessary margin of safety. We are convinced that a greater effort must be made to improve the defense of the North American continent against air attack, not only to protect U.S. retaliatory capability but to deter such attack and to give the American people confidence in their chances for survival.

We are also convinced that a satisfactory air defense of Western Europe must be established without delay. The psychological aspect of such defense is as important as its military aspect for, if the United States is to have the full support of its allies, these allies must have confidence in their own survival as well as that of the U.S. We believe that such a defense system can be installed at an acceptable cost.

We strongly urge the development of a capability to deter limited war or to deal with it promptly should it occur. What we recommend is a strong, mobile ready force of appropriate composition, with arrangements for its employment in all likely areas, and designed to apply only the degree of force required to deal with a particular situation.

EXPANDING THE FREE WORLD

To win out in the end over the forces of Communism, the United States must seize the initiative and promote an expanding Free World. We conclude that this is a very long-term measure and should be a permanent part of United States foreign policy.

We do not conceive of this measure as an economic aid or a technological development program alone. It is a program of meeting the aspirations of the peoples of the world by helping them to plan and implement measures for self-development. Along with know-how and capital must go expressions of Free World principles — by deed and by written and spoken word.

Implementing measures include joint development programs, regional integration of effort, development of young leadership, emphasis on programs of interest to native populations, and supporting information programs.

We hesitate to put a cost estimate on such an effort, but to define its dimensions we agree that the figure of an additional $2 billion per year for a number of years expresses the approximate magnitude. Anything substantially less would be below the threshold of effort likely to produce results. The Soviets have only recently become very active in this area of effort. From the viewpoint of the overall struggle with Communism, U.S. failure to act decisively in this area might well be considered a withdrawal of troops from a battlefield on which the enemy is deploying new and fresh battalions.

EXPOSING THE SOVIETS

The United States must also step up pressure to expose the true nature of Soviet intentions and the falsity of their doctrine. The Free World must not let itself be deflected by changing Soviet tactics from pursuing its objectives. To do so is to lose by default.

The accomplishment of this program will demand an attitude of faith in the future and of confidence in our nation's strength.

It will also be tedious and exacting and will require personal dedication and sacrifice, but it will not be too demanding of the great resources of the United States. The reward will be the establishment of a strong Free World with the United States the repected first among equals. The alternative is an encircled and isolated position in which the United States might survive only at the cost of its way of life. It is up to this nation to determine the course of world policy, and live up to the measure of its greatness. Only thus can a just and lasting peace be achieved.

Chapter I

Assessment of the Situation

THE PRESENT INTERNATIONAL SITUATION

We have studied official appraisals of the world situation, probable developments, and various external problems facing the U.S. These appraisals lead us to the following conclusions:

The world is undergoing a revolutionary transformation. Some of its manifestations are the pressing political, social and economic expectations and the attendant alteration of many socio-political institutions; the rapid rate of economic growth, and the efficacy and speed with which ideas are disseminated. The drastic rate of technological change, the difficulty of making new ideas properly understood, and the pressures of ideological conflict inevitably lead to psychological disturbances that, unless channeled through rational processes of evolutionary change, generate violence within and between communities.

During the first two phases of the cold war, which ended with the Geneva Conference, Communist provocation and aggressiveness supplied much of the impetus for necessary security measures. Since the Soviet government has now adopted more flexible tactics, the U.S. and the Free World may be lulled into a false sense of security. A systematic effort is therefore required to keep the Free World on its guard and to stiffen its morale for long-term efforts.

PHASES IN THE COMMUNIST-FREE WORLD STRUGGLE

WITH ILLUSTRATIVE EXAMPLES OF ACTIONS

	Soviet Bloc — ACTIONS	Free World — ACTIONS
1 1945-49	EXPLOITING A RAVAGED POST-WAR SITUATION Capture of Albania – Hungary – Czechoslovakia – Poland – Rumania – China World-wide subversive efforts Blockade of Berlin	Independence for Philippines – Jordan – Trieste – Japan – Israel – S. Korea – Indonesia Collective action: Greek–Turkey Aid Marshall Plan Point 4 – OEA Berlin airlift
2 1950-54	MILITARY AGGRESSION IN DIVISIVE AREAS Korea Indochina Malaya Subversive efforts	Collective measures in UN UN Korean war SHAPE – NATO – EDC NSA – MDAP SEATO Independence for Libya – Indochina
3 1955-	"PEACEFUL" AND COMPETITIVE CO-EXISTENCE – RIDING HISTORY, EXPLOITING OPPORTUNITIES Intensified cultural & diplomatic offensive Economic aid & technical assistance Trade offensive Peace feints & subversion Military: Arms for Egypt, ...? .....? .....?	DETERRENT ACTIONS: ..... ? ..... POSITIVE ACTIONS: ..... ? .....

The Soviet Union is likely to continue its current tactics for some time. These can be expected to include:

A systematic effort by the Soviets to portray their purposes to the Free World and to their own people as peaceful.

A sustained effort to present Soviet society as "progressive."

A reduction in the element of overt threat in Soviet dealings with the external world.

A major increase in the Soviet effort to establish closer relations with foreign nations by diplomacy and economic and cultural projects, particularly in the underdeveloped regions.

A continuing effort to portray the security ties between the United States and other nations of the Free World as unnecessary, contrary to their own interest, and ultimately dangerous.

Soviet relaxation in one area may have the purpose of removing the base for U.S. action in another. In any event the relaxation of military pressure will enable the U.S.S.R. to step up its diplomatic, economic, and psychological pressures. The following developments can therefore be expected:

Increasing support will be given by the Soviet Union to various "national independence movements."

Aggressive moves by Soviet "proxies" may be encouraged.

The technological and military growth of Soviet power will be continued and, perhaps, accelerated, and major efforts, including demonstration of power, will be made to keep the world aware of the Soviet capability for destruction.

In areas such as Western Europe, where the Soviets have small hope of winning outright control, Communist and crypto-Communist parties will make major efforts to interfere with legislative work in order to undermine security and prevent reform, and will concentrate on "anti-American" propaganda, especially in countries with U.S. bases.

As overt Soviet pressure recedes, the traditional frictions of international relations — such as French distrust of Germany and the Arab-Israeli problem — will come to the forefront. Communism, operating either openly from Moscow and Peking or covertly through local Communist parties, will exploit these strains and schisms. This exploitation can be entirely ruthless and divorced from ideological considerations, for whichever side Communism chooses to support (and frequently it will support both) the Free World can only lose.

The Soviet Union is very unlikely to choose general war as a policy course at this time unless Free World military power is outpaced technologically or dwindles to a level where the Soviet Union has a high possibility of achieving quick success without major damage to itself.

There is evidence, moreover, that the U.S.S.R. and its satellites are experiencing tensions and strains in certain areas. It is undoubtedly becoming increasingly difficult to maintain the centralization of authority and direction of the Soviet system in the face of an expanding population, urbanization, the growing economy, and increased though unbalanced industrialization. There are also the continuing problems of production and control in the agricultural sector of the Soviet economy, and above all, of raising the standard of living of the Soviet peoples, whose expectation have been growing.

The variations in the complex relationships around Russia's periphery are manifold, as are the relationships and problems connected with national Communist parties. Furthermore, many of these contacts

are complicated by the problems which surround ethnic minority and nationality groups within the Soviet Union and in the satellites.

The composition of leadership groups of the U.S.S.R. and its satellites is undergoing transformation. New leaders are emerging who require a new rationale suitable for solving conflicts between internal and external policies.

We have been shown no evidence, however, that the Soviet system is likely to experience critical difficulties from any arms competition in which it feels it must engage. The highest peacetime level of U.S. defensive effort that can be expected at present is not high enough to bring about an economic crisis within the U.S.S.R.

Soviet policies seem to be formulated by a group in which presumably several points of view are represented. It appears that present Soviet strategy is more or less open-ended and therefore liable to sudden change, either in the direction of increasing aggressiveness, possibly to the point of all-out war, or of a growing readiness to pretend to, or even genuinely to participate in, the stabilization of peace.

DANGERS

Among the dangers that will confront the U.S. in the next decade, two have concerned us particularly:

Failure by the U.S. to fulfill its responsibilities as the Free World's leader will open the way to further Communist expansion by successive local actions, especially in Asia, Europe, and the Middle East. Our national interest requires a sustained U.S. stewardship over the Free World's cohesion. The U.S. is the only non-Communist power strong enough economically and militarily to assume such a world-wide responsibility. Failure to exercise this leadership would lead to the gradual disintegration of the Free World's security structure and to the ultimate "encirclement" of the United States, an avowed objective of world Communism. Forced back on its own resources and confronted with an almost unmanageable military situation, an encircled United States might not survive or would be driven for the sake of survival to adopt policies and expedients inconsistent with its traditions and ideals.

Actual military or technological superiority, or the skillful conveying of an impression of such superiority, could be exploited by the Soviets in order to disintegrate the cohesion of the Free World or, for that matter, to weaken the resolution of the United States itself.

This danger could be aggravated by:

1. The loss of positions in the Free World (e.g., in the Middle East).

2. The falling behind in armaments of our major allies, and the growing obsolescence of their military forces.

3. The loss, or restrictions on the use, of U.S. forward bases.

4. Inadequate defense budgets, especially in the U.S., coupled with a continuing failure to coordinate the defense economies of all NATO nations in the most productive manner.

5. Rates and levels of research and development inferior to those of the Soviet Union, coupled with a continuing Soviet capability to exploit Free World scientific resources.

The U.S. policy of alliances has been based on the assumption that peace requires deterrent strength and that such strength includes the willingness to fight if necessary. Deterrent strength is being achieved (a) by the development of nuclear and other military power and (b) by alliances. While nuclear deterrents are an essential and irreplaceable element of U.S. security,

the hazards of nuclear warfare are extremely great, especially for densely populated countries close to the Soviet bloc. The Soviets have been very skillful in stimulating "nuclear anxieties," and there is a great danger that some of our allies, as well as the uncommitted powers, will seek to adopt a neutral position. This trend toward neutralism or, conversely, against "nuclear security," will tend to increase unless we are able to explain to our allies:

The military significance of their defense effort.

The peaceful objective of our security strategy.

The fact that the U.S. shares with them the risks of atomic war.

The bad faith of Soviet "ban-the-bomb" agitation.

While our intentions may be dangerously misinterpreted by the Free World, an equally grave danger arises from the misinterpretation of our needs and intentions by the U.S. public. An over-emphasis on peace as the chief goal of policy, particularly if the emphasis involves an incapacity to muster any effective force except nuclear weapons, makes it increasingly difficult to use force or the threat of force to safeguard our interests. This is especially true if the Soviet military challenge takes the form of peripheral, "brush-fire" wars.

The U.S. system of alliances may be further eroded if some of our present partners become convinced that the only way to achieve their primary objectives, or to avoid difficulties, is by making deals with the U.S.S.R. Specifically, the following problems may arise:

1. As time goes on, Western Germany may become increasingly vulnerable to the Soviet diplomatic offensive, not only for reasons that affect all Western Europe but also because Soviet acquiescence is prerequisite to German unity. Repeated Soviet emphasis on the proposition that German unity can be achieved through abandonment of NATO and through direct negotiations with the East German regime — and by no other means — may have a powerful cumulative effect on German thought and policy.

2. A prolonged reduction in the overt Soviet threat is likely to make Japan less willing to accept full membership in the Free World alliance: first, because the Japanese desire to avoid a serious and sustained armament effort; second, because they look to East-West trade as a possible solution of their chronic trade crisis; and third, because the Free World has not yet found a political role of stature for Japan of at least the magnitude of Western Germany's role in Europe.

3. There are powerful non-Communist elements in many countries that are not immune to the suggestion that their national interest will best be served by a pro-Russian and anti-American orientation. Moreover, colonial as well as balance-of-power interests may temporarily disrupt Free World unity at critical junctures. Such a danger would be increased any time the Soviet Union granted some concession.

Countries of South and Southeast Asia, intent on their domestic problems of economic growth and the modernization of their societies, and obsessed with the memory of their colonial past, have been susceptible to wishful thinking concerning the intention of the Communist bloc. The Soviet diplomatic offensive is likely to intensify the tendency of these countries toward neutralism.

Arab countries in the Middle East, are also likely to become more susceptible to the Soviet diplomatic offensive in order to increase their bargaining power over the West and to gain aid and advantage in the

conflict with Israel. Many local "nationalist" parties are inclined to cooperate with the Soviets. Except in a few countries, the psychological posture of the U.S. in the Middle East is particularly weak, while the Soviet Union is steadily gaining ground.

In Africa, the problem of colonialism is likely to make a number of areas increasingly vulnerable to Soviet overtures and subversion. Throughout the continent of Africa, this central problem takes a variety of forms that may work to Communist advantage. Relaxation of the cold war will permit the U.S.S.R. to stimulate the development of critical situations on this front, especially in connection with possible complications in South Africa. Acute strains can then be expected in the relations between some of the major countries of the Free World.

In all underdeveloped areas we can expect a systematic Soviet effort to assist with economic problems. In areas where the Soviets succeed in establishing a foothold, their influence will be strengthened by their ability to integrate political and economic considerations and the flexibility of their decision-making machinery.

In summary, by failing to put forward a greater level of effort now, the U.S. will continue to be confronted by a mounting series of crises. These crises will, at the minimum, require increasing levels of cost and effort and, at the maximum, will cost us our very way of life.

OPPORTUNITIES

The opportunities that confront us, if we pursue vigorously the recommended courses of action, are:

We will preserve the American way of life and give leadership, hope, and confidence to the Free World.

The Soviet Union may ultimately be brought to recognize that it has no possibility of achieving a position of strategic superiority over the West. It may then decide that Soviet national interest requires modification of the Communist doctrine of world revolution leading to a transformation of the U.S.S.R. into a normal member of the world community.

Stable, effective democratic societies can be developed in the underdeveloped areas of the world (and in underdeveloped parts of some advanced areas) that will be resistant to subversion and to the appeals of extremist movements.

The NATO community of nations can develop an antidote for neutralism and defeatism through an increased sense of common purpose and of confidence in its own capacity to work toward constructive goals.

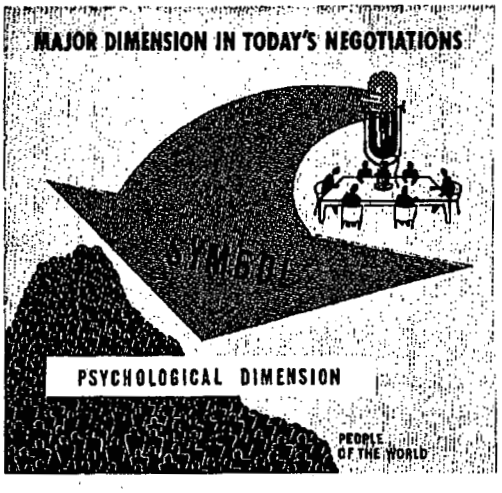
Given the proper psychological climate, there exist sufficient resources in the Free World to achieve and maintain arms supremacy in all significant weapons systems and geographical areas.

We have the capacity to raise the odds against Soviet surprise attack by the continuous strengthening of our offensive capabilities and of our defense and warning systems, and thus to reduce Soviet chances for successful attack and hopes to forestall retaliation.

The U.S., especially if aided by the industrial nations in the Free World, has the capacity to stay ahead in the technological race, provided that it makes the required efforts.

The Communist parties in many European countries may become so discredited and demoralized that it should be possible to reduce them gradually as politically significant factors.

In the long run, by the dedicated exertion of essential extra effort, money, and energy for the next decade, we will be buying insurance against what would otherwise be successively more threatening crises, which we will then be able to meet only by disproportionately larger expenditures and possibly sacrifices of our greatest treasure — American lives.



Chapter II

Strategic Framework for U. S. Action

GENERAL PRINCIPLES

We are suggesting no new broad components of national security policy in this report; our major recommendation is the need of a longer-range view and a better integration of our policy instruments. The problem of the continually changing situation is not only what to do, but also how and how much to do; not only a problem of initiation and review, but also a problem of management, leadership, and long-term continuity. It is a problem of program balance, timing, coordination, adjustment and emphasis, adapted to a very dynamic situation.

We are faced with the necessity of maintaining three initiatives in the eyes of the world:

1. The initiative in maintaining military power adequate to deter any aggression.

2. The initiative for peace in negotiation.

3. The initiative in furthering the aspirations, material and spiritual, of the people of the world.

The Soviet Union strives to turn our successes in the first of these initiatives into a propaganda liability for us in our struggle to maintain the second and third. The need for taking all three initiatives poses problems unprecedented in our national experience. We must preserve the substance and effect of our deterrent power while proving to the world that we stand for peaceful solutions, cultural progress, and idealism. It is imperative that our intentions and actions in all three fields reinforce one another.

Unifying Concepts

The transformation of NSC decisions into action programs represents the foreign policy area in which greater effectiveness must be achieved. In many ways, it is more difficult to devise adequate programs accommodated to the conflicting limitations of funds, trained manpower, and materiel than to make the policy decisions from which these programs derive. The problem is further complicated by the necessity of ensuring that the programs actually adopted support one another.

The total impact and effectiveness of U.S. psychological strategy depends in considerable part on the adoption of unifying concepts. Certain of these concepts are discussed in the following paragraphs.

The Struggle to Capture the Symbols

In this phase of the cold war, the most crucial contest may well be over the allegiance of the uncommitted part of the world, encompassing approximately a billion people, as well as over the continued cohesion of our allies. Success or failure in this struggle may turn in considerable part on which side captures the symbols that express man's aspirations and thereby influence political behavior. These include peace, self-government, economic advancement, security, freedom and cultural progress. All policy must therefore be examined not only for its substantive but also for its symbolic impact.

The Thresholds of Effort and Realization

Committed as our country is to continuing efforts on a global basis, we must give close attention to the resources and actions required to surmount thresholds that mark the minimum levels necessary to effectively implement our polices and programs. A policy without adequate resources to support it may be little better than no policy at all, and the resources expended, instead of leading to partial success, may give little or no return.

Timing

As Communist strategy develops greater maneuverability, we can depend less and less on crash programs to rescue us from crises caused by our failure to develop farsighted policies and programs. Because the time-tolerance for decision-making has been drastically reduced, we continually pass phase lines warning of the approach of possible hazards which, if not dealt with immediately by forehand action, may later reach a crisis with no alternative open to us but a costly salvage operation, or worse. The contest for Indochina for example, may have been decided before the U.S. took an active interest in the struggle.

Coordination

We realize that this word and concept is worn thin by discussion. We believe, however, that the change in Soviet tactics places a special and very exacting demand on the coordination of the policies and programs of our government. Unless there is a highly effective coordination of our programs and of information about them, our initiatives almost certainly will appear contradictory and incompatible.

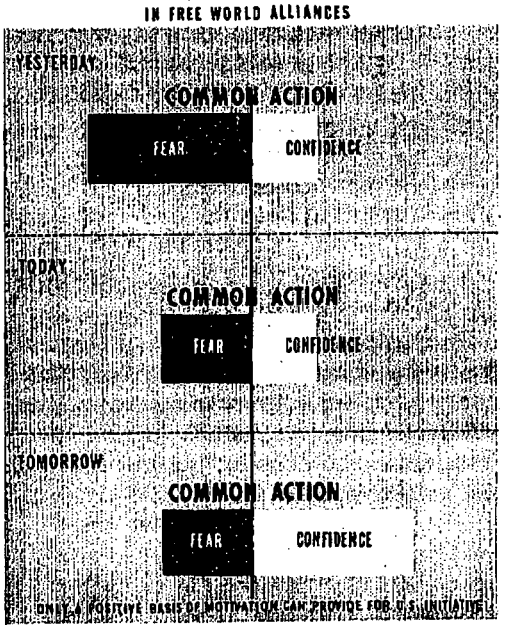
Common Action

We have the possibility of demonstrating our principles by actions and thereby creating a sense of Free World community through cooperative efforts. The fact of being engaged in a common effort with Americans may prove psychologically as significant as what is actually being achieved.

We must remember, however, that to arouse local enthusiasm action must be of a character that can appeal to the imagination of the people and must give the impression that a better future is being built. We should avoid embarking on fantastic programs for psychological reasons, but should rather plan our development programs after assessments both of their technical utility and the sense of direction and useful evolution they can impart.

The Posture of Confidence

The effectiveness of our policy depends on the psychological and moral framework created for it. It is to the Soviet interest to project the contest between us and the Soviet bloc as a pure power struggle, from which the rest of the world should stand apart. This is one of the psychological bases of neutralism. Conversely, it is in our interest to convey the true situation, which the Soviet leaders themselves never forget, that the struggle is essentially ideological. We must show that we are not prepared to jeopardize the principles of freedom as the price of peace. Our problem is to inject into our actions the values that oppose the Communist image of matter as the master of the universe. To meet Communism solely as a competing economic or military system is to miss the dimensions of the Communist challenge and to pave the way for



its expansion under the guise of the values of freedom, human dignity, and peace:

> "The central fact of today's life is the existence in the world of two great philosophies of man and of government. They are in contest for the friendship, loyalty, and support of the world's peoples.
>
> "On the one side, our nation is ranged with those who seek attainment of human goals through a government of laws administered by men. Those laws are rooted in moral law reflecting a religious faith that man is created in the image of God and that the energy of the free individual is the most dynamic force in human affairs."
>
> (Address by President Dwight D. Eisenhower at the Annual Convention of the American Bar Association in Philadelphia, Wednesday, August 24, 1955).

It is therefore important that the U.S. express its policies so that the following basic principles are recognizable as their foundation:

1. Well-being and military security are complementary and indivisible.

2. The problems confronting the countries of the Free World are soluble by peaceful evolutionary means.

3. Communism is obsolete.

4. Because of its traditions and ideals, the U.S., not the U.S.S.R., is the natural leader in the current period of revolution and in the struggle for a lasting peace.

ACHIEVING AND MAINTAINING FREE WORLD MILITARY SECURITY

The initiative the U.S. must maintain in the field of military security supplies the basis for initiative in negotiation and in the promotion of Free World stability. Subtlety of diplomacy will not be able to hold the Free World together if our allies lose confidence in our ability to deter aggression or to protect them in case of war. A development program to increase Free World stability will be futile if the uncommitted nations become convinced that communism has the capacity to submerge them. Thus our military posture has a psychological component that we can ignore only at our peril.

Moreover, nuclear power, the rapid rate of technological advance, and the cost of production and manufacture of modern

arms have changed the pattern of international affairs. The consciousness of the existence of the nuclear threat may contribute to restraint in certain situations but it may also encourage an adventurous policy through the belief that only the defense of a very vital interest will cause a power to unleash a nuclear war. The international situation is further complicated by the likelihood that small nations may come to possess some nuclear weapons capability.

The rate of technological advance has brought with it a rapid rate of obsolescence of weapons systems together with greatly increased complexities of manufacture. Some weapons systems are now obsolescent before they are operational. One consequence is that most nations lack the industrial capacity to keep up with changes in the armament technology. Put another way, responsibility for the progress of military development and for the supply of modern arms now rests with only a few powers.

The U.S. military security program is designed to (1) deter aggression of all types, (2) win in case of limited war and survive to win in case of general nuclear war, and (3) support the psychological and political arms of policy.

United States Military Strength

Armed force is what peoples and statesmen think it is until it is actually tested in operation. Hence choices and actions result from the strategic impression created by the force in being. In order to reduce Soviet options, the United States and its allies should build and maintain sufficient military strength to convey the strategic impressions that (1) we have highly effective power, both for defense and retaliation, against massive nuclear power either threatened or used, and that (2) we command alternatives to the use of massive atomic weapons if the situation warrants.

We need, in addition to a strong offensive capability: (1) a greater capability for the air defense of Western Europe, (2) a more effective deterrent to limited and peripheral war, and (3) more resources for and greater public emphasis on the defense of our country against massive nuclear attack.

These actions are feasible technically and financially; they can be put forward as non-threatening, non-aggressive measures that will further the President's Geneva program, erase reputation for "warmongering", and gain acceptance as essential prerequisites to initiation of an effective arms inspection program. Moreover, adequate defense should be stressed for psychological reasons. It gives the assurance of confidence in case of crisis, which would not be forthcoming under current programs. Coupled with a quiet and strong nuclear offensive readiness, it seems likely to be more rewarding than reliance primarily on massive nuclear offense.

Limited War Capabilities and Deterrents

Massive nuclear power alone seems unlikely to provide an effective deterrent to limited peripheral or "brush-fire" wars. Attempts to use such power as the sole deterrent would tend more likely to be a psychological and political liability, which might threaten the unity of our alliances and of our efforts to achieve acceptance of our policies by neutrals. Today our allies feel we have only two alternatives: (1) primary dependence on massive nuclear power and (2) doing nothing effective.

Hence our coalition policy finds itself in difficulties. The price of keeping our allies includes, in addition to our present capabilities, the creation of a mobile force of adequate size capable of acting quickly with or without the use of tactical atomic weapons in situations short of general war. We should, therefore, depend for a deterrent to limited war on (1) a ready mobile force, (2) political arrangements facilitating quick employment — preferably in collaboration with indigenous forces, and (3) obscurity concerning our atomic intentions. In this manner we would achieve a dual deterrent to limited war; first, the ready mobile force and, second, the possibility that, if necessary, our full atomic power will be brought to bear.

We recognize the psychological and political value of collective action in case the need for the use of force arises. It is, however, the course of wisdom to maintain a considerable degree of "free hand" through arrangements that will, in case of need, permit the U.S. to take the needed initiative in time for the action to be effective. The rapid action in Korea can serve as a precedent. The hazards of the future are exemplified by a possible crisis situation in the Middle East, where any action to be effective might need to be taken rapidly. The number and magnitude of lesser tensions of the Middle East type may well increase and the fear that action to deal with a local issue might lead to general nuclear war may make it increasingly difficult for us to meet such crises.

NATO and the Air Defense of Western Europe

The position of NATO, and our role in it has been vitally important. This position has been achieved in great part through the psychological effect of the confidence and the feeling of unity engendered by the cooperative building of military force. Even though the extent of that force in being at any time has been of questionable adequacy, or of obvious inadequacy, the needed security effect has been achieved. Like the weapons system on which it was based, this program has now become somewhat obsolescent and has to develop a new integrating component. That needed component is the psychological impact of an air defense program for NATO, a program obtainable at an acceptable price. There will, of course, come a day when the means provided will be, at least in part, obsolescent, although many will lend themselves to conversion to the more advanced requirements. They will, however, in the meantime provide a large measure of military security while giving badly needed confidence, impetus, and cohesion to NATO. The price of inaction on this program may be very high — considerably higher than the cost of action. An air defense program for NATO, moreover, would give an incentive to neutral nations, like Sweden, to integrate their military planning with that of NATO. Finally, air defense represents the military sector which can be strengthened without impairing the U.S. peace initiative.

Allies

Our arms assistance programs need an incisive review with particular emphasis on their psychological, political and economic aspects. It appears that (1) we are overextended on promises compared to our current Congressional and Bureau of the Budget policy intentions, and (2) we have not given adequate weight to the impact on weak economies of some programmed military establishments. Adverse results seem certain from the inevitable disillusionment of some governments over the failure of plans worked out with local U.S. military missions.

In Turkey we are already reaping some of the harmful effects of inadequate long-

range planning. Our group has the view that we should aim for adequate internal security forces plus only those additional forces which can be supported by the indigenous economy, bolstered by the U.S. assistance we are willing to provide over a long-term period.

The mutuality of U.S. and allied (particularly European) security interests needs increased emphasis. This emphasis can be successful only if the U.S. program and actions prove persuasive in joint allied military planning and in political and public discussion. It can be persuasive only to the degree that it demonstrates to our allies the military significance of their contribution.

The American people and our leadership, moreover, need to consider our internal policies and actions, particularly in defense matters, with an eye to the need for setting a persuasive example for other peoples and their statesmen.

Our policies and administration need to be geared to move quickly and flexibly as we identify weaknesses in our programs and opportunities for useful action.

Regulation of Armaments

The critical difficulties in this area include the impossiblity of accounting completely for nuclear production, and the necessity for a very high degree of technical effectiveness in an inspection program, if dependence is to be placed on inspection. But progress may be possible without prior design and acceptance of a completely effective system. In fact, an effective system can probably not be devised without some trial and experimentation. Any inspection system adds to the deterrent effect since it should decrease the inspected country's estimate of its chances of effecting surprise. We should therefore explain to our public and the world that regulation of armaments and "inspection' is proposed not exclusively for the purpose of reducing arms cost, but for the much more important purpose of reducing probabilities of atomic destruction. Reduction of armaments follows inspection and is likely to be dependent on the developments of the inspection system.

In order to keep the initiative, the U.S. needs to maintain a flow of specific proposals and actions. We hold "war maneuvers" with our own forces and with allies. There seem certain to be psychological assets in a program of "peace maneuvers" by which we actually test out strategies and tactics of inspection — perhaps in collaboration with an ally.

Dynamics of Our Military Problem

Since the opening of the Korean war, the Soviet Union has materially assisted us by frightening us and our allies into the needed security effort. The Soviet Union may now do so to a lesser degree and we must depend not on fear, but on positive motivation and leadership. This problem has three closely related aspects:

1. Our constituted governmental and military organizations, with roles and missions derived from the past, are not necessarily administratively in phase with the modern requirements for security.

2. Protracted leadtimes, the length of time between conception and capability to act, are in considerable part due to legislative, budgetary, and administrative considerations endemic to our political and administrative system. There are reports indicating that the Soviet Union may be more successful than we in devising ways to shorten or eliminate these elements of leadtime. It is questionable that we can afford, in the future, the luxuries of time-consuming administrative action.

3. The problem of balance among forces is a very knotty and controversial one.

Nevertheless, it requires a continuous effort. There should be an increased use of detached scientific analysis of balance, types and scopes of requirements, and of expenditures. We believe that such analysis would show that the priorities for expenditures have shifted more rapidly than the programs. There also appear to be likely returns from a scientific analysis of the offensive-defensive mix of the Soviet Union and the optimum offensive-defensive mix we should oppose to it. The panel tends to believe that the U.S. may well be more secure by balancing the arms equation with the Soviet Union at a comparatively high level of effort rather than at a low level.

Thresholds of Effort and Levels of Preparedness

The leadtimes in the military field are such that the decisions made today determine vital availabilities 3 to 10 years from now. This point is particularly applicable to research and development. Since military needs can only be estimated approximately and because the Soviet Union shows a capability to surprise us by the rapidity of its advance, we should be sure to provide sufficient military power. In the military field a shortage tends to be comparable to a shortage in length of a bridge span; a small extension may spell the difference between security and disaster. The fundamental decisions on security (political and economic as well as military) must now be made years in advance. Since we cannot estimate with hairline precision, we should provide enough. Security, in short, requires a considerable margin of safety.

Initiative, efficiency, and long-run economy will be furthered by:

1. Elimination of fluctuations in provision of resources, and long-term (3–5 years) assurances of availabilities.

2. Relating adjustments in resources to the military requirements rather than to internal political considerations such as reducing taxes by means of reduced defense expenditures.

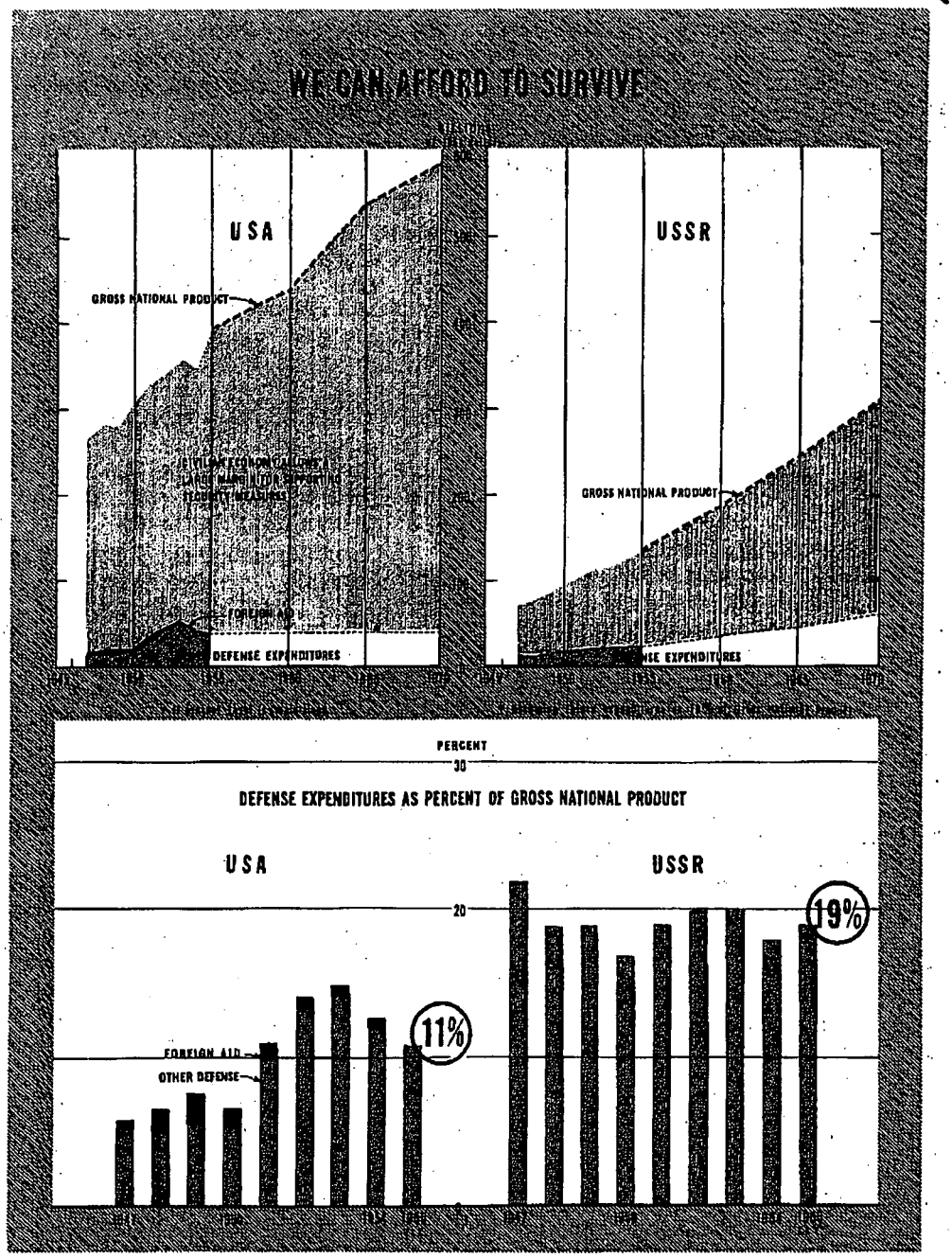
The Price of Safety

The Soviet Union is putting a materially greater proportion of its production into military power than are we, and the ruble buys more in the military field than the equivalent dollars. We are probably allocating on a comparative basis too little to maintain a lead or even parity. It is not always realized that a security policy predicated on the humanly admirable but militarily luxurious concept that the opponent must be allowed to strike the first blow has a price tag attached to it. So far, the U.S. has been unwilling to pay.

There is no question about the existence of a very difficult problem in balancing security on the one hand and economic and internal political considerations on the other. In the absence of firm U.S. leadership, security decisions tend to be made more and more on grounds of short-run economic and political considerations. Our group urges increased efforts to coordinate, on a rational and scientific basis, the U.S. security requirement with U.S. economic and political aspirations.

A constant security effort will involve an increase in our military expenditures. Viewed, however, as a proportion of the rising gross national product of our country, it seems that the cost of security might over the long run remain constant.

The U.S. is by far the wealthiest country in the world, measured both in terms of total production and on a per-capita basis. Its leadership in the fiscal and budget area is certain to be persuasive to many countries looking for guidance as to the extent of their security effort and the degree of danger presented to them by the Soviet Union.


WE CAN AFFORD TO SURVIVE
USA
USSR
GROSS NATIONAL PRODUCT
FOREIGN AID
DEFENSE EXPENDITURES
GROSS NATIONAL PRODUCT
PERCENT
30
DEFENSE EXPENDITURES AS PERCENT OF GROSS NATIONAL PRODUCT
USA
USSR
20
11%
19%
FOREIGN AID
OTHER DEFENSE

The suggestions in the preceding sections may result in some readjustment in currently programmed expenditures; they involve certain additive programs which probably mean an increase of 10 to 20% in the U.S. security budget. With a production currently surging upward, and with the leadership existent in our country, there should be no problem of capability to insure our way of life. We can and must afford to survive.

POLITICAL RELATIONS WITH THE FREE WORLD AND THE SOVIET ORBIT

The Problem

The U.S.S.R. has been most skillful in utilizing the aspirations of humanity for peace, economic advancement, and human dignity in two ways: (1) by generalized talk about peace, it has given the impression that the outstanding disputes are minor and that the achievement of peace depends largely on a change of tone; (2) by focusing on security problems, such as German rearmament, the U.S.S.R. has fostered illusions that it is threatened and has put the onus for reassuring it on the West.

Both tactics are eminently to the Soviet advantage. As long as the concept of peace is identified with a change of tone alone it will be simple for the U.S.S.R. to use negotiations as part of its peace offensive. The more the Soviet bloc is permitted to capitalize on peaceful gestures which cost it nothing, such as visits of Soviet farm delegations, the more difficult it will prove to get popular support for the level of Free World security expenditure (political and economic, as well as military) without which the Soviet bloc may soon achieve strategic superiority. The more prolonged the discussions about threats to Soviet security, the more difficult will it prove to return to real security problems: the growth of the Soviet orbit, the subversive activities of Communist movements, the aggressive tactics of communism in Asia, the preponderance of Soviet military strength in Europe, and the danger of a surprise nuclear attack.

When Soviet pressure is relaxed, moreover, the traditional frictions of international affairs tend to come to the forefront. Examples are the French distrust of Germany, the Arab-Israeli problem, frictions among certain states of Latin America. The U.S.S.R. is thereby offered an opportunity to increase our embarrassments at little cost and less risk. This situation is aggravated by the fact that in major areas of the world, where no conception of our power exists, irresponsible governments seem convinced that they can act with impunity toward the U.S. but not toward the U.S.S.R.

In negotiations with the Soviet bloc, the U.S. should base its measures on the following principles:

1. Since in a revolutionary period the contest is over the minds of men, all governmental actions have not only a substantive but also a symbolic significance.

2. Initiative is of cardinal importance. It provides the opportunity for defining the psychological and moral framework of the negotiations; it absorbs the energies of the other side in defensive measures; and it maximizes the possibilities of conflicts within the Soviet leadership group.

3. One means of achieving the initiative is to come to a conference with more than one set of proposals so that the Soviets will

be kept off balance and the U.S. can project an impression of imagination and purposefulness to the rest of the world.

4. Negotiations leading to the settlement of issues which leave the Soviet orbit unimpaired play into the hands of the Soviets because (a) they gain time until their strategic situation improves, and (b) each such settlement, however trivial, tends to undermine the resolution of the Free World.

5. In certain situations, such as when negotiations in one area are used to mask aggressive moves in other areas, the threat to break off negotiations or the refusal to continue to negotiate is itself a negotiating weapon.

In summary, the U.S. must devise a policy which (a) maintains sufficient pressure to discourage Soviet adventures, but (b) through tactics which do not undermine the possibilities of an evolution of the Soviet system. Of these lines of action, the need for maintaining pressure is the more fundamental. Whenever policies to promote the evolution of the Soviet system are inconsistent with maintaining pressure they will have to be sacrificed.

The over-all U.S. political problem resolves itself into the following tasks: (1) to maintain within the U.S. domestic support for a continuation of a firm policy; (2) to announce a program which captures the universal desire for peace but still leaves no doubt that peace can only be achieved through a series of concrete adjustments; (3) to conduct negotiations with the U.S.S.R. on a plane where the presence of Soviet troops in the center of the continent, the Soviet satellite orbit, and aggressive Soviet tactics in Asia are stressed as the causes of the present tension; (4) to devise a policy for dealing with Soviet efforts to use the relaxation of tensions to foment rivalries within the Free World.

Exploitation of the Position Established by the President at Geneva

The effectiveness of these measures will depend on the psychological framework created for them. No one is in a better position to achieve the maximum psychological impact than the President, building on the position he established at Geneva. No one could better rally the American people and make clear to them that conciliation stands at the end, not at the beginning of negotiations.

As soon as his health permits, the President might consider a speech to the nation explaining that a real relaxation of tensions is impossible without Soviet concessions on issues which caused the tension in the first place, such as the division of Germany, the enslavement of the satellites, etc.; that while the U.S. is willing to negotiate as long as there exists a hope for concrete results, it will not be a party to misleading the people of the world if the negotiations should merely mask continued Soviet intransigeance.

In order to put the Soviets on the defensive, the President might also deem it appropriate to reiterate and expand the philosophy which prompted him to present his "open sky" proposal at Geneva. Opportunity for such a statement may be provided by a full-length reply to Bulganin's disarmament letter. In his answer, the President might press the Soviets toward more rapid progress in accepting an inspection scheme and he might propose that, in the interim, both the U.S. and the U.S.S.R. should pledge themselves to see to it that the U.N. Charter henceforth will be complied with more faithfully.

Negotiations with the U.S.S.R.

Within the psychological framework thus created by the President, we can counteract the Soviet strategy of pressing issues where

we are at a maximum disadvantage while using the relaxation of tensions to maintain the status quo in other areas by the following measures:

1. Developing specific proposals aimed at forcing the Soviets to make concrete readjustments in our strategic favor.

2. Making clear at every stage of the negotiations the outstanding issues still to be settled and pressing for them. An example might be a conference of the signatories of the Korean Armistice to discuss violations of the armistice agreement and to implement its provisions for free elections.

3. Better utilizing our influence in international organizations to prevent the Soviet bloc from exploiting them for their own ends and to put the Soviets on the defensive. In particular, we should: (1) prevent a repetition of the Algerian vote in the UN through fuller consultation with our friends, such as the Latin American bloc; (2) keep the Soviet bloc on the defensive by exploiting its vulnerabilities, such as the slave labor system.

We can prevent the U.S.S.R. from eroding the unity of the Free World by the following kinds of measures:

1. Relation of single issues, such as elections for Vietnam, to similar problems in other areas where our position is stronger. There may be wisdom in insisting, in advance of any crisis, that the problem of free elections in one divided country should not be separated from the problem of free elections in all countries presently divided. With this approach, we could demand that free elections, under suitable guarantees go forward in Korea and Germany, and when appropriate, in Vietnam.

2. In Europe, Germany is the issue where Western moral, military, and legal positions are most in harmony. Now that the West's proposal for full political unification has been rejected, the U.S. confronts the problem of shifting the onus for the continued partition of Germany on the U.S.S.R. and of demonstrating that the alternative plan proposed by Molotov and the East German regime is a sham. We can do this by concentrating our fire on the weakest Soviet point — their refusal to accept free election. We should propose a series of limited steps toward unification, such as an Economic Parliament or an Advisory Parliament based on free elections, which will demonstrate that it is the Russian refusal to accept free elections and not German participation in NATO which is the obstacle to German unification.

We should also attempt to associate major segments of West German opinion with our policy to assure continuation of pro-Western orientation of the Federal Republic. One means to achieve this would be frequent invitations to German parliamentary and public opinion leaders from all democratic parties to conferences and consultations with their American counterparts both in Germany and in the U.S.

We should deal with Soviet efforts to use the relaxation of tensions in order to foment difficulties in critical areas by the following kinds of measures:

1. A warning to the U.S.S.R — perhaps contained in the Presidential address recommended above — that peaceful coexistence is seriously prejudiced by Soviet actions which can only lead to increased tensions and the danger of violence.

2. A program, also discussed later in this chapter, to reverse the trend of events in the Middle East and Southeast Asia. Such a program should have as its guiding principle that anticipatory, farsighted action may prevent a crisis from occuring at all. The U.S. should keep in mind, however, the harmful psychological impact of making concessions whenever a nation flirts with the Soviet bloc.

3. A demonstration that the U.S. understands its strategic interests and intends to defend them. The U.S. should find a concept for the twentieth-century equivalent of "showing the flag" by a combination of military, political and economic power.

4. Coordination of our policies with those of other nations which have major interests in the area in question. In the Middle East a systematic effort should be made to develop the closest coordination between the U.S. and U.K. positions. Such a policy presupposes submerging commerical and other rivalries in our overriding objective of preventing communism from turning our flank in the Middle East. A joint U.S.–U.K.–Egyptian development program of the Nile might have given us the political leverage to forestall the Soviet arms deal.

5. Contacts with the West are bound to affect the Soviet Union and its satellites. These contacts might influence the Soviets slowly along a road on which it is difficult but (and we emphasize) not impossible, to turn back. With the understanding that there is no certainty of improvement but only a possibility, we recommend: (1) that we should press all contacts with the Soviet Union that do not hazard important values; (2) that racial and family relationships across the Iron Curtain might well be a very fruitful area for greater development. While the peoples of the U.S.S.R. have been under Communist domination nearly 40 years and in virtual cultural isolation for most of their history, the peoples of the European satellites have been under Soviet domination only 10 years. Hence, there is much more probability for a maximum impact on the satellites than on the Soviet Union; (3) that American participants in exchange programs and American visitors to Russia be carefully briefed about Soviet methods of influencing foreigners and exploiting them for propaganda purposes.

Colonialism

Many of the difficulties confronting the U.S. with regard to the colonialism issue are psychological in origin. The American position is made difficult by the American national conviction that "colonialism" is bad under all circumstances and that "national independence," whatever that may mean in a concrete case, is admirable. This conviction overlooks the fact that many peoples are incapable of self-government, that the nationality principle is not applicable in areas where many religions, cultures, and races mingle and where a "nation" may emerge only in the future. It also forgets the millions of white people who have settled in the colonial areas for more than 100 years and whose rights deserve respect and protection.

The image the U.S. projects regarding its attitudes toward colonialism will influence our effectiveness in dealing with this issue. Bearing this in mind, the U.S. should adopt a policy inspired by the following general considerations:

1. The U.S. utilizing developmental and information programs and assisted by the community of free nations will make every effort to satisfy the aspirations of the colonial peoples.

2. The political solutions to the many outstanding colonial situations will be responsive to local requirements.

3. In case of unrest, the U.S. will exert its influence so that repressive actions by colonial powers will be as indirect as possible.

4. Trusteeship by more advanced civilizations is an essential moral obligation wherever the populations are incapable of organizing themselves into a state and assuming their place in the community of nations; where divisions in the population would allow some other advanced community, including a Communist force, to exploit a

native population; and where the survival interests of large numbers of peoples are at stake.

5. Soviet spokesmen will not be allowed to attack Western "colonialism" (for example, in the UN) without being reminded forcefully not only about their own colonial possessions, but also about the fact that these possessions are hidden away behind an impenetrable Iron Curtain.

The Relations Between Diplomacy and Psychological Strategy

The things we say, which are "policy," and the things we do, which are "programs" need to be consistent and mutually supporting. The psychological and political aims of national policy depend on the support of economic or military programs of action. Conversely, the effectiveness of these programs depends greatly on the timing, choice, and other characteristics of the manner in which we explain thenm. In particular, we must strive to get the greatest psychological benefit from our actions and weigh substantive advantages against possible psychological disadvantages. For example: we should not take unilateral actions without attempting to sell them for political and psychological benefits Just as the Soviets used their relinquishing of a Finnish base as a move in the cold war, so we should seek to derive political benefits from such gestures as the withdrawal of U.S. divisions form Korea.

PROMOTING FREE WORLD STABILITY AND GROWTH

Emerging Prospects

Soviet tactics for the emerging phase of the struggle will continue to work toward the long-term objective of capturing the Eurasian–African land-mass piecemeal and by means short of a general war. There is growing evidence that the U.S.S.R. has realized that its most effective means of expansion is by identifying itself with the concern of a large part of the world for internal political, economic, and social growth. We can anticipate that Soviet expansion through economic development will become a permanent phase of the struggle.

We need, therefore, to counter this program on a broad basis and in a way that does not involve us continually in the costs and losses incident to open crises. Understandably, over the last decade, we have concentrated our efforts to a considerable extent on political and military programs and have created some belief that our economic, social, and cultural programs are sporadic and temporary. There is, moreover, a tendency within the U.S. to brand such programs as "do-goodism," and the trend appears to be toward the reduction of these programs at the earliest possible date.

Our group believes that we should initiate a long-range program to assist Free World development aimed at assisting societies toward peaceful change and growth and toward meeting the aspirations of peoples. Whenever effective and appropriate, this should be done through the UN. A society that is economically viable and democratic in the sense that power, initiative, responsibility, and opportunity for advancement are widely distributed will give Communism fewer opportunities to seize power except by overt external aggression. The latter is the easiest form of aggression to combat. In development programs we should consider not only their technical utility but the sense of direction and useful

evolution they can impart. It is therefore important:

1. That the U.S. undertake a systematic study, by area, of the kind of program which will be most suitable for enlisting the interest of the population.

2. To devise means for dramatizing the impact of these programs.

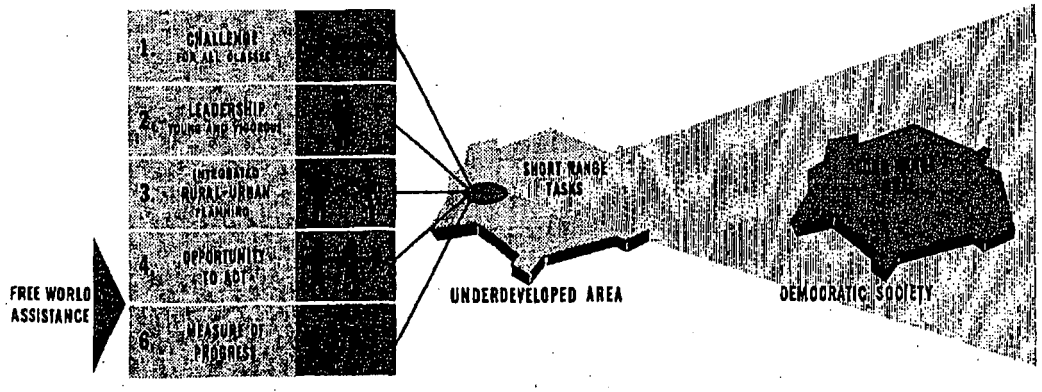
Leadership and Confidence in Progress

Any long-term program to promote Free World stability must have as one of its major targets the small group of intellectuals, administrators, and technicians who provide the leadership in all areas and whose influence is particularly strong in the former colonial areas of Asia and the Middle East. Communism owes much of its success because of inroads among this group. A program of leadership training — particularly for young leaders — may not yield startling results in the short run. Nevertheless, we should aim to strengthen the leadership resource base, to keep younger leaders constructively employed or in training. We should seek, with the cooperation of government and business authorities, expansion of opportunities for employing young leaders so that they may gain a personal stake in their society.

An important method in selecting and rewarding leadership lies in defining standards of excellence. One of the difficulties of the Free World is its problem in matching the dedication of the Communist orbit with a similar dedication of its own. This reflects a crisis of values brought about in part by a destructive Communist critique, in part by their superior ability to symbolize their values. We should, therefore, create a system of awards which define and reward excellence in interpreting and furthering the basic values of the Free World similar to what the Nobel Prize does for the advancement of peace and the Stalin prize for achievements in the Communist realm.

Any society must in the long run acquire the resources, particularly the economic ones, to move forward in pace with its desire for progress. This requirement is part

BASIC ELEMENTS for a program of Free World dynamic growth



of an equally compelling requirement that individuals, communities, and states must develop confidence in their ability to make progress. Uncertainty, lack of confidence, and frustration make for instability. We should not bind ourselves to the effectiveness of the Communist campaign aganist sorely-pressed, moderate leadership in some newly-independent countries. Lacking the means to fulfill the promisese of "independence", these leaders are vulnerable to the Communist charge that they are bankrupt. They are thus unable to counter effectively the Communist formula for achieving popular aspirations.

In order that the democratic way may survive, the aspirations of all classes and regions in each nation's society have to receive consideration. This is a particular problem in countries with substantial urban populations. The economic gap between rural and city people can become critical with rising industrialization.

In many areas we are widely regarded, with some justice, as having been too exclusively preoccupied with high-level diplomatic negotiation, with pacts, treaties, and conferences about global issues that have little relevance or appeal to the people or their local leadership. Foreign grass-root support for U.S. policies can be obtained only if people at the grass roots understand our endeavors and benefit from them.

The Threshold of Economic Effort Required

We believe that a minimum level of effort is required and that we have not achieved it. We are spending substantial amounts on economic aid, but the bulk is for short-term relief and rehabilitation in crisis areas like Korea and Vietnam. We believe between one and two billion dollars per year, in addition to current aid and capital investment, needs to be made available for underdeveloped areas capable of using additional resources productively under realistic criteria of eligibility. We believe, moreover, that this rate of investment must be maintained over a number of years if sustained results are to be achieved. The hope in such a program is that by reinforcing the promise of success in countries such as Turkey, India, Burma, and the Latin American states and by stimulating new efforts in countries not yet in motion we can prevent the development of economic and political crises that would be many times more costly to meet.

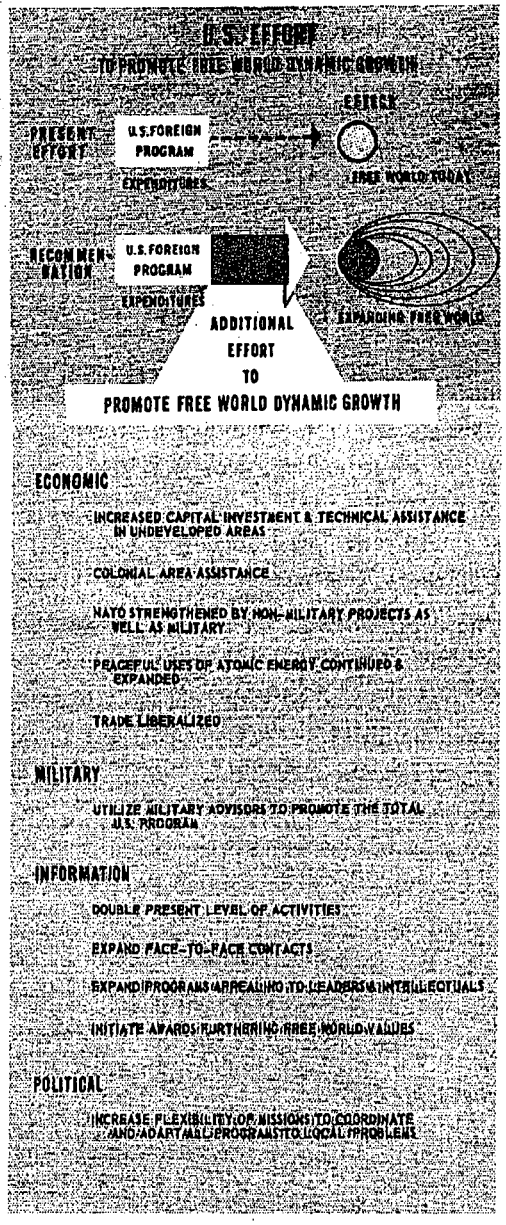
We should keep in mind that the Soviet Union can match us if we set our activity at a low level and encumber our programs with lengthy administrative leadtimes. We can outstrip communism and give leadership to the world only by setting our effort at an effective level and by projecting the initiative, imagination, vision, and willingness to take risks that have traditionally characterized U.S. private enterprise. We must accept the fact that the struggle with communism is almost certain to go on over a long period. We see economic development as inseparable from political and social development within a country. And so long as a considerable component of military force is required within a country, it must be developed and handled in close relationship with other forms of development.

Expanding the Non-Military Function of NATO

In devising a dynamic program to increase the cohesiveness of the Free World, particular attention should be given to the NATO bloc. Such a program must have two components:

1. A level of military strength that affords a reasonable deterrent against Soviet attack and reasonable protection should it occur.

2. A program of common action to develop a greater sense of community.



The program of common action should include an effort to strengthen the non-military functions of NATO. Four ways are suggested in which this might be done:

1. Development of joint studies, through the establishment of research institutes,
2. Joint ventures including, among others, a NATO-wide "ownership" program, a NATO cultural program, and NATO youth programs,
3. A series of NATO-wide activities designed to encourage mutual adaptation, such as rotating visits of all parliamentarians among the NATO countries including the U.S.
4. Establishment of NATO reporting organs, such as a NATO Parliamentary Gazette.

The question of which of these activities, many of them now carried on by other European bodies to some degree, are appropriate for NATO needs further examination. But the principle of cooperative effort in non-military matters in an organization in which there is U.S. participation seems to us one which follows from the general considerations outlined earlier.

Japan

In Asia, Japan presents us with perhaps our most complicated problem, which illustrates very well the difficulty of the selection and integration of programs. Attention tends to be focused on Japan's economic problem. Our country has to give serious consideration to relaxation of the controls on Japanese trade with the Soviet bloc, if only to provide a convincing demonstration that the solution of Japanese economic problems is not to be found in that direction. An acceleration of growth in the underdeveloped areas, coupled with assistance on our part in directing Japanese trade with these areas, should produce expanding mar-

kets and sources of raw materials. Continuing favorable adjustment of our tariffs will assist Japan in her difficult economic situation; nor is there any doubt that we must continue to give Japan material assistance for some time if it is to take over responsibility for its own local security.

But Japan will not become an effective partner unless Japanese spiritual and political factors develop in a way that keeps Japan firmly attached as a member of our community of states. This requires that Japan be given a position of honor and respect among nations and that we help Japan become strong and stable. Unless we are successful in this effort there is danger that Japanese opposition to continued alliance with the Free World will increase to a degree damaging to our interests.

The Colonial Question

One of the great threats to the cohesion of the Free World centers in the relation between the industrialized nations and the recently independent countries and colonial areas of Asia and Africa. The image which the U.S. projects toward this relationship will greatly affect the success of the programs we might pursue toward the colonial areas.

As stated earlier in this report U.S. programs toward the colonial areas should rest on two cardinal principles:

1. The community of free nations will make every effort to assist the orderly effort of colonial peoples to satisfy their aspirations.

2. The solutions to the many outstanding colonial problems will be responsive to local requirements.

Our main endeavor should be to promote the peaceful evolution of colonial areas so as to reduce the chances of violent outbreaks. In addition to selected economic assistance programs, the following long-range steps should be taken:

1. The establishment of joint study groups to elaborate various reform plans.

2. The establishment of school systems with improved curricula including adult education.

3. The development, by the interested Western powers, of an effective intelligence system to isolate troublemakers at an early time.

4. Various efforts to manipulate or split independence movements coupled with the full-fledged cooperation of their moderate wings.

5. In the colonial areas, nations other than the "motherlands" should be allowed to invest, to trade, to advise, and to educate. Personnel exchanges should be multi-lateral, with the native elite going not only to Paris and London, but also to Washington. In order to profit from Western civilization in its broader aspects, the native nationals should be encouraged to maintain all kinds of relationships with various Western nations.

If, in spite of our efforts to prevent it, violence should break out in colonial areas, the U.S. should take a strong stand against atrocities, and a stand for any constructive effort to re-establish peace.

Neutralism

Many countries throughout the world prefer to stand apart from the conflict between the Communist orbit and the West. Some of these countries are new to self-government; most of them are more concerned with anti-colonialism or economic development than with communism.

Our group suggests that the currently developing world situation may make un-

wise some policies and programs that require countries to stand up and be counted in the East-West conflict. There are many problems of mutual interest between ourselves and the neutral nations that do not involve the East-West conflict. A neutralism of the Swiss type, based on strength, should be respected and even perhaps encouraged in certain areas in the Middle East and along the rimland of Asia.

The countries inclined to neutralism must have a reason if they are to choose sides at all. In fact, since they are bound to come under Communist pressure, they will need to have adequate reasons to prevent them from being "neutral" against the U.S. It is suggested that one of the long-run counters to this tendency is that the U.S., without direct reference to communism, identify itself on a selective basis with efforts to improve the internal security and the internal economic growth of these neutralist countries.

Military Assistance Programs

Although seemingly designed for a purely military purpose, military assistance programs are also economic assistance programs of a specialized type. They are political and psychological instruments of the greatest delicacy and importance. In the marginally committed and uncommitted nations, they offer a useful instrument for simultaneously establishing internal security and for furthering the aspirations of people for a better life. By using military assistance programs in support of day-to-day policy, we increase the value of military force as a political instrument.

Our military training and assistance country missions have been among our most effective political and psychological instruments in some countries, particularly Latin America. The importance of the military and of military men in the governments of new and/or unstable countries is one of the important facts of international life. We can often best maintain contacts and exercise influence through military channels. Military programs, moreover, reach village-level people and their problems.

Atomic Competition

The U.S. now faces two related developments of such a high probability that it needs to prepare a policy against them as if they were certainties. The Soviet Union is now both ready and willing for political purposes to: (a) supply arms to many discontented nations in the Free World, and; (b) compete strongly in international trade and in development programs requiring the provision of capital and technological assistance of many kinds, including atomic energy.

Our country can expect that the Soviet Union will move in every time we offer an opportunity through a mistake, through procrastination, or a half-hearted policy. We can, for example, expect the stiffest kind of competition for the future title to the Atoms-for-Peace program.

Properly exploited, U.S. leadership in extending the peaceful uses of atomic energy has great political and propaganda value, but the U.S. will have to move swifty to retain the leadership.

It became clear at the 1955 Geneva Atomic Conference that we have few remaining advantages to gain from rigid security and that others, including the Russians, the British, and the French, will soon be in a position to move vigorously into the field. The psychological effects of a more open U.S. atomic information policy can be considerable, especially if we avoid appearing a grudging contributor to foreign programs. It is important to speed declassification of all information in this area except

data with direct and important military significance.

Three fields of information should be emphasized:

Power — While making data available, we should avoid overselling atomic power for its own sake. Nuclear power plants should be integrated into over-all power programs. While atomic power may soon be competitive in some presently high-cost areas (Japan, Brazil), conventional fuels will pay their own way in many areas for decades to come.

Research — This is an important area for increased cooperation with other nations. It has great symbolic value even before practical results emerge. The present research reactor program is valuable in this light, and could profitably be expanded.

Isotopes — Although applications of isotopes in medicine, agriculture, and industry are of more immediate value to the U.S. than to most areas abroad, the U.S. can benefit psychologically by exporting some of these techniques.

The expansion of knowledge concerning atomic energy may increase the interest of many countries in an inspection and regulation system for nuclear power. Our group has not explored this avenue at length, but suggests that such an exploration might prove rewarding from the political and psychological standpoints.

Removing Trade Restrictions

While we believe the major new emphasis called for in a program for Free World growth and stability is a concentration on the internal problems of countries and regions, we would emphasize that this must be accompanied by redoubled efforts to promote international trade and liberate it from restrictions:

Lower U.S. tariffs would give assistance to the balance of payments position of Western Europe and Japan. They would also have a salutary or good psychological effect by setting an example for countries tempted to choose autarky.

East-West Trade

Our East-West trade policies were necessary when instituted, and contributed initially to furtherance of our objectives. Most of our allies believe they no longer serve any significant security purpose. In their present form, they may give us more liabilities in the form of strain on Free World unity than they give us assets in the security area.

There are reasons to believe: (1) that the exchange of goods that would actually develop in the absence of any controls would be very much less than our allies believe; (on this score the experience of Sweden is illuminating) and (2) that the strategic value to the bloc of this slight expansion of trade would not be such as to increase significantly their economic war potential. Recent steps to modify East-West trade restrictions help meet pressure from our allies to relax controls. As long as we are aware of the political uses the Soviets might make of trade, the symbolic advantages to be gained from a bold move to call the Soviet bluff by encouraging trade in all but narrowly military significant items, may outweigh the limited strategic advantages of continued restriction.

Furthering Our Interests Through Information

Our information program can be effective only to the degree it is related to our political, economic, and military programs, on which it is completely dependent. Our information effort should be based on the maximum coordination of timing and scope of actions of other programs with the information program. The problem is to have actions that speak both loudly and well in

our interest, and then to have an information program which distills the last iota of possible returns from them.

The best information program concerning America abroad would be one expressed on a basis of spontaneity by members of our various missions and by Americans travelling abroad, avoiding the taint often associated with the word propaganda. It is important that this program appeal to intellectuals who supply so much of the leadership, particularly in backward countries. Individual Americans serving our country abroad need to be capable of dealing face-to-face with local leadership groups both on a technical and ideological plane. American personnel abroad should be encouraged to develop the widest possible contacts in the countries in which they are resident...

Current practices inhibit some Americans from seeking or even accepting contacts with persons in foreign countries who are not already reliably known to be our firm friends. This practice, where it exists, should be changed. In fact, it is to our advantage to seek out leadership which is skeptical or even unfriendly, bring it to the U.S., or expose it to information about America and Americans in other ways.

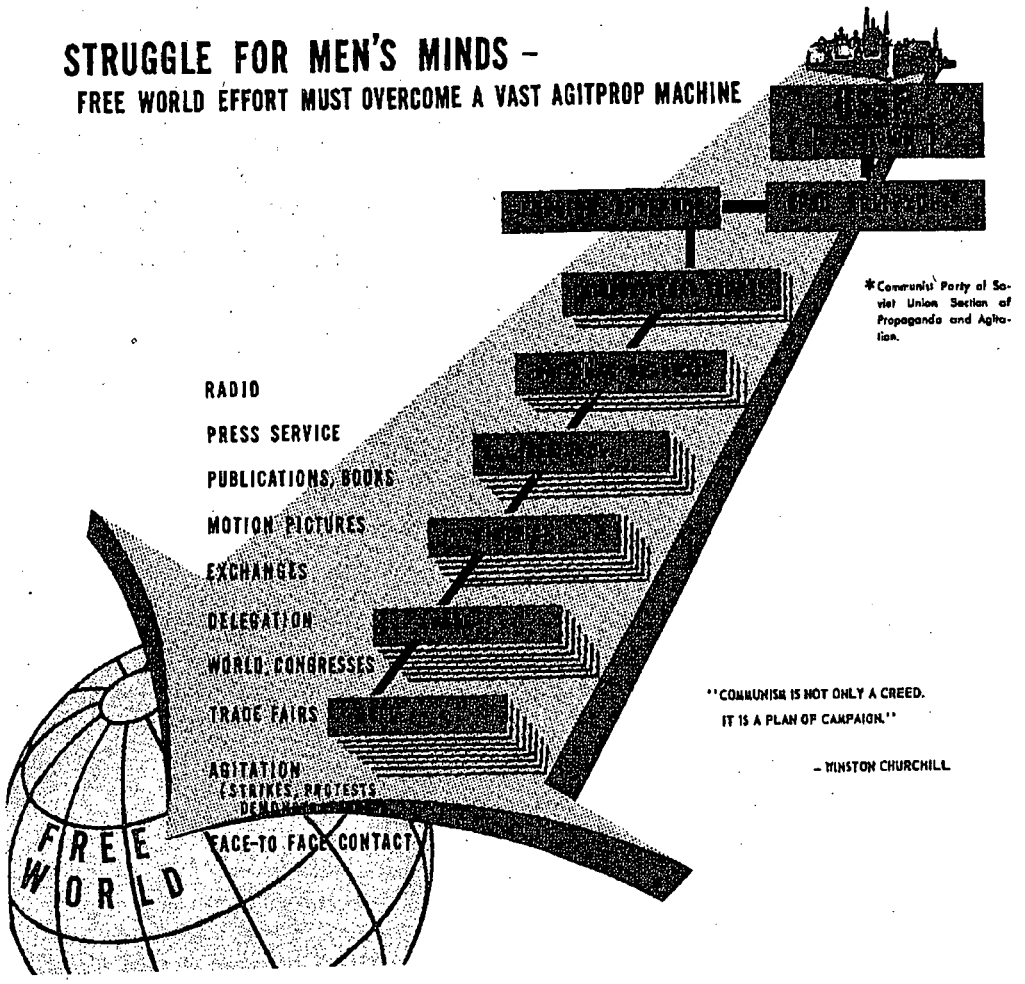
With education and literacy growing at an astounding pace everywhere, books, papers, and magazines provide the most effective way of reaching large numbers of people. Our foreign library program is admirable and should be expanded, but the great need is for really cheap books and magazines of the right types that would be available in local commercial establishments. Unfortunately the Communists have realized this and have flooded areas in which they are interested with masses of literature at heavily subsidized prices. Western writings are too highly priced and available only to the wealthier urban classes. The communicable products of Western culture which have achieved a really wide audience are comic books and the more sensational films — perhaps it would be possible to institute a program of such items of a helpful type. We recommend a program, substantially financed if necessary, for the subsidization of inexpensive editions in local languages of a wide variety of books, many of which, in order to achieve real impact, will have to be written by authors knowledgeable in the approach here suggested. In addition we should capitalize on the fact that English is a lingua franca in many formerly colonial areas by making available cheap books in English.

Information and Political Warfare

The struggle for men's minds is a total effort in which all aspects of U.S. programs must be coordinated if we are to compete successfully with the highly organized Communist agitation-propaganda "machine."

A specific problem we face is that the Communist movement will endeavor increasingly to win power in underdeveloped areas by exploiting the democratic electoral process. They are already achieving success with unsophisticated electorates through superior organization and large expenditures of men and money. This growing and very acute danger necessitates an intense effort on our part to become more knowledgeable in the field of political warfare and more capable of successfully conducting such activities. A mutual program of fact-finding and training in democratic election procedures would help to insulate newly independent areas against this Communist strategy.

In its preoccupation with "public relations" programs, the United States in the past has been able to overcome many short-range propaganda threats with a remark-



able measure of success. In so doing, however, it has neglected the long-range dangers and opportunities. Advance knowledge of the processes of attitude formation and of opinion trends abroad has become essential and henceforth must supplement efforts dealing with the more transitory aspects of opinions. U.S. information programs should continue to concern themselves with laying the foundations of political thinking in addition to reporting and commenting on political developments.

The Tone and Scope of a U.S. Information Program

We believe that the "Eisenhower Approach" can positively advance U.S. objectives if we can project its true nature correctly. It is therefore imperative that a very sharp distinction be made between Soviet and U.S. objectives.

The essence of the "Eisenhower approach" is that, while international problems remain unsolved, the United States and other countries should make efforts to solve them in a positive and peaceful fashion, without relaxing our guard and with a clear concept of our strategic goals.

> "The spirit of Geneva, if it is to provide a healthy atmosphere for the pursuit of peace, if it is to be genuine and not spurious, must inspire all to a correction of injustices, an observance of human rights and an end to subversion on a world-wide scale. Whether or not such a spirit as this will thrive through the combined intelligence and understanding of men, or will shrivel in the greed and ruthlessness of some, is for the future to tell."
>
> (President Eisenhower's Bar Association Speech)

"The spirit of Geneva" could therefore provide us with a great psychological opportunity:

a. It may give us an opportunity to rally the Free World for a long-term effort by means of a galvanizing new approach.

b. It may, whatever the Soviet's intention, transform deceptive smile offensives into a genuine change.

The effectiveness of these information efforts depends to a large extent on the tone with which we present them. Our tone should be sober, friendly, optimistic, positive, factual, simple, and expository, with emphasis on the need for open-mindedness and for inter-cultural understanding.

Propaganda-to-propaganda responses to Soviet psychological campaigns will not be as effective as "the propaganda of the deed." The political, diplomatic, military, and economic actions of the U.S. can counteract Soviet propaganda better than can information programs.

U.S. information programs should nonetheless force the Soviets into explicit propaganda lines in order to pin them down tactically and to make sure that Soviet propaganda advantages won by inconsistent behavior in a particular national situation are offset by corresponding Soviet losses in other areas to which the inconsistency would be repelling.

Thus, in colonial areas, the native peoples never should be allowed to ignore the fact that the Soviet Union itself is a colonial power, and that, so far, it has not shown the slightest inclination of giving up its colonial possessions. The state of the Soviet colonies should be made known. Moreover, native peoples should not be left in ignorance about their fate should the Soviets continue to expand. Under no circumstances should Soviet or Communist spokesmen be allowed to attack Western "colonialism" without being reminded about their own colonial possessions.

As in other areas, there is a threshold of effective action in the information field. The whole level of this activity has been too low. The total U.S. effort in the information area should be at least double the present level. Only this would insure that everything possible is being done to make available everywhere the ideas that would inspire progress toward a more peaceful world. Only this threshold will permit an increased flow abroad of peoples, ideas, books, magazines, newspapers, films, broadcasts, television, exhibits, cultural presentations, trade-fair exhibitions, sports teams, technical groups, and delegations of all kinds — soldiers in the battle of ideas.

Chapter III

Conditions Required for Success

INTEGRATION OF PROGRAMS

It is a truism that political, military, economic and information factors all need coordination in an effective foreign program. The degree of coordination now in effect can be stepped up with a "value-per-dollar" probably higher in effective results than is afforded by any other administrative device at our disposal. The world diplomatic front is a screen on which appears the apparent struggle between the Free World and the Communist camp. Behind it the real struggle goes on in the sphere of weapons research, countermeasure capabilities, and the supreme problem of a technological breakthrough. On this confusing battlefield, coordination of scientific, military and diplomatic developments is urgently needed.

Basic to effective program coordination is the problem of assuring properly trained personnel. Coordination bogs down unless officials assigned to carry out policies understand the cross-relationships of their actions. The scope, variety, and complexity of our programs in support of policy require the assignment of individual specialists to the areas of economics, technology, military science, diplomacy, and information. These individuals need to know more about activities outside their particular spheres — they should also be capable generalists. When such individuals are on the cutting edge of programs in foreign areas they must be capable generalists in the nature of the societies with which they are dealing, and in the direction of movement we are trying to promote in those societies. Much more of a career service approach and career training is needed for the complicated representation and program direction that is required.

Even when we do achieve a measure of integration, we tend often to stop at integration by country. Only in Europe and to some extent in Latin America do we have a formula and method of operation for integration by region. The national boundary lines usually do not satisfactorily define the divisions between our interests. There needs to be regional integration and coordination at a level below Washington. This need has been recognized by the military as a result of its experience in World War II but has not been recognized or accepted generally in other types of programs. The Middle East and Southeast Asia deserve the most serious consideration for this type of integration.

OBTAINING THE SUPPORT OF THE AMERICAN PEOPLE

In our democratic system, the ultimate boundary lines defining the dimensions of the possible are set by the American people. Necessary programs, and the reasons for instituting them, are now more complicated than ever before. Hence, those men whose knowledge and judgment are widely respected bear the very sobering responsibility — more serious than at any time since the opening of World War II — of influencing the American people in what they should accept and support.

The American people yearn to get the threats and costs over with and to return to a condition that the more short-sighted

would describe as normalcy. But we live in a period which our President has described as an era of perpetual crisis. Our people can understand and accept a long-range strategy for the achievement of our objectives by the maintenance of a consistent, high level of effort and confidence.

We believe that there now is a dangerous gap between what governments know to be true about the present international situation and what people believe on the basis of the limited information available to them. In particular, until the shape and meaning of the technological arms race is explained with clarity and precision, it will be difficult, if not impossible, for the Free World's governments to have that degree of popular understanding required for the support of the policies and actions that must be undertaken. The same is true of the Soviet threat. Soviet peace offensives owe their effectiveness at least in part to the fact that few Free World statesmen in authority dare tell people the real hazards facing them. First among these is the danger that a peace which is not reflected in a certain strategic balance must prove short-lived and a disastrous failure.

Within the U.S., it is important to make clear to the people the real nature of the Soviet threat and the extent of the sacrifices required. This will involve not only reiterated pronouncements by high Administration officials, particularly the President, but also a systematic effort to acquaint influential citizen groups with the rationale of our policy. Our effectiveness abroad will depend on the support of an enlightened public opinion at home.

We recognize that no set of policies and programs is going to receive unanimous approval from the many segments of the American community. Our country, its government, its people, its press, its temperament all combine to prevent any unanimous, monolithic acceptance of solutions to the problem of survival facing us over the next decade, perhaps over the next generation. In fact, this lack of unanimity is an element of strength since it calls to the attention of the responsible operating agencies the deficiencies that are bound to exist in any series of programs as complicated as those which must be undertaken.

There must, however, be no mistake in the minds of the world, both the Free World and the Communist world, as to the method and direction of our country's policy and as to the sustained resolution of the American people and its leadership.

Looking back over the past decade the American people have been extraordinarily cooperative in a very confusing foreign policy situation. We now face a situation probably more difficult than any in the last decade. Communism under the guise of peace, good will, progress, arms reduction, anti-colonialism — all the appealing concepts symbolic of peace and progress — reaches for an initiative which, if grasped, might be decisive. In order to meet and reverse this challenge both the American people and the American leadership must rise to realize it.

There are two basic negative points to be accepted and explained to our people:

1. We have now to undertake costly long-term efforts without the stimulus of enemy provocation.

2. We have now to develop policies and programs which go beyond meeting the Communist initiative on an item-by-item basis if we are to assure success in our struggle for the world.

Turning to the positive side, we need and have in great part provided to the Free World a leadership and a basis for confidence. Stable long-term motivation has to be a motivation to do something, not merely to prevent something. Only a positive

basis of motivation can be independent of specific actions by the enemy, and as a corollary, only a positive motivation can provide any basis for the initiative on our part, and for the consequent advantages.

In the past the American people always have supported policies once they understood their meaning. They want to see their government adopt a long-range strategy which will lead to the gradual solution of the world crisis. The three pillars of such a positive strategy are: (1) avoiding war through a position of strength, (2) simultaneously inducing modification in the Soviet system, and (3) combining the security effort with the promotion of greater well-being at home and abroad. This is possible if American military strength assures peace for a long time, perhaps two generations.

THE THRESHOLD OF U.S. EFFORT

Our country faces a tedious and exacting task which calls for patience, understanding, and perseverance. The demands that it places on our great resources, which loom large in absolute terms, are relatively small. Adequate support of this task does not involve privation for the American people — the effort required is nothing to compare with that expended in World War II.

It is of the utmost importance that the American people be brought to realize that there is something that needs to be done, that the task is not difficult, but that it requires a long-term effort.

Our national tendency is toward piecemeal programs in response to specific crisis situations. We tend, moreover, to press for the reduction of our foreign commitments and to change the scope and character from year to year. Such tendencies are now dangerous in the extreme. The future is bound to be so risky that the minimum required cannot be estimated with close accuracy. The course of wisdom is to provide a level of effort which includes a built-in margin of safety.

The outcome of the struggle for the world which will go forward over at least the next ten years, is highly dependent on a U.S. effort which is both sustained and at an adequate level in each of the great areas of international contact and interaction (military, political, economic, and psychological) in which we are engaged. In all of these areas an inadequate program may give the illusion that we are coping with a problem successfully when in fact we may merely be applying a palliative. We cannot stress too much that the withholding of a comparatively small increment of what a total effort should be may bring liabilities and losses measured by many times the amount withheld. On the other hand, the contribution of the extra increment may make the difference between a success and a critical loss. The analogies in every-day life are simple and well known; the extra tenth of a second of speed wins the race, the extra foot on the flood wall means the difference between safety and disaster.

The U.S. is continually passing time markers which indicate points at which programs must be started to meet long-range needs, either probable or certain. As an example, we are already long past that time when we should have undertaken a definitive and energetic program to increase the yearly flow of scientists and engineers.

This example illustrates the point that, in the situation of revolutionary change in the world, we are continually passing milestones indicating hazards in the future — hazards for which these markers flag the last opportunity to anticipate and prepare.

The level of effort and sustained application of the American people is primarily

dependent not on our economic resources (for those seem altogether adequate to the effort required), but on the level of comprehension of the American people. It is the primary task of American leadership to lift this level of comprehension above that minimum threshold which marks the assured adequacy of effort and assured versatility and freedom of action in international affairs.

If the United States confines itself to its present level of national effort, the somber prospect is that the Soviet Union may achieve military and technological superiority. The Soviet Union could exploit this superiority to shatter the cohesion of the Free World and reduce the United States to an encircled and isolated position. In such a position the U.S. might then be able to survive only at the cost of its way of life. Further, the unchecked instability of many societies in the Free World, particularly in the underdeveloped areas, will bring increasing opportunities for Communist expansion through economic and political penetration. This expansion could take place even before the Communist obtain a military preponderance .

Only by dedicating itself now to the long, untiring effort required over the next decade can the U.S. avoid disproportionately large expenditures and sacrifices of American lives later when confronted by successively more threatening crises.

ANNEX-A

LIST OF INDIVIDUAL PAPERS

In the initial stages of the preparation of this report, individual panel members prepared twenty papers on various aspects of the problem. Many of the suggestions made in these papers appear in the panel report; many do not. The papers will not be distributed with the report, but a source book containing them will be available upon request in Mr. Rockefeller's office. Each of these papers is the work of an individual, and the substance is not necessarily agreed to by the panel as a whole.

1. A Post-Geneva Estimate of Soviet Intentions, (C), ...by Philip S. Mosely
2. Thresholds of U.S. Effort, (U) .....by Max F. Millikan
3. Economic Policy as an Instrument of Political and Psychological Policy, (C) ....by Max F. Millikan
4. General Guide Lines for An American Long-Range Psychological Plan, (C) ...by Stefan T. Possony
5. A Positive Position for the Third Phase of the Cold War, (S) .....by George Pettee
6. The U.S. Public: A Matter of Orchestration, (C) .....by C. D. Jackson
7. The Discrete Problems of the Far East, (C) .....by Paul M. A. Linebarger
8. Policy and Opinion in South and Southeast Asia, (C) .....by Paul M. A. Linebarger
9. The Middle East and Africa — A Working Paper, (C) .....by George A. Lincoln
10. Latin America — As A Demonstration Area of U.S. Foreign Policy in Action, (C).....by Stacy May
11. The National Costs and Policies Required to Maintain a Modern Weapons System, (S) .....by Ellis A. Johnson
12. Arms Equation, (S) .....by George A. Lincoln in collaboration with William Webster
13. Crucial Problems of Control of Armaments and Mutual Inspection, (S).....by Ellis A. Johnson
14. Thresholds of Armament Effort — U.S. and U.S.S.R., (S) .....by Stacy May
15. Psychological and Pressure Aspects of Negotiations With the U.S.S.R., (S) ....by Henry A. Kissinger
16. The German Problem, (S) .....by Henry A. Kissinger
17. Soviet Evolution, (C) .....by George Pettee
18. Investigation of NATO, (C) .....by Stefan T. Possony
19. The Atoms for Peace Program, (C) .....by Stefan T. Possony
20. The Purpose, Requirements and Structure of an American Ideological Program, (C) .....by Stefan T. Possony

Classification: C=Confidential, S=Secret, U=Unclassified

ANNEX-B

LETTER INVITING PANEL PARTICIPATION

August 16, 1955

Dear _____:

The recent conference of head of government of the Big Four at Geneva opened up new possibilities and requirements for U.S. action for both the immediate future and for the longer pull.

In carrying out my responsibilities to furnish advice on the psychological aspects of policies followed by the Unitd States, I am particularly anxious to enlist the help of out-side-of-government experts like yourself. The contribution made by such people has proven extremely valuable in the recent past. I desire to continue it in the future.

I would therefore like to invite your participation in a group study and review of the psychological aspects of future U.S. strategy. This study should develop the means and methods best calculated to achieve U.S. objectives, taking into consideration the necessity for an integrated national program within which long-term military, economic, technological, and ideological programs can be developed and financed.

Enclosed you will find information relating to the administrative plans for these discussions. I hope you will be able to join in this effort. I look forward with pleasure to seeing you.

Sincerely,

/s/ NELSON A. ROCKEFELLER

Nelson A. Rockefeller
Special Assistant to the President

Enclosure
Objectives of the Panel

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OBJECTIVES OF THE PANEL

A Study of the Psychological Aspects of Future U.S. Strategy

I. Problem

1. To study the psychological aspects of possible U.S. strategy in the light of developments at Geneva in order to discover an optimum, integrated national program within which specific long-term military, economic, technological, and ideological programs can be developed and financed.

II. Discussion

2. A central problem of psychological significance facing the U.S. is what means and methods it should utilize to maintain the unity and strength of the Free World in the face of a Soviet peace offensive designed to dissipate the fear and moral superiority which have thus far kept it together. The U.S. must not permit the new international atmosphere to eliminate the moral issue of freedom vs. the spiritual oppression of communism; otherwise, Free World strength and purpose may be eroded away. In addition the U.S. must find some other motivation than fear with which to inspire the efforts of free men for the long pull.

3. It is now a long-range objective of the U.S. to assist the orderly democratic development of those nations outside the Communist bloc. It would seem that perhaps this objective affords the most promising basis for free world unity, particularly if it is built through a common effort to achieve the hopes and aspirations of the peoples. To achieve this objective requires careful long-term planning, financing, and integration of economic programs with other programs. Exclusive reliance on economic aid is not enough. The social, political, military and ideological factors must be integrated with the economic. The U.S. could concurrently exert far more dynamic, evolutionary "idea" leadership which would give the uncommitted peoples of the world the understanding that democratic solutions to their economic and social, as well as political, problems can be found and that these solutions will be effective.

4. The U.S. has the capability, through technological development, to block the Soviet military threat in every field. The real strength of the United States lies in the dynamic social structure from which its industrial and technological superiority flows. If this strength is effectively mobilized, the United States can overcome the Free World's markedly increased indifference which results from the new Soviet diplomacy and approaching parity in thermonuclear capabilities.

5. To take these steps, national strategic coordination of all pertinent U.S. actions is required. As the President has stated: ". . . we must bring the dozen of agencies and bureaus to concentrated action under an over-all scheme of strategy." (San Francisco speech, 1952.) Such an "over-all scheme of strategy" should:

a. Establish a basis for Free World cooperation which does not depend on the fear of naked Communist aggression but which rests on the moral ascendancy of human freedom.

b. Achieve actual U.S. and allied military superiority.

c. Assure a rate of economic growth in the Free World superior to that attained in the Communist bloc.

d. Assist free societies to be more effective and more responsive to basic human aspirations than Communist-dominated societies.

e. Create the long-term political, economic and military unity of the U.S.-led alliances, with due understanding of the

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realities of a nuclear military posture as a basis for achieving a practical armament.

III. Conclusions

6. Current National Security Policy calls for "a flexible combination of military, political, economic, propaganda and other actions . . . so coordinated as to reinforce one another." As a result of the new developments in international affairs a greater need exists for psychological strategy wich will provide more specific guidance for departmental and agency programs and which will enable the U.S. to gain maximum psychological advantage from all its actions. To help fulfill this need, it has been agreed to augment regular governmental procedures by forming a study panel. The study panel will be composed of outstanding experts in significant areas. In addition, selected governmental officials should participate as appropriate.

7. A fresh outside look at many of the complex problems confronting the Government can make a major contribution to the development of our evolving national strategy. This contribution can be enhanced if made by outsiders who have had some association with the Government and who are also generally familiar with current procedures and capabilities. Certain official background papers and other necessary information will therefore be given to the study panel.

IV. Terms of Reference

8. The terms of reference of the study panel are implicit in the world situation. An initial survey of the psychological aspects of the political, economic, social, and military factors affecting U.S. security will doubtless result in the panel focusing attention on certain crucial areas of government activity as well as on the major regional problems.

9. Background areas of investigation

a. Major political trends

(1) Assess the likely emerging foreign policies of the USSR and other major nations or groups of nations for the foreseeable future.

(2) Assess the cohesiveness of the Soviet bloc vs. the Free World alliance system, the impact and evolution of neutralism and the forces influencing the uncommitted nations and peoples.

b. The military balance

(1) Assess the scale and character of the likely Soviet effort in the arms race over the next five to ten years.

(2) Consider the possible uses, military, political, and psychological to which Moscow might put arms parity or superiority, if they achieved it.

c. Asia, Middle East, Africa, and Latin America

(1) Assess the scale and character of the likely Communist challenge over the next five to ten years.

(2) Consider the possible uses, militarypolitical, and psychological which Moscow (and/or Peking) might make of a position of relative strength.

10. Psychological Aspects of Implementing Programs

a. Consider the kind of U.S. and Free World policy, from the present forward, which would take advantage of the new developments and frustrate Communist purposes and lead to an internal modification of policy within the bloc and result in an accommodation with the Free World on terms acceptable to the U.S.

b. Consider the scale and character of the U.S. and Free World effort required to counter the Communist effort in Europe, Asia, Africa, Near East and Latin America. Estimate the cost to the U.S. and Free World of making the requisite

economic, social and ideological effort, and the psychological basis for demonstrating the all important long-term self-interest of such a program.

c. Consider the scale and character of the U.S. and Free World effort required to counter the Soviet military effort and intentions. Estimate the cost of the economic outlay to the U.S. and Free World of making the requisite effort and its psychological and political implications.

d. Consider the size and nature of the information program required to maximize sustained public support for the U.S. and allied effort.

e. Consider the creation of new methods whereby U.S. private and governmental actions might better promote regional cooperation.

f. Develop more effective programs for training U.S. officials in the discharge of the U.S. role of cooperative world leadership.

11. Integration

After the foregoing separate elements are explored, the study panel should consider how best to integrate its findings in order to provide governmental departments with useful, definitive psychological guidance. To this end, it should consider:

a. What potential resources, political actions, and strategic possibilities are suggested as offering the greatest promise for attaining a greater degree of peaceful initiative by the U.S.

b. In what respect is it possible to do more effective planning and use resources more efficiently in the light of the new developments.

c. What worldwide, mutually beneficial objectives should be adopted by the U.S. in relation to the Free World and what time phasing is recommended for attaining these objectives?

12. Qualifying Factors

The study group should not merely arrive at a "most likely" projection to achieve psychological strategy objectives, but indicate frankly and explicitly its believed margins of error and its doubts. In suggesting U.S. and Free World countermoves, the study group should indicate the margins of risk and safety which it attaches to the proposed levels of effort and the intelligence assumptions which underlie them. (National Intelligence Estimates will be made available.)

While, in the end, the study group should emerge with a cost estimate, it should define the political and psychological conditions on which the success or failure of such an effort may depend.

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Psychological Aspects of United States Strategy

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NOVEMBER 1955

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PREFACE

Shortly after the 1955 Geneva Summit Conference, Mr. Nelson Rockefeller, Special Assistant to the President, convened a panel of knowledgeable persons to consider the psychological aspects of U. S. strategy in the light of the Post-Geneva situation. The findings of this panel have been submitted in a report entitled "Psychological Aspects of U. S. Strategy." Individual papers written for consideration of the panel in the preparation of this report are included in this volume.

The terms of reference of the study panel which produced this volume of individual papers are implicit in the world situation. It was thought that "an initial survey of the psychological aspects of the political, economic, social, and military factors affecting [the security of the United States]" would undoubtedly result in the panel focusing attention not only on certain vital areas of governmental activity, but on the major regional problems as well.

Background areas of investigation to which the panel turned included: (1) major political trends, (2) the military balance, and (3) Asia, the Middle East, Africa, and Latin America as geographic units. Likely emerging foreign policies of various nations, the cohesiveness of the Soviet bloc versus the Free World alliance system, the scale and character of the likely Soviet effort in the arms race over the next five to ten years, the likely Communist challenge to the underdeveloped areas over this same time period, and the possible uses to which the Soviets might put arms parity or superiority, or other positions of relative strength, were assessed and considered.

The psychological aspects of implementing programs were an important term of reference for the panel. The scale and character of the Free World effort in a number of crucial areas were considered. In addition, the panel accepted the task of how best to integrate its findings in order to provide governmental departments with useful, definitive psychological guidance.

All the foregoing considerations are in varying degrees reflected in the individual papers presented in this volume. These papers were written as a preliminary step before the panel met to deliberate. They served as the basis from which the final panel report evolved.

It should be emphasized that each of these papers is the work of an individual, with varying degrees of assistance from his critic. The substance of each is not necessarily agreed to in toto by the panel as a whole.

The letter inviting panel participation and the objectives of the panel are appended.

PANEL MEMBERS

Chairman, Frederick L. Anderson, Major General, USAF (Ret.)

C. D. Jackson, Time Incorporated

Dr. Ellis A. Johnson, Director, Operations Research Office, The Johns Hopkins University

Dr. Henry A. Kissinger, Harvard University

Colonel George A. Lincoln, Professor of Social Sciences, U. S. Military Academy

Dr. Paul M. A. Linebarger, School of Advanced International Studies, Johns Hopkins University

Mr. Stacy May, Consulting Economist

Dr. Max F. Millikan, Director, The Center for International Studies, Massachusetts Institute of Technology

Dr. Philip E. Mosely, Director of Studies, Council on Foreign Relations

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Paper 1

A Post-Geneva Estimate of Soviet Intentions

Originator: Philip E. Mosely

Critic: Stefan Possony

I. THE PROBLEM

The problem is to estimate both the possible and probable range of Soviet intentions now and in the near future, e. g., during the next twelve to eighteen months.

II. ASSUMPTIONS

For purposes of this discussion, it is not assumed that the Soviet leaders now in command of Soviet decisions are entirely new people, devoid of Soviet experience or Bolshevik ideology, but are people who have struggled to the top within the Stalinist system, and that Khrushchev was sincere, in his extemporaneous speech of September 17, in asserting his devotion to Leninist ideology. It is also assumed that, although the present leaders have demonstrated a greater flexibility and adaptability in their tactics than at any time since 1946, they are fully aware of the limits within which their ideology allows them to manoeuver, as well as of the limits set by the concrete interests of the Soviet state in the pursuit of its foreign policy aims. It is further assumed that the present leadership is well aware of the earlier periods of relative flexibility, demonstrated particularly in the mid-1930's and during World War II, and that they have not exhausted the range of adaptations which they can introduce into the immediate conduct of Soviet policy. It is assumed likewise that the experience of the past two and one-half years suggests that it is relatively fruitless to attempt to identify a "hard" or "soft" policy with this or that individual within the ruling group.

For purposes of this estimate it is assumed that the Soviet leadership understands, better than did Stalin, the impact of the atomic age, the nature of new weapons, and therefore the dangers which inhere in the race for supremacy. It is also assumed that the Soviet leaders are better aware than previously of the difficult choices which they must make in the allocation of resources to various purposes. It is clear that the new leadership is showing a much sharper awareness of the actual and potential reactions abroad to their policies, together with a growing skill in manipulating these reactions. The Free World, and particularly the United States, can no longer rely on massive Soviet hostility of expression to provide the basis for our own decisions. These decisions must be planned skillfully to seize and retain the initiative in the face of a greatly expanded Soviet arsenal of political warfare weapons.

III. DISCUSSION

The new Soviet tactic of relaxation has distinguished carefully between trivial and essential interests. The long-overdue Soviet acceptance of the treaty with Austria has initiated profound shifts in the popular estimate, within Europe, of the nature and extent of the Soviet threat. Without sacrificing any important interest, the Soviet leadership has achieved an important change in the international atmosphere. The abandonment of the useless quarrel with Tito has probably moved Yugoslavia to

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the position of a neutral, one which on many international issues will support the Soviet position. This gesture, together with the outbreak of Greek-Turkish antagonism, has greatly reduced, at least temporarily, the defensive value of the three-power Balkan alliance. The withdrawal from the Porkkala base will relieve the fear of renewed Soviet aggression widely felt in Finland, and will reinforce neutralist trends in the other Scandinavian countries. At the same time the Soviet government has made it amply clear, if it were not clear before, that it has no intention of abandoning its valuable colony, East Germany, and that neutralism is designed only for export beyond the boundaries of the Soviet bloc.

The effects of the new Soviet tactic are favorable within the Soviet Union. It creates a far stronger basis for popular acceptance of the regime's claims to be pursuing a peace-loving policy. If a reversal comes, and it can come over night, a new policy of tension will be accepted with greater credence by the population at large as well as by the Communist Party. At home the Soviet leadership has traditionally followed a policy of alternate tension and relaxation, realizing that an unrelenting state of tension leads to many unfavorable results, depletion of hope, pessimistic expectations for the future and other morale-depressing results. Within the satellites the new tactic is also favorable. It tends to strengthen the position of the Communist ruling groups and to discourage expectations of an early liberation, which previously has been expected, as the result of an early clash between the two major blocs. A policy of relaxation, which could have been risky in earlier years, offers no substantial risks today to Soviet control, for during the years of sharp tension the Communist apparatus has been recruited, disciplined and given confidence in its ability to rule, with Soviet backing.

Within Western Germany the effects of the new tactic are favorable to the Soviet position. Those who oppose rearmament can now assert that the new Soviet policy makes it unnecessary for Germany to incur the economic costs and political risks of rearming. It reinforces the hopes of those who believe that reunification can be achieved through a policy of weakness. It discourages those who support rearmament and cooperation with the West because the general atmosphere of relaxation makes it appear that, no matter what efforts Germany may make, the prospect for reunification becomes dimmer. In Western Europe and Japan, social and political resentment of the cost of defense and political resentments over the inevitable frictions of alliances promote indifference to the common aims of the free world and leave the way open to revive many domestic and intra-alliance squabbles. Within the United States the willingness to make sacrifices to maintain and strengthen the free world alliances and to give the primary to international aims over domestic ones is likely to be diminished.

Has the Soviet leadership exhausted its bag of Christmas presents? There seems to be very few further "concessions" which it can make in order to retain the initiative in the course of relaxation. Cultural exchanges offer an insubstantial and undramatic ground for new gestures. The development of trade between the Soviet bloc and the free world is likely to be slow and to be fraught with more disappointments of expectations than with fulfillments of hopes on the part of the free world countries. One possibility is that the Soviet leadership expects the tendency of relaxation to be of relatively short duration and is therefore willing to spend its chips somewhat lavishly at this time, in order to achieve a maximum short-term effect upon opinion abroad. A second possibility is that, though the Soviet leadership may intend to continue the policy of relaxation into an indefinite future, the outside world will come to realize that the basic position and demands of the Soviet regime remain unchanged and will therefore recover gradually from the immediate impact of the Soviet policy of relaxation and will come to take a more balanced view of the medium-range prospect for better relations between the two blocs.

If the Soviet leadership is sincere in seeking a long-range relaxation, followed by genuine co-existence, it would do exactly what it is doing now. However, in order to continue the strengthening of the mood of relaxation abroad the Soviet leadership would have to provide new and stronger proof of its long-range intention. The most important single sphere of such proof would be in the field of inspection and limitation of armaments. And it is precisely in this sphere that the Soviet leadership is least likely to display any genuine evidence of seeking a long-range relaxation of tension. That is why the question of control of armaments must be pursued with a maximum of energy and the greatest possible clarity of statement for the public at large, both in the United States and abroad.

Is the Soviet leadership engaged in one of its classical maneuvers, designed to reduce tension and allied unity in Europe, in expectation of sharpened tension in Asia? There is no question but what the Soviet and Chinese Communist leaderships consider Southeast Asia a highly favorable field of expansion during the next few years. They also believe that a further shaking of American prestige in Asia may give them control of Formosa and of South Korea, together with the neutralization of Japan, and that they must strive to minimize the risks of war in pursuing these aims. The Chinese Communists are preparing intensively the capability for seizing the offshore islands and, if they carry this out with direct damage to American prestige, they may hope to shake the Chinese Nationalist regime on Formosa. The important thing for them is to be as certain as they can that the United States will be deterred by its allies from retaliation. Strengthening the mood of relaxation in Western Europe is the best way to achieve a separation between the American position in Europe and that in Asia.

American policy will be confronted shortly with the question of whether to permit "free elections" for the unification of Vietnam; if it decides not to permit them, in order to prevent a further territorial expansion by the Communist bloc, it will then face the problem of creating a viable regime in South Vietnam and of defending it by American land power. A refusal of "free elections" will be followed by a renewal of guerrilla warfare, conducted by a vastly strengthened Viet Minh force without direct Chinese Communist participation. Over this issue, as well as over the question of retaliation against an attack on the offshore islands, the Soviet leadership presumably hopes to isolate the United States from its allies. It may hope, beyond that, that the fear of a major war breaking out in the Far East may lead the allies of the United States to request the withdrawal of American forces from their territories, perhaps for the period of the Far Eastern crisis.

The Communist aggression in Korea was followed by a sharpened fear of aggression in Europe and thus provided an important stimulus to the efforts for self-defense and mutual defense. The Korean outbreak had been preceded by several years of extreme pressure against vulnerable points along the European periphery of the Soviet bloc. A similar but more confusing Communist outthrust, for example in Indochina, may not have a similarly stimulating effect on self-defense efforts in Europe, since it will have been preceded by a systematic pattern of minor but locally impressive concessions.

The "concessions" which are being used as counters by the Soviet leadership in its present tactic are of slight or no importance to the Soviet bloc but have an impressive impact on the peoples beyond its borders. It is necessary to negotiate actively on the really difficult problems in order to make clear to European peoples that the basic Soviet position in respect to Germany and the satellites remains unchanged. It is desirable to take an initiative in lessening trade barriers, except in carefully defined strategic lists, in order to prevent this card from being played against the American and free world position. It is important to establish a broader free world position on the principal issues in the Far East, since otherwise

the United States alliances elsewhere in the world may be nullified in practice through the pursuit of a separate policy in the Far East by the United States. There is no sign whatever that the Chinese Communist leadership or the Soviet leadership have relaxed their immediate aims in the Far East. It is more likely, on balance, that, by diversifying their tactics in Europe and in Asia, they are striving to secure local political and perhaps military advances in the Far East, hoping at the same time to weaken or destroy the U. S. system of alliances and to achieve their basic aim: the retraction of American power from its advanced positions to the territory of U. S. allies.

Paper 2

Thresholds of U. S. Effort

Originator: Max F. Millikan

Critic: George Pettee

The drafters of basic policy statements at the level of NSC papers are confronted with a serious dilemma. On the one hand if they make these statements too detailed and specific, they will make inadequate allowance for the innumerable variations of circumstance and event which must condition the detailed implementation of a broad policy. On the other hand if they are to be drawn so as to cover all contingencies and still be short, they are in danger of being so general and platitudinous as to be of almost no use in providing selective guidance in deciding between two alternative specific courses of action. The requirements of brevity and interdepartmental compromise usually force the drafters to seize the second horn of this dilemma and escape their obligation to be helpful to those charged with detailed implementation by the use of such phrases as "where appropriate," "when required by the national interest," "unless clearly dictated by security considerations," and the like. In part this is a weakness which is inherent in the very nature of a basic policy paper and cannot be avoided by the most conscientious and unambiguous drafting. It is part of the essence of "policy" that it cannot be fully defined in general terms and can be recognized only after the fact as a series of consistent specific acts taken in a particular context, designed to produce cumulatively a major general result.

It is the obligation of drafters of basic policy proposals, however, to reduce to an irreducible minimum the degree to which implementation must be played by ear. There is one particular respect in which there is both a possibility and an urgent need to improve practice in this regard. This has to do with giving indications of the order of magnitude of effort required if a recommended course of action is to have, even qualitatively, the result it is designed to achieve.

Some activities are of the "some is good, more is better" variety; that is, there is a small benefit to be derived from a small effort and the benefit increases in a fairly regular fashion as the effort increases. The decision as to how much effort to expend in view of all the circumstances is one which results from a balancing of rising costs against rising benefits. The precise amount decided upon is a matter of judgment and there is little in the way of objective rules to tell the decision-maker whether it should be more or less. There are other activities, however, in which a minimum threshold of effort must be crossed if the result is to be even qualitatively in the right direction. Lesser effort does not produce merely a lesser result; it produces no desirable result at all. One can drive a car at any speed from a creep in low gear to eighty miles per hour and get where one wants to go at a varying cost in time. But if one is flying an airplane, one must achieve a certain critical velocity or the plane will never leave the ground.

Where one is dealing with what the mathematician would call the case of continuous variation there is some defense for the drafter of basic policy who refuses to attach numbers to his recommendations on the ground that the precise degree of effort justified must depend on complex considerations outside the scope of the policy under review. The only question the policy leaves unsettled is the degree and not the kind of effect to be achieved. But

where there is a discontinuity in the relation between effort and benefit, specifically where there exists a threshold effect of the kind described above, the policy is not really defined even in broad terms unless some indication is given of the minimum scale of effort required to get the kind of effect one is aiming at.

It is the contention of this paper that thresholds of this sort characterize a number of key areas of our cold war policy, that we are expending some effort in all these areas, but that the effort is currently well below the threshold and that in consequence we have the illusion of a policy rather than the policy itself. Whether one agrees with this judgment of the effectiveness of current efforts there can surely be no quarrel with the principle that where a minimum threshold of effort can clearly be shown to be required to achieve a result in the right direction the identification of that threshold (at least to an order of magnitude) is a necessary part of any basic document purporting to describe the policy.

I. WHY ARE THERE THRESHOLD EFFECTS?

There are three sorts of reasons for the existence of threshold effects. In the first place the United States may be engaged in an endeavor whose outcome depends upon the relative scale of our effort compared to that of another power. Conventional military combat falls in this category. The threshold is set by the opposing power to be overcome or frustrated. If the effort is too small, the result is defeat; if it is adequate, the result is victory or effective deterrence. The difference between the results is clearly one of kind and not of degree.

In the second place an effort on our part may have as one of its objectives stiffening the resolve of an ally to continue to undertake actions we believe to be in our interest. In the post-Geneva atmosphere whether our allies maintain a burdensome military effort and a politically unpopular support for NATO may depend critically on what kind of an example we set. The threshold of our effort necessary to set an example for them is perhaps much harder to estimate with precision than the military threshold described above, and it may be a band of values rather than a single sharply defined one. Nevertheless there is likely to be a reaction from them which will be qualitatively different if they believe we are significantly relaxing our efforts than if they believe we are continuing to carry our just share of the load.

In the third place there are actions of ours whose effectiveness may be subject to this threshold effect wholly apart from any comparison with the level of effort by others. An example might be air defense. A level of air defense which gives us a reasonable assurance of survival in the face of atomic attack is qualitatively and not just quantitatively different from one which does not provide this assurance. This is a field in which there may be several thresholds. Small levels of effort may be sufficient somewhat to reduce the amount of damage we suffer but inadequate to provide either effective deterrence or assurance of survival. A somewhat larger effort, inadequate to give reasonable assurance of survival, may still be enough effectively to deter a potential enemy from taking the risk of failure. Finally a still larger effort might reduce the risk of annihilation to a very small figure.

II. CRITICAL THRESHOLDS IN CURRENT POLICY

It is perhaps worth elaborating a bit three areas in which the estimation of a threshold of effort may be particularly vital in the current phase of the cold war. The first of these has to do with the shape of the arms race over the next decade. One clear purpose of our policy may be to persuade the rulers of the Soviet empire that our resources and our determination are such that they simply have no reasonable hope of being able to establish sufficient military superiority over us to use military power as a principal instrument for extending their area of influence. One purpose of their

present line of approach is undoubtedly to see whether by softening their manner they can induce a relaxation of our efforts sufficient to permit them over a number of years to achieve such a degree of superiority. As long as they believe they can do this at a bearable cost to themselves the chances that they will agree to a really effective system of arms control which will remove military instruments from the arena of international conflict are negligible. There is a minimum and quite high level of effort in arms production, in the maintenance of forces, and especially in aggressive research and development which will be necessary to persuade them that they cannot gain on us in the long run.

The estimation of this threshold level is clearly difficult. It places a very high priority on intelligence as to Soviet achievements, since this is clearly in the category of thresholds which are determined by relative effort. Nevertheless it should be possible, within a fairly wide band of possibilities, to get some indications of what we must spend in money and effort to keep far enough ahead to persuade them that this particular game is not worth while. The stakes are so high and the long-run gains from success so great that we should be willing to err on the side of exaggerating the height of this threshold to avoid a risk of defeat. It is worth emphasizing that the threshold here defined is a different and probably higher one than that defined by considerations of our own short-run security. It is not sufficient merely to keep abreast or to deter current attack if the hope is nourished in the Soviet Union that there is a good possibility that they will gain an edge in the future. The demonstration that they cannot win must be sufficiently decisive and sufficiently sustained to persuade them to alter a basic policy they have pursued for some time.

The second critical threshold in current policy relates to the same area of effort, namely defense expenditures in the United States, but is defined by the necessity to set a persuasive example for our allies. The countries of Western Europe have, under our prodding, been maintaining military establishments which are relatively speaking a greater burden on their poorer economies than we suffer from our military effort. There are important elements of public opinion in those countries which hold that this level of military effort is both unbearable and unnecessary. The effort to hold the alliance together in the face of the relaxation of tensions inaugurated at Geneva is going to require on our part convincing evidence that we regard the threat as still great enough to justify a major outlay on our part. If we shave our own defense budget and reduce taxes in this country at the same time that we are pressing the NATO countries for more rapid fulfillment of their commitments, we will bring about either the defeat of our friends or their defection from our cause. A level of effort which would exceed the first threshold described in paragraphs ten and eleven above would almost certainly be sufficient to exceed the one just described, but the two constitute separate reasons for insisting that a policy of maintaining our defensive guard is meaningless unless a price tag is attached to the policy with some specific numbers on it.

A third critical threshold exists in an entirely different area of policy, that of economic aid to the underdeveloped areas. This is explained in greater detail in Draft Paper Number Four, but a summary of the argument may help to illustrate the threshold concept. In the first place there is a minimum level of investment which countries with expanding populations must undertake merely to prevent their standards of living from declining. This level will be quite inadequate to produce any of the economic or political results which a policy of encouraging economic development is designed to produce. The people of these areas have acquired, on a scale never before approached in history, a belief that change and improvement in their lot is possible. This revolution of rising expectations is inducing leaders to explore what forms of society are likely to have the best promise of satisfying those expectations. If voluntarist and demo-

cratic forms do no more than hold their own with population increase, they will almost certainly not survive in the face of skillful persuasion accompanied by example from behind the Iron Curtain. This means that in many of these areas investment must be sufficient to produce *at least* a rate of growth of national product in excess of 1½ percent per year, which is a commonly found rate of increase of population.

Actually the threshold is substantially higher than this. The process of growth is a cumulative one. If a country is poor, it has great difficulty in raising the resources required to expand its physical plant in order to become richer. But once the process of growth gets under way, the increments of new product forthcoming each year provide new resources for reinvestment and thus for continued and expanded growth. Beyond this resource consideration, there are many intangible reasons why growth is a self-reinforcing process. It must attain a certain scale and momentum in order to capture the imaginations and enlist the energies of the vigorous elements in the population. If it becomes sufficiently evident that progress is being made not just in one or two spots but widely throughout the country, the pursuit of economic change may become a symbol to which increasing numbers of citizens attach their national and their personal aspirations. If it occurs on too small a scale, it will not provide the escape valve for newly awakened energies which will pour, instead, into much more politically and socially destructive channels of protest.

III. OUTSIDE AID AND THE THRESHOLD EFFECT

So far we have spoken of the level of effort required within a country if its own desires to expand its economy are to be even partially met. Unless there is local effort, of course, no amount of outside capital or assistance will be successful in launching self-sustaining growth. And unless growth is in the end self-sustaining it cannot be the basis for political stability and development. But if the local will is present, an injection of resources from the outside on a sufficient scale and over a long enough period can make the critical difference between a country's exceeding the threshold of effort which will launch it on a long-term, upward path and falling short of that threshold with resultant deterioration of both its economy and its body politic. Thus a level of outside aid which is insufficient is likely to create a vicious spiral in which the amount of aid called for to save a country from imminent crisis keeps rising until at last no amount will prevent disaster. On the other hand a level above the critical one in the early years can lead to growth which will in time make the recipient quite independent of the need for further foreign capital resources.

It is worth emphasizing that the upward and downward spirals described above are likely to be social and political as well as economic, and that the thresholds of effort required of us relate not only to amounts of money to be spent but also to amounts of American energies to be put into developing local leadership, assisting in the most effective use of the resources we supply, providing political support to governments which give promise of being domestically effective, and the like.

IV. CONCLUSION

There are, of course, serious dangers in putting numbers into basic policy papers. It is impossible to justify any particular set of numbers as being precisely the right ones. A policy with numbers runs the risk of being attacked on the details of its computations rather than on its essential elements. But the argument of this paper is that there are many policies for which at least the order of magnitude of the effort recommended is an essential—in some cases the most essential—element of the policy. To avoid including this element is to avoid stating a policy at all. This may make agreement easier in an interdepartmental body, but it does not advance the national interest.

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Paper 3

Economic Policy as an Instrument of Political and Psychological Policy

Originator: Max F. Millikan

Critic: George Pettee

I. THE THESIS

The thesis of this paper is that a much expanded program of American participation in the economic development of the so-called underdeveloped areas can and should be one of the most important elements in a program of expanding the dynamism and stability of the Free World and increasing its resistance to the appeals of Communism. I believe such a program can be so designed as to be a principal and effective instrument in our efforts to produce political, social, and psychological results in our interest. Specifically I believe that such a program is one of the few concrete instrumentalities available to us for achieving the twofold result of (1) developing viable, energetic, and confident democratic societies through the Free World and (2) increasing the realization elsewhere in the world that the goals, aspirations, and values of the peoples of other countries are in large part the same as ours.

To be effective such a program would require the expenditure by the U. S. Government of somewhat larger sums than we are currently spending for economic aid, but the amounts needed would be small compared to what we will have to spend in desperate efforts to put out additional brush fires if they get started and insignificant compared to the costs of waging limited wars.

II. MISCONCEPTIONS AS TO THE PURPOSES OF ECONOMIC PROGRAMS

This thesis has been put forward frequently over the past few years and has equally frequently been challenged as untenable by thoughtful and informed critics. Many of the challenging criticisms have been valid and persuasive, but it is my conviction that when valid they have been directed against misconceptions of the way in which economic programs can be expected to have desirable results. There is no doubt that unless such programs are based on a correct understanding of the kinds of political and psychological effects that economic programs can be expected to have, the programs will be poorly designed and will at the best be wholly ineffective and at the worst backfire very badly against us. There are so many confusions and misconceptions in this field that the best way to proceed is perhaps first to examine some of the erroneous notions current about this relationship.

III. THE ERROR THAT AID WILL GAIN US FRIENDS

The simplest misconception is that in some fairly simple way gratitude for help and assistance extended by us will lead the recipients to behave in ways we desire simply because

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we want them to. Crudely put this is the notion that we can buy friendship and affection and that these in turn will insure behavior in our interest. Anyone who has had experience of the psychology of the grantor-grantee relationship in private charity or in international relations will avoid consciously falling into this error. This relationship is a very complex and frequently corrosive one. The grantee's awareness of his dependence commonly produces aggressive feelings of resentment toward the grantor which worsen rather than improve the relations between the two. If on other grounds we determine that large-scale assistance is a policy in our interest, we must expect that an incidental result will frequently be less rather than more spirit of cooperation and mutual respect, even and perhaps especially when the aid programs are successful in achieving their objectives.

This point is accepted intellectually by most perceptive observers. Even those who are clearest about it, however, are often psychologically unprepared for and emotionally hurt by evidences of what look like gross ingratitude. This emotional reaction produces a state of mind in which serious mistakes may be made in the design of economic programs. Many measures can be taken to reduce the severity of these hostile reactions to economic assistance, but they are often the precise opposite of the measures likely to be taken by an official smarting from the hurt of these reactions. Our public role must be minimized, not maximized; exaggerated credit must be given the recipient for his own contributions; reduced rather than expanded demands must be made for demonstrations of alliance and agreement, and the like. Even under the wisest administration, however, the best that can probably be hoped for is a neutral impact on the superficial evidences of international friendship. If our central objective is to win friends for the United States, to get people to say they like us and will join with us, those who argue that economic programs are a bad way to achieve this objective are probably right. But this does not seem to the writer to be a central and fundamental objective. It is important to conduct aid programs in ways that minimize these hostile reactions mainly in order to prevent such reactions from leading to a rejection or interruption of the programs themselves, which have the quite different purposes outlined later in this paper.

IV. THE ERROR THAT AID IS TO STRENGTHEN FOREIGN MILITARY CAPABILITIES

A second misconception is that the central purpose of economic aid programs is to strengthen the economies of the recipient countries to a point where they will be able to carry a much larger share of the burden of military build-up against Communist armed forces. The first trouble with this idea is that the resources of most of the underdeveloped areas of the world are so limited that even with massive aid the contribution they can make to defense against open military aggression by the Communist nations is inevitably going to be very small. We must face squarely up to the fact that resistance to determined military aggression by the Soviet bloc powers is a job for the United States with help from the NATO powers of Western Europe. The hope that we can accomplish this task cheaply by organizing the manpower hordes of Asia, that we can prevent aggression by getting Asians to fight Asians, is largely illusory because Free Asia (perhaps excluding Japan) does not now have and cannot in the near future develop even with our assistance the economic potential to support a major military effort.

In the second place, while these countries can help to resist minor aggression and should be able to maintain order internally, weapons and military potential are ineffective without the will to use them. Some of the underdeveloped areas appear to have this will, others clearly do not. There is considerable doubt as to how far even those leaders who now profess the will would be able to mobilize

widespread popular energies behind the sacrifices entailed by a major military effort. As explained below, development programs can play a crucial role in developing the morale which is a precondition for military performance. But the damage already done to our interests by the widespread conviction in Asia that U. S. objectives are exclusively aggressive and military has been commented on too often to require elaboration here. Economic programs with an expressed or implied military objective are in serious danger of backfiring badly.

There is a further consideration which suggests, that even in those cases where the governments of underdeveloped countries are willing or eager to expand their military establishments, we should proceed only with great caution to meet their wishes. The difference which is most likely to be decisive between the Communist formula for economic growth and the Free World formula is that the Free World formula offers to the citizens of a country the hope that the fruits of development will be experienced early in the process very widely by the whole population, that emerging aspirations for economic, social, and political betterment can be at least partly satisfied as the process of development proceeds. The Communists promise this but are unable in fact to perform precisely because their pattern of development emphasizes the heavy industrial growth important to military power at the expense of the agricultural and light industrial development relevant to citizen welfare. It is this distortion of the energies of the economy from satisfying the values of its citizens to the creation of military power which makes necessary many of the instruments of force and repression which characterize Communist states. The collection of grain to supply the food requirements of armies has been used in China, Indo-China, and elsewhere to justify the abandonment of freedoms and corrosion of the political process at the village level. Pressing for a heavy military bias in the economy of a poor country runs the risk of either preventing the economy from growing or persuading the country's leaders to adopt totalitarian measures to force growth in the face of lack of popular enthusiasm.

V. THE ERROR THAT COMMUNISM SPRINGS FROM HUNGER

A much more serious misconception which exposes proposals for economic programs to effective attack is what may be called the Marxist fallacy underlying the thinking of many conservative people on the role of economic change in political development. Crudely stated the chain of reasoning runs that revolt and protest are the result of hunger and poverty, that relieving hunger and reducing poverty will therefore reduce revolutionary pressures, and that if we can supply the wherewithal to feed people better they are much less likely to support Communist or other extremist movements. The implied picture of the forces affecting social and political change is so naive as to be vulnerable to attack from a number of directions.

In the first place the spirit of revolt does not breed easily among people who are chronically destitute. In the rigid feudal societies which still characterize some parts of the world those at the bottom of the scale have for generations accepted a fatalistic view that it is in the nature of things that they should be poor. People do not organize and conspire to promote change when they believe change to be inherently impossible. One of the first effects of an economic development program at the grass roots is thus likely to be a revealing demonstration that change can occur. This combined with the energy-stimulating effects of better nutrition is likely to release psychological and political pressures for change which may go in almost any direction. This is well understood by the Communists, who concentrate their efforts not among those who are hopeless but among those in whom expectations have already been aroused. The Communist line is, of course, that these newly aroused expectations can never be satisfied within the existing

social, political, and economic framework but only under revolutionary Communist leadership. They use whatever expectations and aspirations turn out to be most powerful in the particular region and not the utopias to be found in the classic Communist literature.

This explains the phenomenon which has been so puzzling to observers in a number of countries, such as Italy, that Communist gains appear to have been greatest in areas where the government was doing something about the economic problem rather than in those where nothing was being done. The first and most powerful effect of economic development efforts is likely to be to dislodge convictions and habit patterns which have in the past furnished the cement holding the society together. A further factor contributing to unrest is the education which accompanies economic change. People who can't read can't be subverted by literature. Once they can read the process of widening knowledge and changing images of what the world is like and what is possible in it proceeds with great rapidity. With a growing understanding of the huge discrepancies in rewards customary in backward societies comes a growing awareness that these discrepancies are not the inevitable result of God's will.

Added to these factors are the social and cultural effects of industrialization and urbanization. People who were brought up in the economic and psychological security of a traditional extended family system or a communal village structure are uprooted, moved physically to unfamiliar and threatening surroundings, plunged into a competitive world of individual effort with no paternalistic small group units to fall back on, and find their core values and beliefs subjected to daily challenge. They have a desperate need for new common goals and an experience of common effort with a new in-group which gives promise of reestablishing their confidence and reintegrating their personalities. If these are not provided by the existing social and political structure, they will seek them in a dream of a wholly new structure.

If all we have to place against these disturbing effects of the breakdown of traditional cultures and the development of widely expanded expectations is the actual physical increment of new product created in the short run by development, the picture is bleak indeed. Under the most favorable conditions the maximum rate of growth of physical output likely to be achievable by countries in the early stages of development is 3 or 4 per cent per year. Where populations are increasing by 1½ or 2 per cent per year this means that the ceiling on the rate of improvement of individual welfare is 1½ or 2 per cent per year. If growth is to become self-sustaining, some fraction of this increase must be plowed back into further investment. The maximum rate of increase in consumption per person averaged over the population as a whole is not likely to exceed 1 per cent per year. It is easy to be derisive about the notion that one more grain of rice in a peasant's bowl for every hundred he now gets is likely to compensate him for the things that are shaking his soul and will make him again docile, placid, and content with his lot. It is true that 1 per cent compounded over ten or twenty years begins to amount to something substantial, and over fifty years becomes miraculous especially since as the process goes on the percentage will probably grow. Even at a growth rate of only 1 per cent per year the standard of living will double in two generations. But in the modern world of rapid communication the political and social process are greatly accelerated and will not give us fifty or even twenty years. By and large economic programs based on this crude materialist thesis deserve all the derision they get.

Such a conception of the way economic programs are supposed to work, in addition to being wrong, can be very dangerous. The conviction is already widespread in Asia that we are crude materialists with no understanding of things of the mind and spirit. If we promote economic programs with this crude conception in mind, we will not only be disappointed in their results but we will create

additional hostility and contempt in the areas we are trying to influence and drive them powerfully to seek solutions more congenial to them than ours.

VI. THE POSITIVE CASE FOR ECONOMIC PROGRAMS

In the face of this powerful battery of arguments that whatever the *economic* effect of economic programs (and we have yet to examine whether even an economic effect can be expected) the political and psychological effects can be contrary to our interests, how can the thesis stated at the opening of this paper be defended? Would it not be better to leave the peoples of the underdeveloped areas of the world in a state of placid stagnation rather than arouse expectations that neither we nor they can possibly satisfy and expose their societies to the risk of social and political disintegration? There is, of course, an obvious negative answer to this question. The question implies a much greater degree of control over social processes abroad than we now have or could conceivably aspire to. The process of change is already inevitably under way, the expectations are already aroused, and the economic, political, and social revolution of the underdeveloped areas is already inexorably on the march. Even if the Communists were not everywhere promoting and encouraging this process, the unprecedented spread of communication throughout the world in the last twenty years has already fundamentally altered the images of the future of the bulk of the world's population. This alteration will be accelerated in the coming decades. The spread of literacy, motion pictures, radio, and travel, rapid as it has already been, has just begun and will produce much more unsettling results over the coming years, whatever we or the Communists do about it.

More constructively, however, the argument to this point has wholly neglected the core of the case for an active promotion of economic programs, which is to be found in the indirect political, social, and psychological effects that such programs can be made to have if they are designed with this end in view. Some economic advance, while certainly not a sufficient condition for the development of stable, confident democratic societies, is an absolutely necessary condition and properly designed can be an effective engine to promote broader political and cultural objectives that we, in fact, have in common with the people of these countries. Our most important long-run aim is, I take it, the growth of societies around the world which will resist Communism and other extremist movements because they learn to handle effectively their own problems and to meet the aspirations of their people while reinforcing their dedication to the dispersion of power and the maintenance of freedom.

VII. REQUIREMENTS FOR THE GROWTH OF POLITICAL MATURITY

To see how economic programs can serve this end we must first outline briefly some of the requirements that must be met if these areas are to achieve political maturity:

a. There must be posed for the leadership and the people of each country challenging and constructive internal tasks which will capture the imaginations and harness the energies of persons throughout the society. The peoples of the countries of Asia, the Middle East, and Africa have been until recently either *de jure* or *de facto* dominated by the will of foreign powers of different races from their own. To the extent that their peoples have achieved a degree of common purpose it has been in opposition to this external influence. To the extent that they have achieved their independence both *de jure* and *de facto* from colonial control, this symbol of their common purpose has lost some of its energizing force. Many of them are trying to retain their crusading spirit and their sense of direction either by retrospectively fighting over again in their minds and in their political speeches the glorious revolutions they have already accomplished or by identifying

themselves with the revolutionary aspirations of countries still not independent. A prime requirement for their political development is that they now turn their constructive energies on a broad scale to the real problems of their own internal future. Only when these problems of internal change have become the earnest concern of a large part of the population, and individuals throughout these societies see ways in which they can make useful contributions to the solution of these problems will the institutions and forms of democracy become meaningful.

b. The constructive issues around which unity and cohesion is to be forged must relate to the emerging aspirations of all classes and regions in the society. The fight against Communism is neither sufficiently meaningful nor sufficiently related to the current aspirations of the bulk of the peoples of the underdeveloped areas to be an effective standard around which to mobilize political activity. First, it is a fight against and not a fight for something. Second, Communism is not seen as a menace in many of these areas because they have had no personal contact with what it can mean. Those who are aware of the East-West struggle regard it as something that matters to us but not to them. Third, the Communists have very skillfully soft-pedalled the ideological elements in their position and have identified themselves with the things on each local scene that the local people want. Thus to attack it in principle gives us the appearance of attacking the whole idea of trying to solve local problems. The best counter to Communist appeals is a demonstration that these same problems are capable of solution by other means than those the Communists propose. The great revolution of our time consists in the extraordinary spread of aspirations for change to many millions who never felt such aspirations before. Unless there is an equally rapid spread of the conviction that purposive action within the existing social order can make progress in meeting these aspirations, movements to alter the order by violence will become increasingly successful.

c. These countries must find ways of developing new, young, and vigorous leadership. Their leaders, with some notable exceptions, are either men who have spent their lives organizing opposition or men selected by the occupying powers because they had a stake in the maintenance of the status quo or because they could be trusted to administer without having too many ideas of their own. Many of them are older men. The development of the right kind of young leadership will require stressing problems which are challenges and opportunities rather than threats and which therefore appeal to constructive rather than conservative motives. There are reserves of leadership potential throughout the populations of the underdeveloped areas but they must find a focus for their energies in problems they regard as real rather than symbolic. Economic growth can provide one such focus.

d. Related to the recruitment of new leadership is the encouraging of greatly increased social, economic, and political mobility. One reason for the widespread impression that leadership material is scarce in these countries is that the base from which such leadership could be drawn has traditionally been incredibly narrow. One of the things the Communist movement does is to provide outlets for the awakening energies of young men previously denied opportunity by the rigid feudal-class structure of their societies. In particular, recruitment of leadership has too frequently been confined to the urban centers where a small fraction of the population is concentrated. There are human resources which have been largely untapped in the rural areas where 70 to 90 percent of the people in the underdeveloped areas live. Outsiders cannot force the recruitment of such leadership, but programs of rural development can lead to a necessity to draw on this resource.

e. Related to this is the requirement, if these countries are to achieve mature development, of finding ways to bridge the almost unbelievable gulf between the urban classes, often Western educated, and the countryside. The

educated classes in many cases often know less—and more important care less—about their own countrymen in the rural districts than we or other foreigners. This has a doubly unfortunate influence. The urban leaders do little in fact about some of the country's most urgent problems, and the mass of the people lack the conviction that their leaders are centrally concerned with their problems and aspirations. Those countries which are making the most progress toward maturity are those in which this gulf is being bridged, more through economic programs which yield a sense of common purpose derived from common effort than through any other channel.

f. Perhaps the most critical requirement is that the people of these countries develop a degree of confidence both as a nation and as individuals and small communities that they can through their own efforts make progress with their problems. The most important reason for believing that some growth in economic output, even at a slow rate, is critically important to political stability is that such growth has become increasingly an important symbol to them of their capabilities, their national worth, and their national dignity. If this growth is widespread through the country and based upon a good measure of local community initiative, it can become a vital symbol of individual and community as well as national achievement. The Communists are saying, through the countryside, "Your leaders are bankrupt. You can take no action under the present system to work toward the satisfaction of your hopes. Join us and we will give you a meaningful mission." There must be an alternative to this appeal if democratic evolution is to succeed.

g. This same sense of confidence is also the chief prerequisite for the development of satisfactory external relations with the rest of the world. At the moment many of these countries are fearful that other nations have objectives and values different from their own which threaten their national integrity and security. Once they see that they are wholly capable of standing on their own two feet they can afford to be less quixotic and nervous in their foreign policies. They will be suspicious of direct appeals from us urging them to accept our principles and values. If we demonstrate those principles in detailed programs of common action to deal with their pressing internal problems, they will come to a recognition of the interests we have in common and of what we both can gain from working together to advance those interests.

VIII. HOW ECONOMIC PROGRAMS CAN PROMOTE STEPS TO SATISFY THESE REQUIREMENTS

It has already been suggested in a number of places above what economic programs can have to do with the meeting of these requirements for stable political growth. It should be apparent that whether such programs have desirable political and psychological effects will depend on how they are carried through. We have had experiences with aid programs which justify all the scornful strictures of their opponents, and which have been not merely neutral in their effect and hence wasteful but positively harmful to our interests. Certain of our programs immediately following World War II such as our early efforts in the Philippines were of this variety. Benefits do not follow any more automatically from the voting of sums of money by the Congress in this field of policy than in any other. But properly designed and administered, economic programs are one of the few levers of influence available to us which have a real chance of influencing in important ways political developments in the underdeveloped areas. It is worth explaining in more detail why this is so.

In the first place, *the possibility of economic growth is a problem that presents a real challenge to the constructive energies of the people of these countries.* Some of them, like India, have already demonstrated that this challenge can have much greater appeal as a rallying point for national effort than the preservation of their

societies from what we believe to be an external threat. Indeed, in India the problems of internal development have already replaced to a considerable degree the issues of colonialism, race discrimination, relations with foreign countries and the like as the burning issues of local politics. The present government has tied its fortunes to the success of its five-year plans and has generated a degree of interest in these even down to the remote villages which is quite remarkable. Performance under the five-year plans has become important not merely as an index of the effectiveness of the present government but as a major symbol of Indian national aspirations, independence, and dignity. A realization of forward movement in this area, even if the visible economic results are not major, has become a prime factor in the national consciousness. The widespread awareness of India's competition for success in growth with China has been described too often to need detailed comment here. It is not accidental that India's internal political situation is in better shape than that of most other Asian countries. Their effective absorption in a constructive economic effort is not the whole story, but it is an important part of the story. And a reversal of the trend of progress which has been started could lead to a rapid deterioration of the political scene. It is the thesis of this paper that supporting efforts like the Indian one and encouraging the development of such efforts in other countries can be one of the better ways we can influence political change.

One reason for this is that *a real concern with the over-all economic problems of these countries literally forces the urban educated leadership to get out into the countryside* and find out about rural conditions and prospects. Indian intellectuals are learning, slowly but surely, to work with peasants, to soil their hands, to interest themselves in the issues peculiar to their own nation rather than in the intellectual fashions of the Western world. There are still villages in India where people have never heard of Nehru, much less of community development, but the number of these is shrinking with amazing rapidity. A more energetic focus on development could have similar effects in countries where the gap between city and country is still almost unbridged and where the Communists therefore have a clear field in the rural areas.

Programs of agricultural and village development probably provide the best opportunities for uncovering and encouraging new sources of young leadership. Again, the village worker training programs which several countries in Asia are undertaking are recruiting not from the castes and classes to which opportunity has traditionally been limited but to much broader sectors of the population. Even in the cities industrial development is beginning to be accompanied by a labor movement that is shifting its focus from political agitation to increasingly responsible concern with the economic welfare of the working classes within the framework of existing institutions. This process has a long way to go, but it is moving in the right direction. The failure of efforts at economic growth could rapidly reverse this trend and drive labor and peasant organizations back to a concentration on political protest instead of constructive effort. More vigorous promotion of growth with opportunities for these groups to realize some success in their efforts to improve their welfare could greatly accelerate the emergence of responsibility in such organizations.

Psychologically as we pointed out above *confidence that they have it in their power to improve their own lot is one of the most essential requirements for political responsibility.* Economic evidences of success are among the most persuasive ones. Seeing new factories, better farming methods, improved public health and education, better transport actually becoming realities in response to their own efforts can supply this confidence. The more widely spread these activities and the more universal the efforts of which they are the tangible evidence the more likely is the political effect to be salutary.

Finally *many kinds of economic programs provide opportunities to demonstrate democracy in action* which are much more convincing than abstract discussion or than the operation of electoral machinery divorced from real problems. If voting is to be made an activity which is more than an amusing new gadget, there must be something to vote about which directly concerns people and some test of candidates other than their polemic abilities or the width of their circle of acquaintances. Economic issues are, of course, not the only ones with real vitality, but most other cultural, educational, and social issues raise resource problems.

There are possibilities in cooperation on economic issues to demonstrate not only the common goals shared by the peoples of one country with those of another but also helpful ways in which those goals are being pursued which correct false images of foreign societies. One of the most politically effective programs we have carried out to date has been the sponsoring of visits to American industry by European productivity teams. The ostensible purpose of these visits was to give the visitors new ideas about technical and organizational ways to increase productivity. Their most dramatic consequence, widely attested to, was to spread an understanding of what labor-management relations were really like in America. Visitor after visitor from both European management and labor expressed amazement at the degree of democracy and mutual human respect they found in American labor-management relations. Experience of our agricultural extension service, of the American cooperative movement, and of many other features of our economic organization supplied in the context of a program to participate in the promotion of development abroad can be one of the most effective instruments of international understanding we can employ. Ideology, values, and principles of political organization can be much more quickly grasped and promoted through programs of common action than through debate or "education."

It is perhaps necessary to repeat again that economic problems are, of course, not the only focus for constructive effort. But almost all the challenging things people can be stirred to want to do with themselves and their societies require some additional resources. Without economic growth neither the human energies nor the physical resources will be available in the poorer countries of the world for the satisfaction of the aspirations of their peoples. Thus economic growth is both a prerequisite for political, cultural, and social improvement and can itself in many ways be an engine of such improvement. The unique opportunity that this presents to us is that only we in all the world have the abundant resources to make such growth possible. Others can and should contribute for a variety of reasons. But the scale of effort required for real results is beyond the unaided capacities of many of the underdeveloped countries, and the volume of assistance that could fruitfully be used probably cannot and will not be supplied by the Soviet bloc. As long as we keep our efforts on a scale sufficiently meager so that the Communist world can afford to match it, they will do so and with great effect. But this is one area where we have the wherewithal to leave them far, far behind.

IX. ECONOMIC PROGRAMS—A WAY TO BY-PASS POLITICAL STALEMATE

To put the argument of this paper another way, our basic objectives are, of course, political in the sense that our most pressing interest is that the societies of the world should develop in ways that will not menace our security, either as a result of their own internal dynamics or because they are weak enough to be used as tools by others. But our capabilities to influence political development by direct argument or intervention are very slight. Indeed, direct political intervention is almost certain to set up resentments and resistances which will produce the exact reverse of the result we seek. Economic programs which are neutral with respect to the political issues which rouse

men's passions nonetheless can be effective instruments of political influence, not in the sense that they will recruit allies but in the much more fundamental sense that they can develop political responsibility. They are thus a way—I would argue the best and perhaps the only way—around the impasse with which we are confronted when we try to use our political influence directly.

X. A NEW POLICY TOWARD COLONIAL AREAS

An important illustration of this principle is to be found in our policies toward colonialism. We should be on the side of freedom and independence for subject peoples. But to espouse this openly damages severely our relations with the powers possessing colonies. Beyond this it is not at all clear that we contribute to the peace and stability of the world by encouraging colonial peoples to rally their energies around the goal of violent revolution. There is some merit in the argument of the colonial powers that to turn loose their colonies before they have acquired the capacity to deal with their own affairs is to do the colonies as well as the world at large a disservice.

But a vigorous program of assistance to economic development in colonial areas can put us on the right side of the case with much less political embarrassment. We can perfectly properly insist that economic growth in these areas will only be lasting if responsibility for economic programs is delegated at a rapid pace to the people of the area themselves. We can insist, through economic programs, on seeking out and developing local leadership. We can argue persuasively with the occupying powers that such programs will provide an outlet for the energies of local communities which will divert their attention from subversion and violence against Europeans. We can with equal justice insist that our aim in supporting these programs is to speed the time at which the colonial peoples can secure that independence to which we as well as they are dedicated. We can show the colonial peoples that we are effectively securing independence for them by forcing, as a technically necessary condition for economic growth, the delegation to them of an increasingly important share of the decisions that affect their daily lives and welfare. Thus the formal status of political independence will become both less emotionally urgent and more attainable. To describe all the ways in which this can be done would take more space than we can devote to it here. But I am convinced that a skillful program of economic and technical assistance could take much of the dynamite out of the symbols of colonialism if it is pursued with vigor and imagination well before the dynamite has begun to explode.

XI. EFFECT ON OUR MORE DEVELOPED ALLIES

The relevance of all this for the other relatively developed countries of the Free World has been spelled out in many places and needs only a few comments here to highlight it. The economic problems of Western Europe and Japan are problems of finding trading relationships in the world which will permit them to continue to specialize in the kinds of economic activity to which they are best suited. Economic development of the underdeveloped areas could be a major factor in providing markets for their industrial output and agricultural and raw material imports essential to their survival. This result would come about, of course, only if development policies were accompanied by policies with respect to the liberalization of trade both by this country and by the underdeveloped areas which would permit such trade to flourish. This will be discussed further in a later section.

Equally important, however, are the possible political and psychological effects on the other developed nations of a program of development in which they participate as partners. Our common efforts with them to date, with the notable exception of the Marshall Plan, have been largely military and have had the negative

if vital objective of confining the expansion of Communist military power. It is important for our relations with them, too, that now that the Marshall Plan is largely over we demonstrate that we are still interested in more constructive tasks. It is possible that the NATO machinery could be utilized in a common development effort. This would have the highly desirable effect of changing the image of NATO throughout the world from that of a military alliance to that of a constructive partnership. The difficulty with this is that the military image is so firmly held that it might serve to prevent NATO activities from being accepted in the areas where development help is most needed. Whatever the machinery, a joint effort to which we make a major contribution which has as its objective the building of successful democratic societies could have important effects in holding the alliance together and substituting the cement of hope through common effort for the binding force of fear.

XII. THE CONDITIONS FOR EFFECTIVENESS OF ECONOMIC PROGRAMS

We have explained why economic programs, if successful in effectively expanding the resources available to the presently underdeveloped areas, can have political, social, and psychological effects which are highly desirable from the point of view of the countries themselves, and also from our point of view. It remains to consider first what chance there is that such programs can achieve their economic purpose, and second what minimum level of effort is necessary on our part if they are to do so. Economic programs can have, and in some cases have had, little or no lasting impact on the level of output of the countries where they have been applied. There are a number of conditions that must apply if they are to have such an impact.

In the first place, *each of the particular projects developed under such programs must of course be soundly conceived* in economic or business terms. The domestic resources necessary for installing and operating the project must have been planned for, the market for its product must be correctly foreseen, its location and character must have been carefully tested to make certain they are optimum, etc. These are the considerations normally applied to any scheme by an investor or a banker. Some modification of the banker's rules is called for in the case of projects such as irrigation or highways where the benefits to the country cannot easily be captured in the form of revenues to the enterprise, but laxness in the severity of project screening in order to get money spent does a disservice to the country being supplied with capital. One essential condition is that these must be nationals of the receiving country with the energy and skill to develop project proposals soundly and in detail. They can of course secure expert advice and assistance from foreign technicians, but unless they take the responsibility and initiative for preparing sound projects, whatever results is unlikely to be operated long in such a fashion as to make its full contribution to the country's economy.

In the second place, *the receiving country must be able to demonstrate convincingly that it has thought through its economic needs and established a priority program of capital requirements* of which the project in question forms a logical part. The purposes and ends which economic development is to serve are, with some exceptions to be noted below, the business of the developing country and not of those supplying capital and assistance to it. But it is important that explicit consideration be given to those purposes by those responsible for the country's planning and that major issues as to the desired pattern of development have been considered and passed upon to insure the effective use of available resources in promoting those ends. This again requires that these issues be formulated not by foreign experts or observers but by nationals of the country, sufficiently widely and with sufficient understanding to insure reasonable continuity in objective and maximum energy, devotion and intelligence in pursuing the program.

There is a condition underlying both these criteria that deserves to be more fully stated. Development will become self-sustaining and will have the desired political and psychological consequences only if the country in question has the knowledge, the training, and the will to use additional resources with some wisdom. *A minimum level of administrative skills, of trained labor, of planning talents and of political cohesion must be present.* Investment which will be profitable to the investor is possible without these things. Foreigners can come in, bringing the necessary technical and administrative talent with them, and can invest effectively in such things as extractive industry producing a product for export, but this kind of investment is likely to leave both the economy and the political and social structure of the country largely untouched. In any case it is most unlikely to promote underlying changes in the society to the degree necessary to launch a self-sustaining process.

It is this set of considerations that sets limits to what is frequently described as the absorptive capacity of an economy for outside capital. In countries whose economies have not yet begun to grow, and in some which have started this process, it is this absorptive capacity which is the bottleneck limiting the amount of capital that can be used to good effect. The problem raised in the first paragraph of this section can be restated as follows: Is the absorptive capacity of most of the underdeveloped areas likely to be great enough to permit a level of investment there which can move them from static income levels to self-sustaining growth? The answer to this question exposes what looks like a vicious circle of effects. For we have seen that the challenge of economic growth may be one of the best catalysts for generating the energies, the dedication, and the sense of common purpose needed to encourage political maturity, social mobility, the recruitment of new vigorous leadership, and confidence. But unless these things are already present in some degree no offer of help in the growth process is likely to produce desirable results. Economic, political, and social development are all part of a closely interwoven fabric. No one of them can proceed far without the other two and each is therefore a precondition for the others.

Like most such circles, fortunately, this one is not quite so vicious as it looks. The elements of movement and progress are present in some degree almost everywhere. Two related things are required: a challenge which will stir the sense of opportunity and the imagination of an important fraction of a country's leadership, and some hope that if the opportunity is grasped the resources to make it a reality will be somehow available. These two elements being present there is of course no assurance that the society will move forward. But this pair of forces operating in a sustained way over a period of years has a good chance of starting a spiral which will move upward rather than downward with economic, political, and social forces interacting in such a way as mutually to reenforce rather than to thwart further forward movement.

XIII. WHAT INFLUENCE CAN WE HAVE FROM OUTSIDE ON THESE CONDITIONS?

What role can be played from the outside to initiate and encourage this process? Certainly the basic initiative and energy must come from within the country. But both the challenge and the resources can be supplied in part from abroad. The resources are easy. What about the challenge? This can be supplied in part by the way in which an offer of resources is made. It must be made on a big enough scale so that statesmen in the recipient countries will see that it can make a decisive difference to their chances of realizing some of their dreams for their country. It must be made with criteria of eligibility to be met by the recipient country sufficiently severe to call forth major efforts on the part of the country to prepare itself for the effective use of additional resources. And it must be made over a long enough period of time and with sufficient promise of continuity

to make rather long run efforts to qualify worth while.

The criteria of eligibility must be severe in one sense but very carefully delimited in another. There must be no suggestion in these criteria of a political or military quid pro quo, and no hint of the imposition of a detailed economic or political philosophy by the supplier. The criteria must be accepted and recognized as being technical ones in the sense that they are designed solely to insure that resources made available will be effectively used in securing the result the recipient country wishes to achieve. They should probably be laid down, for this reason, by an international body of some kind (like the International Bank) recognized as expert and disinterested politically. If they meet these conditions they can and should be severe enough both to prevent the gross waste of resources and to have the maximum effect in stimulating local action to raise absorptive capacity.

XIV. THE THRESHOLD OF EFFORT REQUIRED

In this framework, two factors set the limits of the threshold of effort required if economic programs are to be effective. The first is a set of economic factors growing out of the relation of additions to capital to additions to income. One can make reasonable estimates of how much capital is required, if it is effectively used, to produce a given increment to income. One can make further estimates of how much the recipient countries can reasonably be expected to mobilize out of their own resources at each stage as development proceeds. The difference is the minimum which must be supplied from some outside source if the desired rate of growth is to be made possible. The second set of factors is much more difficult to describe, and even more difficult to put in numbers. It is the set of factors which determines whether the offer is large enough, sustained enough, and of the right character to be perceived as a challenge by decision makers in the recipient countries.

XV. ECONOMIC FACTORS AFFECTING THE THRESHOLD

Let us take the economic considerations first. The author has participated, in another context, in an effort to estimate the magnitude of the supply of capital which would be required per year to launch all the presently underdeveloped areas into a self-sustaining process of growth.[1] The details of the computations will not be repeated here but the general method of approach and the broad results may be briefly indicated. Taking existing estimates of the national products of all the underdeveloped areas, one can make estimates of the over-all capital-output ratio which may apply in each region, that is of the number of units of capital which must be invested to secure an increase of one unit per year in output. This was taken to be 4:1 in all areas except Latin America where it was taken to be 3.5:1. It was assumed for reasons to be explained in a moment that it would be necessary and conceivably possible to produce a rate of increase of output of 1 percent per year per capita to induce self-sustaining growth. Since population is increasing in Asia and Africa at something like an average of 1.5 percent per year and in Latin America at around 2 percent per year, this requires rates of increase of output of 2.5 and 3 percent, respectively, in these areas. Applying the above capital-output ratios to these percentages of existing levels of income, one arrives at an estimate of total capital requirements. If we take existing levels of investment in these countries as an index of what they can supply from their own resources without outside aid and subtract these from the total requirements we come up with a very rough estimate of the amounts of foreign capital that would be required to make possible a 1 percent per annum increase in output in all the presently underdeveloped areas of the Free

[1] "Proposal for a New United States Foreign Economic Policy," Cambridge, Mass., July 1954, unpublished manuscript by W. W. Rostow and Max F. Millikan.

World, assuming technical absorptive capacity permitted.

The calculations result in the following ranges:

	Billions of dollars
India, Pakistan, Ceylon	0.8–1.2
Burma, Indochina, Indonesia, South Korea, Malaya, Thailand	0.4–0.6
Japan	0.4–0.6
Middle East incl. Egypt	0.4–0.6
Latin America	0.8–1.2
Africa excl. Egypt and S. Africa	0.2–0.4
	3.0–4.6

The United Nations and others have made estimates based on a target of a 2 percent per annum increase instead of a 1 percent per annum increase. The latter figure was chosen for this estimate because it was believed that absorptive capacity would not be great enough on the average to take up, over the next ten years, more than the amounts here indicated. The total investment levels resulting from this program would be from 30 to 50 percent greater than present levels in all areas except Latin America, where they would be about 20 percent greater. This is believed to be about as much as there is any reasonable hope could be absorbed under the fairly strict conditions of eligibility contemplated. Actually, during the first two or three years of the program the amounts absorbable would be much less than this. If there were a ten year prospect of this amount being available annually, however, it is possible that at least a number of countries would be able to expand their investment levels intelligently by three years from the inauguration of the program to a level 30 to 50 percent above the present one. Their capacities to invest fruitfully would of course continue to expand by 5 to 10 percent per year but the resources for this expansion could come from the expanded flow of domestic savings made possible by the higher output.

If an offer of capital assistance, partly in the form of grants but predominantly in the form of long-term loans at low interest rates, of this order of magnitude were made by a group of participating western nations, there would be a wide variety of responses. Some countries might for a time refuse to apply for funds because of doubts as to whether the program would be administered in a politically acceptable manner. Others would undoubtedly not be able for considerably longer than the three years assumed above to meet the criteria of eligibility. Others would be willing and able to move ahead quite rapidly. On balance perhaps no more than 60 percent to 70 percent of the funds thus offered might be taken up within the first ten year period. Thus the total annual financial drain on the participating countries might not be more than 2.0 to 3.0 billion dollars. Sources other than the U. S. government, including foreign nations, the International Bank, and private capital could probably mobilize over the ten year period an average of $0.5 to 1.0 billion per year. This would leave the budgetary load on the U. S. at a figure of $1.5–2.0 billion per year.

XVI. NON-ECONOMIC FACTORS AFFECTING THE THRESHOLD

Now let us turn to the thresholds determined by non-economic factors. The following considerations bear on these thresholds. In the first place countries now in movement, like India, must feel that the increment to that movement to be secured from participating in such a program makes worth while some residual risks of involvement with outsiders plus the energies and efforts that would have to go into planning and negotiation. But more important are the countries like Indonesia that have not yet generated much forward momentum. One of the ideas underlying this proposal is that the leverage it might exert on such countries is considerable. If it is to have this effect, however, the challenge the program poses must be both dramatic and manageable. It must be on a scale which promises results of major importance, and the prospective recipients must be

convinced that it is serious and that outside resources will continue to be forthcoming over the ten year period. If the case could be convincingly made that no country need remain economically stagnant for lack of capital resources if it was prepared to make itself ready to receive and use those resources, the pressures on leaders everywhere to make their countries eligible would be tremendous. If existing leadership was not prepared to respond or not competent to meet the conditions there would undoubtedly be strong forces pushing alternative leadership to the top. The fact that certain countries would undoubtedly both accept and make effective use of additional resources would be a strong factor promoting over the years the kinds of developments in other countries which would bring them into the category of eligibility. Considerations such as these argue the case for making the pool of resources to be made available somewhat greater than our best estimates of how much will be used. If our estimates of absorptive capacity turn out to be too low and the entire amount is bid for, this will be because the result we seek is more attainable than we had hoped. If they turn out to be too high, the money will never be allocated and we will have lost nothing.

The estimates given above are extremely rough and hastily made. Much more careful staff work should go into their examination and revision. Even the orders of magnitude may be quite wrong. But the considerations that went into them are at least some of the relevant ones that need to be taken account of by any more professional attempt to estimate the threshold of effort required if we are to achieve political and psychological results with economic programs.

XVII. THE RELEVANCE OF U. S. TRADE POLICY

A final comment is in order about the relation of this set of proposals to our commercial policy, including our East-West trade policy. If growth of the kind here hoped for is to have favorable effects on the economies of the developed countries of Western Europe and Japan, as it is capable of doing, it must take place in the context of a world trading community. We must exert our influence to see to it that the developing countries do not adopt autarchic policies of self-sufficiency or neglect those areas of investment that are important to the expansion of their export industries. Our example will be vitally important here. Unless we give by our actions as well as our words convincing evidence that we believe in a world trading system, we cannot expect to have much success in persuading others to put any reliance on such a system. This calls for three kinds of effort on our part. First, we must push even more vigorously for the reduction of barriers to imports into the United States. Second, we must keep rigidly out of any foreign economic programs we now conduct or devise for the future buy-American restrictions and provisions. Third, we must reconsider the symbolic effect of our present East-West trade policy. It is the conviction of the present writer that the actual consequences of relaxing that policy in increased East-West trade would be too small to be of significant benefit to the Soviet bloc countries. On the other hand the symbolic consequences of this kind of demonstration that we believe in the maintenance and expansion of a world trading community even among politically antagonistic systems would be very great.

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Paper 4

General Guide Lines for an American Long Range Psychological Plan

Author: Stefan Possony

Critic: Philip E. Mosely

I. GENERAL PRINCIPLES

The policy of the United States is to bring about a gradual and evolutionary improvement in world conditions. This policy should be made known and reiterated at every opportunity. At the same time it should be made clear that the United States does not pursue Utopian projects and does not close its eyes to many concrete difficulties which oppose and occasionally prevent evolutionary progress. These difficulties are material, organizational, and mental in character, with the mental obstacles probably being the most significant and therefore requiring particular attention.

The United States should face up frankly to the various world problems and proclaim that it aims to help solve them by systematic endeavors over a period of approximately fifty years or so. By placing the American program on a long range time schedule, U. S. policies can avoid many present and painful inconsistencies. The long range approach will allow the U. S. Government to take a constructive attitude with respect to any crisis that may emerge and to abandon the negative attitude which it is forced so often to assume, for example, with respect to colonial issues.

The United States also should make it clear that in its convictions *most of the outstanding problems of the world are solvable and can be solved within the next two generations.* Such an attitude does not imply an unreasoned belief that human nature can be changed, let alone that by 2000 A. D. a paradise will have been established on earth. The United States should not commit itself to a belief that these solutions actually will be implemented fully and successfully by the end of the century nor that the mental climate prerequisite for eternal peace and happiness will be in unchallenged existence. But it should stress that many problems which loom large today gradually will lose their significance and that none of these problems is sufficiently grave that it must be solved by radical and violent means. The idea should be emphasized that within the next fifty years things will improve substantially, and will be improved in all countries. There should be no suggestion that *all* political problems can be solved, but rather than many of them are susceptible to solution and that it is to the general interest of all nations to cooperate in the management of those solvable problems.

The United States should express its belief that the peoples of the world are not fundamentally unreasonable and that practically all nations, in time, can develop attitudes to political issues which characterize the common sense behavior of the Scandinavian peoples, the Swiss, and the Anglo-Saxons. It must be suggested that many present difficulties and the inability to see any but violent solutions are due to traditional beliefs, faulty assumptions, out-of-date behavior patterns, and basically to inadequate and distorted information.

The United States also should express the opinion that many of the power-political problems which so far have beset the 20th century—in particular the phenomenon of world-wide aggression—were characteristic of a passing

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phase in human history and specifically of the conflict between the dying world of feudalism (including the intellectual remnants of feudalism) and the emergent industrial and technological society.

The United States must make it clear that for many technical and organizational reasons, dictatorship is an improper solution which inevitably hampers progress. No better organization has yet been developed than democracy, although the techniques of democracy must be learned and although even the most advanced democracies must be developed further.

In this general line of thought, the United States should set a tone of optimism and confidence and combat all suggestions that the progress of mankind has been halted and that many of the crucial problems cannot be solved at all or only by forceful means aiming at the remaking of "human nature." It should make it clear that solutions which are striven for in the unilateral interest of one nation are not genuine solutions but tend to backfire and create worse difficulties. Solutions which last must safeguard the interests of all parties and therefore be the result of compromise. The United States should oppose all versions of perfectionism and Utopianism and bring about a general maturity in political attitudes. It never should tire of stressing the interrelationships and the mutual interests between nations.

In expressing the thought that many socio-political problems are subject to satisfactory solutions the United States should not claim that Americans have all the answers. It should make it clear that American society has found many of the suitable answers and that it has applied successfully quite a few of them. It would be beneficial to all nations if they were to become familiar with those precedents. However, these answers are not perfect or final, and are subject to improvement. Moreover, other nations dealing with other conditions may find answers which are more satisfactory to them and should be encouraged to do so. The United States is not chauvinistically attached to its answers and it considers them pertinent simply because the U. S. has been the most advanced industrial society; therefore nations which follow on the road to industrialization can profit by the most important experiences which have been made so far.

To the extent that no proper answers are as yet available, the United States will give every support to determining what can be done. The main point is that in the search for solutions, the scientific methods, the spirit of mutual cooperation, and a general attitude of common sense and reasonableness, be given their proper weight.

The United States should make it clear that in its belief it can make a major contribution to the solutions of outstanding problems in the form of *intellectual, organizational, technical, and material assistance.* On the other hand, the United States should not presume that it can solve other nations' difficulties, let alone that it intends to take over other nations' jobs. No progress can be made without international cooperation and, specifically, without the determined will of each nation to find itself the proper solutions. No one can be helped who does not help himself.

The United States considers that the following outstanding problems can be solved within the next 50 years or so: the elimination of hunger, the raising of living standards, including the provision of decent housing, the establishment of a satisfactory structure of private ownership, and thereby of true economic security, and the elimination of all current forms of economic want; the establishment of self-government in most nations, the drawing of adequate and mutually satisfactory frontiers, the re-definition of frontiers in such a way that international cooperation is not impeded, and the establishment of regional and federal structures combining several nations; the establishment of proper legal codes in all countries including the granting of human rights and personal and political freedoms; improvement in the efficiency of political organization and state structures of all types including international organizations; vast improvements in

the educational and public health fields; and advances toward the final solution of the problem of military security.

The United States should leave no doubt that the solutions to these problems proposed by such movements as Communism, socialism, fascism, aggressive militarism, and other dogmatic "isms" are wrong. Nor should it imply that institutional democracy has reached the end of its evolution but rather state clearly that progress is dependent upon the improvement and development of democratic procedures. It should continue to warn against the dangers of all forms of radicalism and take stands against all attempts by Communism to delay progress. It should leave no doubt that (a) progress could be more rapid and satisfactory if Russia were to change its policy; and (b) progress was delayed since 1914 due to two world wars and in particular, since 1945, due to Communist aggressiveness. The record of Communism as a truly *reactionary* party should be spelled out in detail to all pertinent audiences.

The United States should make every effort to create in the world a general image of gradual and positive evolution. The peoples of all nations should acquire the conviction that while things are bad today, they will be better soon, with initial improvements possible almost immediately. It should emphasize that difficulties can emerge and slow down this evolution. Such difficulties can arise everywhere, even in the U. S. and naturally, the resources which must be invested in order to bring about the desired evolution are scarce and must be used judiciously which means that progress will be uneven.

Attempts to overcome these difficulties by radical and violent means would tend to jeopardize the process in its entirety. Many problems will have to be handled with patience and such preaching of patience will not sound hypocritical if it is paired with concrete advances in fields where difficulties have not arisen or have been overcome.

Moreover, difficulties can be handled only to the degree that people act reasonably and discharge their responsibilities actively. The effectiveness of this entire approach would be nullified if people would get from it the idea that progress being inevitable, they need not bestir themselves. On the contrary, audiences must be called "to arms" in the sense that their duties and responsibilities must be impressed upon them firmly, and active behavior be elicited. They must be brought to understand that it depends on them whether the good society will emerge or not. The political maturity which we want to achieve consists of *four* broad parts:

1. Confidence that a better future can and will be brought about;
2. The wisdom and necessity of evolutionary development;
3. The indispensability of rational, common sense and mutually acceptable solutions;
4. Personal responsibility in thought and action.

On the other hand, the United States should leave no doubt that it expects the emergence of violent crises and convulsions and that it is prepared to use force, together with its allies and friends, if this be necessary to protect the security of the entire operation. Without order and security, no peace, progress and freedom.

Lastly, the United States should try to inject into the world's thinking the conviction that since the beginning of the century people have become overly excited about political issues. It is not necessary to minimize the role of politics but it is exceedingly dangerous and costly to overrate it. There are limits beyond which political pursuits should not go and there are even firmer limits beyond which politics cannot solve human problems. The overemphasis on political issues has led to an impoverishment of many other human interests and it is important to keep a balance between *all* human pre-occupations. The infusion of passion into politics precludes the finding and adoption of sensible solutions. While the crisis produced by the industrial revolution and the collapse of

old political forms are the main causes of this political over-excitement, the time now has come to reevaluate the role of politics in human affairs: politics, to a large extent, deals with technical matters of organization and management. To the extent that this thought finds acceptance, a better framework for political progress will have been created.

These psychological points should not be made in a vacuum and should not be restricted to verbal exhibitionism. They should be tied closely to the many concrete American programs, including military security, NATO, the inspection scheme,[1] atoms for peace, technical assistance, the fostering of international trade, improvement of living standards and enlargement of ownership, the ideological effort, and various cultural ventures which have yet to be set up.[2] Means should be explored by which this overall approach can be rendered most convincing. Reference is made to companion papers.

II. AMERICAN BEHAVIOR

An important caveat needs to be reiterated. In pursuing this type of a program, it is absolutely imperative that the United States, in addition to giving the impression of confidence, optimism, and helpful leadership, display and even exude strength and determination. Any compromise by the United States with its military security, any lag in the technological "race" any attempt to put economics before security and to shun away from necessary sacrifices, any vacillation with respect to basic and long-range security undertakings inevitably must lead to a diminution of the American impact. Whether or not there can be significant "cutbacks" or "stretch-outs" depends primarily on Soviet military policies and their willingness or unwillingness to enter into mutual control schemes. It would be particularly dangerous if the U. S. were to act as though it were "falling" for a clever Communist propaganda line, therefore exhibiting not only lack of stamina but also intellectual inability to understand the nature of the world crisis.

Such American behavior would keep alive the hopes of Communists, anti-Americans, and anti-capitalists that the American structure will break down or be destroyed, after all. Throughout its entire history the fundamental strength of Communism has been the conviction that ultimately a Communist victory is unavoidable and that the free world must collapse. Supposedly, this outcome is immutably predestined and, so far, this expectation which has been the root cause of Communist moral strength has not yet been disappointed. It is therefore necessary to create the counterimage of the inevitability of the ultimate frustration of Communist strategy and of Communist downfall, and of the absolute and clear certainty that the American system does not bear in itself the germs of its own destruction, but on the contrary, the elements of ever greater and accelerated success; and that moreover the morale, the will to sacrifice and the resolution of the people living under this satisfactory and growing system are unshaken and are becoming stronger.

The double image of American invincibility and anticipated Communist decay will be the main prerequisite to a permanent and fundamental change in the world's climate of opinion. American moral strength and military prowess do not need to be advertised with fanfare. This is a matter of quiet persuasion and display, and it must be coupled with the growing conviction among other peoples that America will never abuse its military superiority but will employ it only in the case of utter necessity

[1] It should be possible to develop strong support for the inspection scheme by (a) producing adequate literature and films explaining the concept; (b) sending around exhibits, including to Russia; and (c) set up forums and other organizations *abroad* (and not only in the U. S.) which can launch into agitation, put local CPs on the spot and address frequent messages to Moscow.

[2] Culturally, the U. S. must take the lead not only in demonstrating its own cultural achievements and destroy once and for all the faulty image of "materialistic America," but also in bringing about ever closer international cultural exchanges.

and then in the interest of humanity and progress. It must be remembered, however, that the instability of American military policies are destructive of these ends and that as long as the hope persists that the American government can be tripped up and trapped into ill-considered gambles with U. S. security, the true image of America as the guardian of peace cannot emerge or persist. Should the U. S. fall behind in the technological race, a very serious situation would have been created in which the positive and constructive pursuit of American security might become impossible.

III. CENTRAL CONCEPTS OF PSYCHOLOGICAL WARFARE PROGRAM

It will not be attempted here to spell out a psychological warfare program in all its details. Only a few central concepts will be mentioned. Insofar as the Soviet Union is concerned, the general intention should be to bring about and help along the Soviet regime's evolution toward a more peaceful and "reasonable" state structure.

As a particular implementation of the general principles enunciated above, it would be useful to implant in Soviet minds the concept of *redemocratization.*[3] The Communists have been paying lip service to democracy, although they think of a perverted type of democracy. But why not take them by their own word? For example, while it might be unacceptable to them to introduce democratic elections in the proper sense of the word, they have asserted that within the Communist party, democratic procedures must obtain. Naturally, they have not lived up to this heretofore mendacious doctrine, but, after all, a good Communist cannot really argue against the usefulness and doctrinal acceptability of intra-party democracy. Consequently, the idea might be suggested that in intra-party elections the voters should be free to choose from among various party members, in order to assure that the best man gets the job. The thought might be suggested that the faithful party candidates should campaign against each other and that thereby the efficiency of the Soviet regime will be enhanced. Likewise, general elections in the Soviet Union could be made more meaningful if instead of "voting" for just one nominated candidate, the voter can take his choice from among various acceptable party members. It also should be possible to transform the various "elected" bodies within Russia, such as the Supreme Soviet, into more deliberative organs. There is no reason why the Supreme Soviet should be restricted to efforts at acclamation and should not be allowed to be in permanent session and debate current problems.[4]

In a similar vein, it should be possible to advertise the better provisions of the *Soviet constitution* and try to put some life into them. For example, the various human rights laid down in this document could be taken somewhat more seriously. Insofar as the federal structure of the Soviet Union is concerned, it need not be expected that any Soviet republic will make use of its pretended right of succession. But certainly it should be possible to endow each member state with a government composed exclusively of its own nationals (and this of course would also apply to the local Communist party) and to give more deliberative freedom to the local Soviets.

In all this it would be highly undesirable if the important issue of *slave labor* be sidestepped. On the contrary, the idea should be implanted that slave labor not only is inhuman and endangers the personal security of every Russian citizen including those at the highest echelons, but is really one of the fundamental

[3] It will be recalled that the absolutist regimes of the 18th century, for technical as well as political reasons, found it expedient to undertake gradual reforms "from above"; rule by decree was found to be unproductive. The precedent seems to be pertinent.

[4] To support this line of reasoning, Marx may be "re-interpreted" as a champion of democracy and it may be shown that Lenin distorted Marx and Engels, as he undoubtedly did in some respects. Moreover, various statements by Lenin and Stalin on intra-party democracy could be exploited.

reasons why the economic progress of the Soviet Union has been thwarted. Slave labor is an uneconomical way of production, and this is particularly true in an era when ample machinery has become available even for the accomplishment of the most arduous tasks, such as the cultivation and utilization of Arctic and desert territory. Consideration should be given to the idea that former inmates of Soviet slave labor camps now living in the free world, at frequent intervals petition the Soviet government in a spirit of friendly helpfulness and not in a spirit of revenge, inviting the Soviets to close the labor camps and offering to the Soviet government to present them with power tools such as chain saws, if a number of slave laborers cutting trees in the Soviet Arctic were to be liberated.

The Soviet Union has made much capital with its contention that it stands for "*economic democracy.*" Instead of disputing this claim we should take them by their word and see to it that economic democracy be actually introduced in the Soviet Union, for example, in the form of higher wages, better housing, the provision of electric appliances, better transportation, substitution of machines for heavy work performed by women, etc. The United States must give the strong impression that it has the fate of the Soviet consumer at heart and that it is anxious to associate itself with all attempts to improve standards of living everywhere.

The United States continuously should explore ways by which the Soviet government can be dissuaded from entertaining any thoughts of aggressive war. It should never allow the Soviets to get away with its phony pacifist propaganda. The inspection scheme and its key role for the safeguarding of peace should be firmly underscored and every attempt should be made to reduce or eliminate the "iron curtain." Again, such endeavors should avail themselves of the evolutionary principle and should be geared to a long range program. Since it would be more difficult for the Soviets to eliminate current practices than to undertake some significant action which would endanger their security at the present time, it is suggested that efforts be made to persuade the Soviet government to open its *archives*, on the same basis as the United States archives are open for historical research and that reliable cross reporting between the two countries and the rest of the world be brought into being, gradually.

Insofar as the *Satellites* are concerned, the program of redemocratization should be pushed. Furthermore, suggestions should be made for the revision of many of the provisions in satellite constitutions and in particular for the elimination of the most oppressive stipulations (including laws on forced labor and correction camps). The idea should be suggested that a system of regional security does not need to be incompatible with true national independence and that on the contrary, truly independent states are more reliable allies than oppressed nations.

In furtherance of those ideas, *scientific congresses* should be convoked to discuss practical problems such as housing, inspection, cultivation, labor saving devices, etc. Former Russian nationals should be invited to attend these congresses in large numbers but in addition every effort should be made to associate technicians from inside the Soviet Union with those deliberations and to distribute publications which may result from such activities to Russian readers.

In general, the United States should make an attempt to *deflate the importance of Russia and Communism* in the minds of the people, except as military and domestic security threats. It is important to destroy the mental quandary which is characteristic of so much political thinking, *viz*, that there is nothing but a choice between Communism and American "capitalism." Instead the idea should be propagated that the Communist "solution" has proved unworkable and is in the process of revision and that hence, the various countries within the free world should stop worrying about inapplicable and unsatisfactory examples. They must get the idea that there are better, safer and cheaper

methods and that Communism merely treats of how *not* to do it.

With respect to *China*, the expectation should be fostered that, sooner or later, the Chinese Communist government will run itself into an impasse without being able to solve the concrete problems of the Chinese people. Chinese scholarship should be encouraged to analyze the main problems of China in order to suggest proper solutions which are technically workable and in line with the age-old traditions and thought patterns of the Chinese people.

The problems posed by NATO have been dealt with in other papers. Be it stressed here merely that the creation of an atmosphere of optimism and "we can do it" is basic to all efforts. More specifically, it is necessary to direct French thinking into profitable and creative channels and to convince the French that the evolutionary reform of their institutions is an indispensable prerequisite for continued progress.[5]

Insofar as the *neutrals* are concerned, we should stop putting them all under one category. The neutrality of countries like Sweden and Switzerland does not hurt us—it may be beneficial—provided they do not neglect their defenses. Countries like India and Burma are of a different type, but the last thing we should do is to get excited about them. The point here is to expose phony neutralism if and when it acts procommunistically. Otherwise, the main task is to create the double image that the wave of the future lies with freedom and not socialism, and that the U. S. is a true leader, a friend in need, and a good counsellor.

In the case of the *underdeveloped areas* it is important to impress upon them the errors of the widespread agitation against western extraction of mineral raw materials, to warn them against the faulty overemphasis on rapid, premature, and misdirected industrialization, and to stress the dangers and the backfire effects of most nationalization programs. There must be created in the underdeveloped areas a conviction that their economic future is dependent upon close cooperation with the western world, including the inescapable and honest acceptance of foreign capital investments. Moreover, it is necessary to impress upon the underdeveloped nations the urgent need for proper education and to offer help for their educational programs. Specifically, an effort will have to be made to show them that neither Communism nor nationalism is liable to solve their problems and in addition to explain that some of the attitudes of the underdeveloped nations (in particular their abhorrence of work and work discipline) are at the root of many of their difficulties. They must be induced to realize that, regardless of foreign assistance, they are the makers of their own future.

The *colonial question* which looks so insoluble when viewed in a short-time perspective becomes more manageable if it is tied to a longer schedule. The U. S. stands for self-determination; no compromise on that. But self-government must be instituted, learned and practiced. It must not lead to irresponsible government and oppression of racial minorities. Many other steps must be taken *in addition* to self-government, especially in the educational, legal, and economic fields. Legitimate acquired rights must be respected. Economic cooperation which would be satisfactory to all concerned must be assured. In short, the present colonial structures should give way, not to congeries of phony independences, but to higher and better forms of international mutuality.

It must be borne in mind, however, that this argument will not be convincing so long as the "motherlands" persist in their present unenlightened and restrictive policies. Methods should be explored through which these "motherlands," perhaps within the NATO framework, could be induced to assume more progressive attitudes and foster self-administration and economic expansion, both of which programs are presently undertaken by them with too much hesitation and too much deceit.

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[5] It is suggested that a magazine be founded devoted exclusively to discussions of the required institutional reforms in France. This magazine, with suitable adaptions, should be fashioned after *Fortune*.

SECRET

Paper 5

A Positive Position for the Third Phase of the Cold War

Originator: George Pettee

Critic: Frederick L. Anderson

I. INTRODUCTION

Soviet and Communist provocations have pushed the United States since 1946 to its present posture of defense. These provocations have been of great variety. The Soviet leaders have expressed arrogant discourtesy, and they have asserted their contempt for men and principles in the councils of the nations. They have overturned democratic governments through cynical political engineering. They have turned loose the armies of satellite fragments of nations against the free parts of the same nations. They have conquered a great country through civil war. They have blockaded a city where three other powers were in occupation with them by firm agreement. They have used the place of honor accorded them in the world organizations established after the Second Great War to sabotage and paralyze the development of common action among all nations. They have tried to subvert where they could not conquer, to spy where they could not subvert. And withal they have maintained an outpouring of propaganda about colonialism, warmongering, People's democracy, and other concepts related to their great central idea of ultimate war and conquest.

The measures taken by the United States have been of many different kinds. The first measures of resistance were diplomatic ones in 1946 when the enemy effort to intrude in Iran was checked. In 1947 we undertook to assist the struggle of Greece and Turkey to maintain themselves against Communist pressure. In 1947 we also initiated the Marshall Plan, against Soviet opposition, after inviting Soviet participation. In 1949 we established NATO with our North Atlantic allies and commenced the program of military aid. In 1950 the attack on Korea was met by immediate decision on our part; the decision was supported by many members of the U. N.; and we met force with force. We also then undertook to rest our position of military strength which we had dissipated in 1945 and 1946. When the enemy blockaded Berlin, we met this with the airlift. We met his subversion and espionage with gradually better security measures. And we spent billions.

On our part the matter was not all action; there were also words. The words, in the major speeches of our Presidents and Secretaries of State, in Congressional statements, in legislation, and in the press and the public forum, have drummed out our interpretations of the events and of the situation. In the recognition of the formidable power of the enemy, of his destructive intent, and of the consequent need for sufficient safeguards, there has developed at last a very substantial degree of consensus.

But actions speak louder than words, and better yet, actions and words taken together speak more clearly than either alone. The state of opinion and of will in the United States is the foundation of all that we can do to make ourselves and the world safe from the enemy's designs.

The actions we have taken and the words we have spoken reflect and express two quite

different aspects of the situation to which we have been reacting. *First*, we have in large part dealt with specific incidents as closed situations in themselves. *Second*, we have to some extent interpreted the individual incidents as parts revealing a larger pattern with a logic above that of the incidents taken separately. Our readiness to accept the significance of an incident by itself was plain when we moved in the Korean situation with no delay. Our willingness to accept the broader logic is evident in the scale of the post-Korean mobilization. But the tendency to water down the logic of the long enduring danger with wishful thinking has been evident in the pressures to reduce the defense budget, to hope for an end to foreign aid, and to turn our minds toward tax reduction. The logic of the long haul has not been clearly or emphatically expressed in deeds or words. The impracticality of short-term remedies for long-term problems has not been firmly established. We have not yet shown the inner strength to maintain costly effort without the stimulus of enemy provocation.

We have taken all immediately needed measures for nine years. During these nine years there has been no year until 1955 in which there was not the fall of a state, or a war, to bring fresh impact to our thought and will. We have taken immediate measures; the longest forward look was in the Marshall Plan, projected for four years at its start, and in military aid, projected for a year or more, and for our post-Korean mobilization, originally set for three years and then stretched out. We have not yet proven our capacity to estimate a danger remote in time, to recognize that some such dangers require initial preparation many years ahead, and to undertake the long drawn out efforts and stick to them to the end without renewed provocation by the enemy. This does not prove that we cannot do it without provocation since we have had no opportunity to try. But there have been factors affecting opinion and will in this country which imply a lack of staying power in this respect.

A problem is posed: Can the present state of opinion and of will in the U. S. support the efforts which must be made in order to safeguard the U. S. itself and the free world, in a still developing crisis which will endure with acute dangers for at least a decade or more in the future?

II. THE GENERAL POSITION

The processes of economic and social change, continuing in this century from the stage reached in the 19th, have generated strains and tensions of explosive intensity, resulting in two major wars of the character of civil wars of the world community.

The advance of weapons technology has entered a new stage of dynamic progress which threatens to make the balance of military strength very unstable, and which also threatens to make another major war too destructive to be tolerated.

The world political system has been drastically modified already, so that there are now two powers of such outstanding stature that there can be no further major war unless between them as the primary antagonists.

Technological advances in the first half of this century, especially in flying and in electronics, have altered the relation between human cost and distance for the delivery of loads, or of messages, or of military force. Distances which once were almost prohibitive of contact, and therefore also prohibitive of both intercourse and war, have come within a few hours range of modern aircraft. The structure of human society in space is adjusting to this radical shift affecting all types of communication among men.

The situation can eventuate in a major war sooner or later, or in the surrender of one side to the other in a show-down without war, or in the gradual conversion of the enemy system into one compatible with a peaceful order of the world. The last cannot be expected to occur in less time than several decades.

The physical capability to kill human beings in hundreds of millions already exists on our side, and soon will exist if it does not already

on the other side. There can be no assurance that any limitation on the use of such means will stand the test of a major war.

The risks faced by the United States during the next decade or two decades include the following:

a. Defeat in war, with the imposition of Communism.
b. Destruction of human life for the whole U. S. people.
c. Surrender to demonstrable necessity in a showdown when caught at clear disadvantage for war.
d. Mutual destruction of both sides.

The avoidance of war, without paying a very regrettable price for peace, would be an unprecedented achievement. On this account the burden of the argument may be taken to rest with the proposition that this can be done. However, it is also clear that another major war will be of unprecedented character and that it will have unprecedented results. There are, therefore, unprecedented factors in the present situation, and we know it, and any expectation that history must follow precedent in this revolutionary age may equally well be questioned.

III. THE COLD WAR

The Cold War has now endured from 1946 to 1955. It has gone through two phases and has entered a third.

In the first phase the Communists exploited the opportunities of the post-war situation, offered by the weakness of war-broken countries and by the generosity of the U. S. and Britain, to seize political power in many areas and to seek power in many others. This presently brought U. S. reactions in the Truman Doctrine, March 1947, and the Marshall Plan, enacted in legislation in 1948. The Communists continued their efforts to move in or to consolidate power wherever they could until June 1949, when they had completed the conquest of China. At this point they had run out of promising situations, civil wars in various countries had been won or lost, or were then in stalemate without promise of immediate results as in Indo-China. Coalition governments had been taken over by the Communists, or Communists had been excluded from them.

The second phase opened with the attack on South Korea, June 25, 1950. Here the Communists attempted to open a new gambit by military means, where no pre-existing civil war, nor official political position, gave them any title. They chose for the occasion the one situation where it appeared most probable that the U. S. and the Free World generally would fail to take countermeasures. The U. S. reacted with speed and with considerable energy, and was able to utilize the mechanism of the U. N. to organize a show of Free World common action.

The Korean War was liquidated in 1953 as inconvenient by both sides. The Communists failed to gain their objectives, and came out poorer by a few square miles of territory. They also were exposed to the results of the extraordinary showing that many thousands of their captured troops did not wish to return to their homelands. But the U. N. and the U. S. also had to swallow the frustration of their announced goal of a united and free Korea, and the close of the Korean War was soon followed by the loss of much of Indo-China, leaving enemy prestige in Asia with a substantial gain.

The Indo-China case has been an obscure one. It was widely predicted that the loss of the northern area to the Communists would be followed by the fall of adjacent areas, "like a row of dominoes". It was also widely felt that the Chinese Communists would move next to attack the "offshore islands" and Formosa in a serious attempt to take them. The U. S., which had poured a billion dollars in military aid into Indo-China, took a position that may have been more clear to the Communists than to the U. S. public. The argument over whether to intervene or not, and in what manner and by what means to do so, was never clearly resolved in one way or the other. But the

Communists appear to have decided not to press their luck. The U. S., though hesitant, and in an awkward position to take any initiative in an area where France had the sovereign interest, displayed a rather narrow balance of opinion as between those in favor of energetic measures and those against any major effort. It was also apparent that the opposition to active measures in the U. S. was based on pessimism about accomplishing anything, at least as much as on any real lethargy or neutrality of feeling. Further, the Communists had an immediate task of consolidation, and the argument that the factor of momentum was in their favor is countered by the fact that the British had practically eliminated the Communist threat in Malaya. Last but not least, it is by no means certain that the Communists feel any need to hurry in Southeast Asia in order to reap all the fruits which pessimists have expected them to garner.

The preparations which appeared to presage an attack on Formosa did not necessarily demonstrate a firm intention to make such an attack. They could not test U. S. determination to prevent their capture of Formosa without going through with such preparations. The preparations prove that they would not fail to probe our intention. It remains unproven that they will actually launch the attack under conditions of great risk.

Except for Formosa, and possibly Viet Nam, the conditions for further employment by the Communists of the tactics of the Korean period do not exist.

The third phase of the Cold War has now evidently begun. There have been various anticipatory signs that this might occur, beginning shortly after the death of Stalin. The various political developments in the Russian government may have had more or less to do with it. However, the sheer logic of the exhaustion of the actual opportunities afforded for the tactics of the first phase, and again for the tactics of the second phase, make it unnecessary to resort to any fancy explanations. The Communists took all the gains they could get without absolutely serious risk in each phase. The Free World, under U.S. initiative, developed counter-measures which closed out each phase. The exhaustion of opportunity is the best of reasons for such shifts.

The tactics of the third phase may be expected to follow those of the other periods in Soviet history when they talked soft, acted aggreeably, and generally earned the temporary repute of good and peaceful people. The goals will be the relaxation of all the efforts of the Free World to secure itself against their long-run plans. They may have no greater objective for the time being than time in which to pursue their own programs while delaying ours. The reasons why this may be so, and the many factors in the world which may cause disorder and weakness if time and relaxation are given free play, are treated elsewhere.

One thing is apparent if the account of the Cold War given above is even approximately correct. This is the combination of daring and skill with long-range planning and long-range attitudes exhibited by the enemy. Close students of the enemy system cannot be surprised by this, but it remains surprising to many others. They take long enough views so that a policy which seems too serious to be only temporary to us may seem an obviously temporary expedient to them.

Such a democracy as ours could not possibly follow a line of policy for five or six years which was definitely not the permanent line nor so regarded, while keeping a straight face to the world as if no other policy could be in mind. It is a measure of their dictatorship, and of the tight knit complex of indoctrinated cadres at its center, that they can do this, and can do it several times in the course of four decades. The doctrine which can cover such a grand scale series of tactical phases under a constant overall strategy, and the sobriety and patience which results from it, are among their advantages for such a struggle as this cold war. However, be it added, during the six years since the fall of China the game has been relatively even, with our adaptability and

energy matching each new move in their tactical system. It is this that has brought the exhaustion of their past tactics, and which invites them to initiate a new phase in which they will offer us the fewest possible premises for our own reactions. So far as our tactical system has been reactive to theirs, what will it be when they withdraw the type of initiative to which we have learned to react?

IV. THE FREE-WORLD REACTION

The predominant character of the reactions of the U. S. and of the Free World to Communism has been the specific character of each improvisation to meet each problem when it arose. The Truman Doctrine on aid to Greece and Turkey was devised on the spur of the moment in the spring of 1947. Korean intervention was quickly improvised from no plans whatever, though we were able to plan and conduct the Inchon landing within less than three months after the war started. The air lift to Berlin was a pure improvisation. The Marshall Plan was an improvisation, though exceptionally well studied and organized after its inception. NATO and MDAP were more thoroughly thought out in advance, but each was a specific.

The program for developing defensive forces in western Europe under NATO, with MDAP support, is illustrative of the ad hoc and short term nature of some of our thinking only a few short years ago. The program originated with the idea of providing a substantial amount of equipment to the armies, navies, and air forces of our European allies, while they would raise and support the necessary men and also supply considerable parts of the equipment. The idea was that the Soviet Union might be ready for war in or about 1953, and that this would constitute a "year of greatest danger". The build-up of the forces was to be a one-time affair, requiring three to five years, with aid to cease thereafter because it would not be needed. The forces have now reached a fairly good level in strength and equipment, though far less than the level set in the "Lisbon Goals" of 1951. The navies are in general capable of controlling, or at least contributing, to the control of coastwise waters. The air forces are partly modern, partly obsolescent or obsolete, and in strength represent as much as one quarter of U. S. air force strength. The armies, which are the most important military element in NATO European forces, became ready, by 1955, to fight a 1953 type war. They could still fight and give some account of themselves for perhaps the next two years, as they are. Meanwhile the U. S. has not explained in any audible or legible terms, to itself or to its NATO allies:

> What is supposed to be the role of European NATO armies in a war in 1958 or later?
>
> What should be done now to assure capability for the proposed role?
>
> How can NATO find a military rationale to stay in business?
>
> How to extend the deterrent situation, and how to get and keep NATO on the positive side of the deterrent balance sheet,
>
> How to make NATO compatible with the minor threats in many other areas including the colonies of NATO countries.

In short, it may be said that the thinking that was done about the NATO military forces was done in 1949 to 1951, that the thinking that has been done since then has not been sufficient in energy and in political effect to bring the designs up to date, and that NATO and its forces do not yet reflect any longer-range view of the situation. This is by no means an absolute; it is easy to mention facts which stand on the other side and which do show changes and more advanced thinking. It remains fair to say that the whole system is still dominated by the original concepts and that the new is still rather a veneer than bone and muscle. Those who argue that the job must be continued, that the armies now established must be modernized, and that this job is not a one-time build-up operation still face the power of inertia and carry the burden of

proof. If the thing had been thought through earlier, and if the newer thinking had become dominant, the debate would have an altogether different character. This is the meaning of the statement that our reactions to enemy threats have been too specific and short term in character, and that we have not yet built a program of action upon our own fundamental estimate of the situation.

One of the evidences of our lack of a general theoretical analysis of the struggle lies in the series of specifics, with their lack of integration. Evidence of another kind can be found in the tendency to demand a completely consistent treatment of Communism, which took the special form of McCarthyism, partly at least because of the slowness to develop a vigorous, consistent, and just policy in regular agencies. It required specific proven cases of Communist espionage to make us tighten up security against such espionage, even long after it had been established that there was serious conflict between us and the Communist power in the world. The demands for extreme measures reflected the impatience of those to whom official progress on security seemed far too slow.

The Chinese intervention in Korea in the winter of 1950, however, did bring things to a pitch where we undertook one form of general preparation, and voted the money necessary for a great revival of our military strength. Even in the case, however, it has become apparent that it was a temporary fear that supported the effort undertaken, and that the steam has gone out of the effort in proportion as the fear of immediate war has lessened. It is a fact that there are large groups in the U. S. services and in the government generally who are now quite accustomed to thinking of the whole broad problem and the long-range as well as the short-range threat. But it is equally evident that U. S. opinion in general is still rather heavily impressed with immediate danger only, and does not yet follow the logic beyond the specific event.

The motive behind the biggest effort we have made, the post-Korean mobilization, was the immediate fear of general war. The motive in many other situations has been the fear that the Communists would gain some specific advantage which might snowball into further gains. The implication is that Communism could be stopped by simply stopping each instance of Communist aggression. The residual motive has been the fear that they would upset the status quo.

There are several reasons why the U. S. has been lethargic in its intellectual approach to the situation. These reasons are rooted in the history of our ideas and our ways of thinking and in our conceptions about the world and about our place in it. There are also several reasons why this avoidance of any broad interpretation cannot be continued. These reasons relate to the need for starting efforts on time for results as much as a decade in the future, and to the necessity for giving confidence in our policies and faith in our aims and hope for our goals to a billion other people who do not share our subconscious faith in our own way of doing things. There will be further discussion of these points in a later section of this paper.

In sum, our position has amounted to a policy of "muddle through". This might work quite well for the conditions of the past. It actually did work well enough so that we are here in our position of great power. It might do well enough to win a war of past type, in which preparation could begin after war commenced and we could still win. It has no more pertinence to the prevention of war than the daily judgment of business men without analytic economics has to the prevention of depressions. It has no more pertinence to the winning of a war which cannot be prepared for after it begins than starting to dig a well has to putting out a house afire.

V. THE WORLD SITUATION OF THE TWENTIETH CENTURY

Many observers have recognized that the character of the times is fundamentally revo-

lutionary. This view is central to Communism, but by no means limited to Communists. Churchill and the Pope and a multitude of others who are not Communists have also stated it.

It is also an unfamiliar sort of revolution in many respects. It is not a national revolution like the French or Russian or the American Revolution. It is best identified as a revolution involving many countries at once rather than being centered in any single country. It may be referred to as a systemic revolution, and by this is meant a revolution not of one state but of the whole political system of a multi-state community. Similar occasions have occurred in the past of our culture, though they have not commonly been called revolutions; the *first* was the decline of the city-state system in the Mediterranean world and the rise of the Roman Empire; the *second* was the fall of Rome and the rise of feudalism; the *third* was the decline of feudalism and rise of the nation-state system.

When we regard the great events of this century as events in such a process they make sense. The dramatic shift in technology leading to dramatic shifts of social structure fits the picture. The vast changes in the relative power of nations makes sense. The pooling of resources affected through U. S. aid to its allies makes sense. So also do the great wars with the great and unexpected changes they have brought. So also does the savagery of the struggle. Most of all do all the similarities between the great wars, especially the second, and the normal character of a civil war. There are many evidences that the present situation is such a systemic revolution, and that it is an unfinished one. Not the least, if we examine the history of revolutions carefully, is the confirming evidence that the participants have not understood it, and have no clear view either of its causes or of its consequences.

This last point begs a great question as to the relation between such a phenomenon as war or revolution and the human mind. It is a native American habit to assume that wars are consciously intended human actions. Our habit has been to answer the question as to the causes of war with the answer of blame assigned to the wilful initiators of war. There is an alternative which seems cogent, though not commonly accepted as yet. This is that wars are more of the character of economic depressions, the resultant of human actions arising quite irrelevant to the conscious purposes of the participants. One need not, we feel now, ascribe the depression to the intentions of anyone. It can be better accounted for by analytic economics as a logical process of cause and effect completely outside the conscious minds of the participants. Any close study of the French Revolution also implies this strongly. Surely it can hardly be held that Robespierre foresaw and planned to get himself guillotined, or that Napoleon planned to get himself to St. Helena. The implication is that neither revolutionaries nor conservatives have understood revolutions as they thought they did, any more than businessmen understood the business cycle. The implication is also strong that the thing can be understood, once we take an objective look at the events instead of at what men think they are doing. The modern social sciences at every point of advance from criminology to economics have made their way not by discovering unknown phenomena only, but by discovering new explanations of cause and consequence in substitution for older views found to be erroneous and superstitious.

If war were the result of wickedness and mankind endowed with original sin, war might be inevitable forever. If war between states is inevitable as long as there is a multiple state system, and if the familiar nation-states are immutable and eternal, war would recur forever. But if war is one of the mass-action effects arising among men due to processes not understood by man until a certain state of scientific analysis is reached, then war may be no more inevitable than the business cycle.

The abolition of war has been viewed as possible by many. Americans have shared this belief and have made it a goal. Many of the

means proposed, however, imply little comprehension of the seriousness of the problem. We know that the Kellogg-Briand Pact did not abolish war as a matter of fact. What we are at last prepared to recognize is that the abolition of war would be an enormous scientific and political task, not to be accomplished by wishful thinking nor by token documents, nor by pious expressions.

The mastery of economic crises was for a long time the major practical test of economics. The mastery of war and revolutions is the obvious major target of general social science in this generation. A great deal of progress has already been made. The digestion of experience and the analysis of history have been going forward rapidly since the First World War. We do not yet have blueprints for the future, but the contrast of our ideas on the subject today with those of 1910 is as revolutionary as the other changes that have occurred. At first glance it may seem that the positive hopes and concepts of 1910, or of the 1920s, have been replaced by cynicism and skepticism. But most of the ideas on the prevention of war held by those times were illusions and we are well rid of them. Ortega y Gasset once remarked that "one never arrives at truth save with hands bloodstained from the slaughter of a thousand platitudes". There were a multitude of platitudes on this subject in the world, all of entirely unscientific origin, and the elimination of those platitudes from our serious thinking is good progress.

The problem is no simple one. It extends, as every social thinker worth his salt recognizes, across the whole scope of philosophy, ethics, law, politics, general sociology, economics, psychology, and more. It is therefore delayed in some quarters by the compartmentalization of thought into the separate disciplines as if these were separate and should not be mixed. The belief has been very strong in American academic circles that cross-discipline research is both unnecessary and somehow disreputable. Progress has been made against this attitude only slowly. Even without resistance the task would be one of great difficulty. Against such resistance it has made slow headway, though more than is apparent, since the resistance has also meant less emphasis on what is going forward than its importance warrants.

The resistance to serious thinking outside the conventional bounds of the conventional disciplines has been stronger in the U. S. than in other countries. It has been no accident that scholars of the type of Weber, Pareto, and Toynbee have developed in Europe, and that similar types have occurred much less in the U. S. The U. S. academic world has not set for itself such ideals for work and career, and has tended in fact to frown on such efforts, except as it has praised them after the fact. But the important questions are simply not approachable within the conventional disciplines.

The lack of a properly organized intellectual approach to the world situation is perfectly understandable, then, if one takes an objective look at intellectual history in this country. It is part and parcel of the same thing that is reflected in our relative lack of ideological rationale on the nature of the situation. It is the obverse aspect of the superiority the Communists have enjoyed in this respect.

There is a direct implication in this which has immediate importance. It is quite sensible to talk of supplementing fear as a basis of our policy by truth and hope. The essential thing to recognize is that truth does *not* come ready and obvious and easy. The truth of this situation cannot be expected to conform to our preconceptions and predilections. This is still contrary to our prevailing assumptions, and our prevailing assumptions are wrong about it. The truth is the objective and goal of the most difficult efforts that men can make. It is to be won progressively by hard work, it is not ready made.

This does not mean that all of the ideas we hold to be valid are wrong. The values of democracy may be expected to find confirmation rather than rejection. But they will find such confirmation only through realignment

and revision, not as literal and unmodified endorsement.

There are also some truths about the situation which can be recognized and made known at another level. If it is known that enemy weapons progress threatens us with extreme danger a few years away in the future, this can be settled and made known without vast intellectual progress. The truth in such a sense as this is not altogether dependent on the general truth of interpretation of the whole revolutionary situation. However, let us ask why is it not done. The answer lies in skepticism about the importance of making the truth known to the people; and this rests upon ignorance of the truths about the importance of public knowledge, which are part of the bigger and more difficult body of truth. Or it rests upon skepticism as to the truth about the possibility and probability of war and about the nature and intentions of the enemy; and these too are parts of the bigger and more difficult truth. These essential parts of the bigger and more difficult truth are not known with full spread and conviction even within the ruling groups in our government. If they were uniformly held as doctrine there would be no argument about them, the thing would be done. If it is not done it is clear that they are not so held with conviction.

Many great historic achievements of mankind have been accomplished by the processes of growth without preconceived design under the influence of constant purposive forces. The development of the British parliamentary system of government, as a wonderfully articulated system of operations to transmit the will of the people while restraining it within constitutional limits, is a classic instance. As former President Lowell of Harvard explained in a paper delivered at the Tercentenary of Harvard University, this design was fully developed *before* the time when the first clear analytic account of it was written by Bagehot. The achievements of free enterprise are of a similar type, in the sense that the great results are quite outside the scope of the conscious mind of any participant. There is reality in this, and faith in this reality has a proper place in our affairs. But this reality also has limits.

The automatic processes of history without conscious guidance can achieve much, but they also yield by-products, and the principal results are not obtained without the by-products. The by-products include wars, civil and foreign, economic disasters, hatreds and poverty, and the decline of states and peoples. For the great problem we face, it is the very heart of the problem that war should be excluded from the results of the processes of history. This means the exclusion of one of the great normal features of history if human events in the course of time are to drift. The exclusion of war can hardly be expected to occur in the absence of conscious will and analytic problem solving. To attribute the early cessation of war to such factors as increased understanding of peoples because of greater numbers of tourists or of cultural contacts flies in the face of the fact that wars occur between peoples with closer contacts rather than between people more remote from each other. There is no other pretense made for the elimination of war by social processes short of conscious mastery of the problem. War is not to be abolished by muddling through because war is a part of any system of muddling through.

The nature of the prerevolutionary condition is another essential point for an understanding of the situation. The state of public feeling just before any revolution consists of a repudiation of an old regime which has failed to perform within tolerable limits. This is easily confirmed by close study of the origins of any of the famous revolutions. It is obscured for us only by the efforts of rationalistic historians to find conscious theoretical design and purposive behavior. It is clearest probably in the case of Germany, where the beginning of the world depression, and such discouraging incidents as the prevention of the Austro-German customs union in 1931, brought out a vote of more than a half of the voters for either the Nazis or the Communists. The common factor

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between these two otherwise opposed parties was their radical rejection of the existing order. For a people whose hope and faith in the existing order had been exhausted, and who could feel no hope unless there was the premise of fundamental change in aims and methods, only such a mass protest vote could express their feelings. It was the promise of a drastic difference of approach, and of ruthlessness in method, that distinguished the Nazis from the regime which hoped to make slow headway without breaking continuity with the past.

There are many areas in the world where this condition, or something too closely like it for comfort, now exists. This statement after all is only a paraphrase of the fact that we all recognize, that the world is full of opportunities for Communist influence. He who denies one should deny both. There are a billion people in the free world who have far less cause to be satisfied with the accomplishments of their systems of politics than have the people of the U. S. The U. S. has outstripped them all. Many of them have failed to progress at any satisfactory rate in comparison to the U. S., whether the progress be measured in purely material terms, or in terms of social values. The pent up disappointments are intense enough to include exasperations, violent group antagonisms, and international tensions approaching war.

A list of the trouble spots of the world in which Communism has no part, or less than a controlling part in the troubles, illustrates the point. For in each of these spots it is on the record that tension is close to the point of violence, and that impatient men lack faith and hope in the processes of peaceful and legal progress. The points of trouble include:

The Cyprus issue between Greece and the U. K.

The position of Syngman Rhee on the unification of Korea.

Morocco.

Algeria.

Goa as an issue between India and Portugal.

Kashmir as an issue between India and Pakistan.

Israel-Arab relations.

French withdrawal from the UN meetings over Algerian issue.

"Apartheid" policy in South Africa.

Egyptian purchase of arms from USSR.

Internal politics in the Argentine, in Colombia, and other Latin countries.

It may well be that the U. S. by itself could get through its problems of the next years by muddling, aside from the problem of war. But to assume that the billion people of the free world would share our faith in our capacity to muddle through is to assume something in their minds which in fact is in our minds and not in theirs. They will accept the continuance of the basic systems they have, and believe in the efficacy of reform, if they are given adequate and cogent reasons for believing that progress will in fact get going. They will resort to the common human resort of violence otherwise, and this will mean the self-destruction of the Free World. The ancient argument of the violent revolutionist, as against the peaceful reformer, before Communism as well as since, has always been that effective reforms are wrung from resistant reactionaries only by violence or the threat of violence, and that where reformers succeed they owe their success to the fear of revolution provided by the radicals. If this condition, and the prerevolutionary condition of repudiation of the old, cannot be countered, we will have not one cold war but many. This is a situation which simply cannot be met without a strong and cogent doctrine which can reach the minds of all the peoples. It cannot be done by the U. S. minding its own business and leaving others to mind theirs.

If we do master the situation the probable outcome is a permanent peaceful order of the world. If we do not there will most probably be war. There is also a possibility that we will fail and that there will still not be war in the familiar sense, but some sort of struggle without formal military means, because of the

acceptance by both sides of the exclusion from war of military means, or of *some* military means, when they become too dangerous to use. The present psychological fact that this would strain our present imaginations is no bar to it.

In case of success the outcome must obviously be a dynamic but peaceful order. This need not be a world state, in spite of the fact that in our past experience it is only within a state that there have been long continued conditions of peace. Or rather, it need not be a state of familiar type. It is likely to represent a form of federalism unknown to us today. The decision-making processes which govern men, and from which war will have been excluded, sent to the ash-can with the business cycle, will include far more science and far less politics as we know politics. The present anticipatory form of the future situation may probably be recognized in the establishment of problem-solving as an advisory aid to decision-making processes, which is going on so rapidly today, with the application of scientific method, more or less, to the problem solving and the acceptance of the solutions reached, to some extent, by decision makers. The escape from prejudice and partisan maneuvering which is so accomplished are quite impressive in some favorable situations, and the technique, being very new, can by no means be supposed to have reached its ultimate development. Assuming that such a development can go forward, the enemy must be as vulnerable to proof of its efficacy as we ourselves.

Until the distant time when the avoidance of World War III can be regarded as an accomplished fact, there will be a long period of cold warfare. Substantial relaxation, on genuine and objective grounds, will come late. If we give forty years to the entire transition for the sake of an estimate, we must assume that war will remain very dangerously probable for the first twenty, and that it will be only in the last decade that we can begin to breathe easily about it. In the meantime there will be four major keys to the situation:

a. Constant deterrent military strength
b. Growth and stability of the economy
c. Rapid advance of the backward countries through normal political means
d. Continuing growth of all forms of international joint decision-making (federalism).

VI. THE BACKWARD AREAS: REVOLUTION WITHOUT COMMUNISM

About one-quarter of mankind have participated in the building of Western culture since the Renaissance, and about three-quarters have not. The three-quarters that have not are by no means living in a cultural void. They have philosophies and religions and political systems and economic life. They have learned men, scholars in the scholarship of their cultures as there were scholars in our culture before the Renaissance who became as learned as men can become. They are shifting toward the adoption of Western culture, most rapidly in material technology, most slowly in philosophical and ethical matters and in the social basis of politics. We have tended for several centuries to think that they should make the shift with ease, that it must be effortless to accept and copy our ways. We have begun to learn through modern anthropological and psychological science what the reasons are why the shift is so much more arduous and slow than we once expected.

The condition of the most backward cultures is not just a generation behind us. The transition to be made is not represented just by the building of schools and factories and roads or machinery. They have a complete social system based upon philosophical attitudes toward life, toward men, toward the use of their own minds, toward decision and authority. This system is pre-Bodinian, which is to say that it antedates all the attitudes about politics that characterize the modern West. It is more than pre-Bodinian in that it resembles not so much the Europe of the early sixteenth century as the level of mentality described by Levy-Bruhl as "The Mind of the Primitive".

Institutional reforms are far more difficult to accomplish than is commonly assumed. This is the great fact about the politics of any country, and especially of relatively backward countries, to which we are often blind.

The need for more effective means to obtain reforms has been recognized for a century and longer. It was apparent long ago that the political machinery in such countries as the U. S. or the U. K. did not normally provide reforms until long after they were due. Various means have been tried in a long series, all designed to make reforms follow more readily from the discovery of the need. The first approach was to expand the suffrage, secure the freedom of the press, provide universal education, and leave the results then to the obvious mechanism of the ballot. It was unimaginable to several generations of reformers that this would not provide an immediate and undistorted registry of rational human intent forthwith. But it has been learned that reforms do not come because of demonstrable logic alone. There must be also an interested group, with a degree of organization. It must have a strong internal life of discussion and opinion formation and decision-making, and experienced and skillful leadership.

The entire logic of "imperfect competition" or of "countervailing power" applies here in politics as well as in economics. Equitable legislation is no more to be expected than an equitable price or wage level, or equitable terms of trade, in a situation where either the numbers, or the degree of organization, or the intensity of interest of groups on each side are unequal. Where the numbers are greater on one side but organization better on the other, organization can often outweigh numbers.

This is not solely because those enjoying an initial advantage are stupid, greedy, or cynical. Let us consider the situation in such a case as the U. S. automobile industry, and let us begin by assuming that a wage raise is justified. If labor is able to exert great pressure on Ford, but not also on Chrysler or GM, Ford is in a very unfortunate position, for if it grants a substantial raise and the others do not, then Ford is put at a severe competitive cost disadvantage. Unless labor can, so to speak, promise Ford that it will exert equal pressure on Ford's competitors, Ford may not be able to act reasonably on the wage issue taken by itself because of its place in a larger system of considerations. There are economic advantages for low standards whenever the various competitors are not subject to the same degree of pressures for reform. The chance that the forces for any reform will have effective political power in all parts of the free world is negligibly low.

The problem of developing a political system reasonably sensitive to the need of reform has been effectively solved in the U. S., the U. K., and in some other countries, so far as internal issues are concerned. But even within the U. S., if one examines the course of consideration of such an issue as the granting of statehood to Hawaii and to Alaska, which has been active for several years, it is apparent that party politics within the U. S. causes a stultification of the matter because there simply is not yet an organized supporting interest capable of canceling out the interests opposed.

The tendency to delay and distortion in the political reflection of intrinsic needs is well exhibited in most cases where "land-reform" is needed. The case for land reform is fairly clear in text-book terms in many situations. The problem of how to accomplish it with justice is always far more difficult. The cases where it has been effectively accomplished are few.

The difficulty of reform under imperfectly developed democratic systems, and of reform on any issues not covered on both sides by political forces within a democratic system, is only a corollary of many boasted accomplishments of the most advanced democracies. The very fact that we are now able to accomplish reforms with reasonable effect and expedition in this country, where we were not nearly so well able to do so some decades ago, strongly implies that this capability is not to be expected

in the political systems of the many states which are not now at the same stage of development.

Land reform in countries where it is a critical issue is typical of a range of problems which arise throughout the world when modern industry confronts old social and political institutions. Of these it may be said in general that:

a. the material changes which occur with comparative ease at the start generate forces for social and institutional change;

b. the changes required are extremely complex;

c. political systems are not as sensitive to the new forces as they often need to be if changes are to occur in good time;

d. the forces generated are human motivations, emotional and powerful;

e. men will not tolerate for a long time an institutional system which seems to give no promise of effective progress in institutional change;

f. long continued frustration generates hatreds;

g. hatreds generate violence;

h. violence in turn cements hatreds in a form which permanently impairs the conditions for progress on later problems.

This course toward progress through violence has been the normal course of history. The fact that there have been outstanding exceptions does not disprove this, though it does afford the positive basis for believing that the old course can be changed. The important thing is that violence in the form of civil wars, or of wars for colonial independence, or of civil wars, cannot now occur without threatening the interests of the two great alignments in the world. As in Korea, neither of the great alignments can regard with equanimity the outcome of even a civil war in a small country. The fundamental proposition remains that a general war, or a position in which a weakened free world must surrender without war, are exactly the situations which must be prevented.

The development in the non-industrial countries is extremely uneven. New raw materials production arises with great speed and ease in backward countries to satisfy the demands of the industrial world. Wages are better than former ones. But material living standards higher than primitive subsistence immediately become dissatisfying, and the economic and social consequences of a new industry are far extended. The problem is to stabilize this complex development, so that the easy and swift changes do not bring an accumulation of explosive social forces working out at slower time rates until accumulated tensions generate disasters.

The development of colonial areas toward maturity by Western standards although quite uneven, has not been wholly a record of failure for the West. All the world except China and Thailand came at one time or another in the last two centuries under the domination of European countries. Except in Africa, most of the former dominated areas have now become politically free, most conspicuously the whole of the two American continents except Guiana and British Honduras. In this great process it has been widely recognized for many decades now that the colonial powers cannot expect to dominate and exploit colonies forever, and that right and justice and practical politics alike demand the preparation of such areas for peaceful transition to self-government. On this the record is mixed. The former colonies of Britain, both those settled by peoples of British or European origin, like the U. S. and the English-speaking dominions, and some of those of non-European population such as India, have shown, at least comparatively, a high degree of political maturity when they became free. Some of the other European powers show no such records. The former Spanish colonies have shown very erratic political records for more than a century since gaining their freedom from Spain. No former French colony has become a stable and well-governed modern state. The case of the Dutch is not yet easy to judge, but the condition of Indonesia appears neither very hopeful

nor as yet a cause for despair about Indonesian politics. The U. S. record in the Philippines appears at least good and perhaps outstanding, considering the initial situation.

"Point Four" marked the opening of a new approach by the United States. Thus far, in the six years since President Truman proposed it in 1949, it has been but a shadow of what it might be. It was originally conceived as a broad approach to more effective transmission of all those elements in Western culture needed by the non-Western countries. The needs, of course, range from how to build dams and bridges to how to operate hospitals and how to run public and private affairs in an effective manner. "Technological aid" covers only a small part of the spectrum. All that is most important in the successful evolution toward modern democracy instead of toward strife and faction and Communism has been left out.

There have been, fortunately, a few examples of good progress toward political stability along with rapid material progress. The cases include some where democracy in fair working order has resulted, along with fairly rapid rise of living standards and of education. Of these Turkey and Mexico, each over approximately the last thirty years, are the best examples. Whether to call the methods they have applied democracy or to call them benevolent dictatorships may be arguable. But they made rapid and fairly well-balanced progress and have caught up relatively in maturity and stability as well as in industrial wealth and welfare. India, Cuba, and the Philippines may be cited as other possible examples. The most important thing is that the cases prove that the thing can be done. They also prove that when it is done it is done not in entire accordance with our preconceptions. The derivative lesson may be that the Turks and Mexicans could tell us some things we ought to learn and know about this problem.

The problem cannot be approached without noting one aggravating factor. The gap between the modern West and the backward countries was once taken as a diminishing one when the idea of progress was essentially of progress to a finite end condition. The second industrial revolution, frustrated by the conditions prevailing before 1940 and by the world depression, but released by the Second World War, has been marked by advances in Western technology and industry more rapid than any before. The beginnings of applied social and economic science in the West have also begun to move apace, and social progress has been great in the most leading countries in the last twenty or thirty years. So the backward countries have to move faster and farther to catch up than if we were not moving rapidly ahead ourselves.

The old American attitude would be to keep hands off in this situation. Where we willingly sent out Christian missionaries in the last century and still do so on a minor scale, we tend to think that there can be no good from meddling with other peoples' politics and social systems. If they cannot run them properly themselves without our help it is their fault because the principles are known and obvious. If they do things wrong they must be sinful. This is a slow dying aspect of our familiar old isolationism.

However, it is a fact that we know a lot that they need to learn, and that it is far easier to learn from teachers than from books alone. The backward countries cannot flounder without dangers to us. Conflicts between non-Communist countries are meat for the Communists. Isolationism from the problem is incompatible with the interests or survival of the U. S. today. While effective action may be difficult, and we may wish that the problem would disappear, such immaturity of outlook is a luxury we cannot afford.

VII. THE PLACE OF COMMUNISM

Communism originated as a western European intellectual movement in favor of revolution to establish a socialist economy. The doctrine spread in the late nineteenth century to Russia, and in 1917 the Communist Party succeeded in assuming power in Russia by force.

The wedding of Communism with Russian culture has produced an ugly giant. Shub's analysis of the combination by Lenin of Western socialism with Eastern savagery in Bolshevik doctrine is a cogent exposition of one major aspect of this. There is another. The introduction of socialism abolishes all centers of economic power below the state itself, only at the cost of making the state a center of all economic power. In Western socialism this hypertrophy of power is corrected, in theory, by doctrines about the democratic government of a socialist state, or by doctrines about the withering away of the state. In Western culture we have deep-laid and centuries-old traditions and institutions by which to set brakes upon the power of the state, and the whole tradition of constitutional government or of government under law, with the independence of judges, trial by jury, parliamentary responsibility, two party or multi-party government, universal suffrage, and many other elements. Here the introduction of socialism might, as in England, not change the character of the state into an all-powerful Gargantua. In Russia, where the state was explicitly and in theory absolute and autocratic, with only the first faint intrusions of democratic principles as late as the first decade of this century, the concentration of economic power in the state was in a totally different context. Russian Bolshevism, aside from all arguments as to the nature of Marxism before Lenin, is a primitively totalitarian system.

This does not mean that they are only Asiatic and in no way Marxists. They do inherit from Marxism a comprehensive approach to social-political and military problems. Being central European rather than Anglo-American in their non-Russian intellectual roots, they are far less subject than we to artificial compartmentalization of the conventional disciplines, far more addicted to think of politics and economics simultaneously, far less addicted to trying to solve economic problems as if politics did not exist. Marx and Engels took the world as their province, accepted the doctrine of Vico and others that the culture is not a set of closed compartments but that philosophy, art, economics and science are linked and react upon each other. They wrote competent books on philosophy as well as on economics and politics. Lenin followed them in this, and across the span he himself produced important books on economics—*Imperialism*, on political theory—*The State and Revolution*, on philosophy—*Materialism and Empirio Criticism*, and on practical political tactics—*Leftism, the Infantile Weakness of Communism*.

The strength of Communism rests on the training of large cadres of leaders in a very comprehensive system of doctrine, and in their trained capability to relate the various aspects of actual situations by logic. This doctrine is far from being all right and true, else they would long since have made better progress than they have, and we would be simply wrong-headed to oppose them. But neither is it all wrong and false, else they would be little bother and no threat to us today.

In philosophy they are dogmatic, for the epistemology outlined by Engels and Lenin as scientific in point of view has long since been frozen into a dogmatism which is restrictive and sterile. Their economics is based on an analysis of nineteenth century economics which has long since passed out of date. Their concept of capitalism belongs in a museum of antiques. Their analysis of revolution, as laid down by Lenin, deals with national revolution only and ignores the type of multi-state revolution which is the real problem, and which to the advocates of "world revolution" should, one would think, have been the prime target of interest. Their concept of the state and of politics are primitive oversimplifications. Their concept of man is of a barbarian.

The Communists speak plainly of maintaining the essential organs of the state until after the liquidation of all "capitalist democracy". They are specific that this means the maintenance of the military and intelligence and police organs. What is more, under their system they have never approached the level of "withering away" in these organs that is

exhibited, more than once, in the United States. We have learned, with great labor and trouble, to maintain capable military forces in peacetime, for the first time in our history, to meet the threat of their aggression and subversion. We have learned to operate a security system in our government, and our sheer awkwardness about it and the anxiety it has caused us is the most conclusive evidence of how little it conformed to our general inclination. We have developed a competent system of intelligence agencies for the first time, and had great difficulty in doing so. In the Communists' own terms we were far closer to the "withering away of the state" than they have ever been, and have been forced only by them to restore the state in this special sense. On their part they still settle political affairs at the highest level in their own system by conspiracy and violence. They still operate a *partei-staat* as Hitler did. They operate both espionage and security systems which are the apotheosis rather than the "withering away" of such organs of war. They keep hundreds of millions of people in the condition of exploited "have nots" through the perversity of a system that dedicates its capital growth to the means of war.

We have been puzzled about the relation of Communism to a world revolution. *Prima facie*, it has seemed, if there is a world revolution they must be right, because they have always insisted that there must be one. But to identify a revolution and to understand one are two different things. What we have is a school of revolution on the one hand, and a revolution on the other, and the fact is that the revolution is more strange to them than to us. They have conceived the revolution as a series of national revolutions only, with no concept of the forces involved in a revolution of many states at once. They conceive it as the overthrow of the "capitalists" by the "proletariat" in each country, with no conception of how little similarity there is between their class concepts and a modern society. The World Wars are properly recognized by them (as by us) as involved with the revolutionary changes going on, but they have not at all recognized them as "wars between the states" and as the naturally-to-be-expected form of civil wars of the world community. World War II has passed for them as well as for us as a war with no serious analysis in retrospect. It was a foreign body in history so far as Communist doctrine is concerned, something to which their little theories are irrelevant and unilluminating.

This paradox of a real revolution and a false school of revolution is no stranger to history, however. It is quite impossible to show any correspondence between the logic of a revolution, such as that in Britain in the 17th century, or the French Revolution, and the ideas of the revolutionists who took part in them. The revolutionists chose courses of action, and being normally rational men, they tried to do so, as men must, on the basis of a view of causes and consequences, of faults in the old system and of goals to be accomplished. Historical retrospect shows that their estimates of causes and forces were partly right, partly in grievous error, and that the consequences of their actions differed widely from their well-expressed intentions. The Communists with a dogmatic doctrine which was locked more than a generation ago simply do not understand the Twentieth Century. The U. S., with its abhorrence of dogma during the same period, has created the Twentieth Century, understands it, and is still quite astonished at itself.

Their errors do not, unfortunately, mean that they are wrong about everything concerning the means to their ends. The kind of thing they are wrong about is not a proof of sheer stupidity. In many ways, and particularly in ways that have a bearing upon their self-chosen struggle with the world, they are not stupid but clever, not blind but perceiving. In particular situations they examine the social forces in play, and arrive at estimates of the situation and choices of courses of action which are too often remarkably realistic and effective. They show an especial superiority to the Western democracies whenever a situation involves what we regard as hard-boiled politics, and we

have had to learn much of this kind of realism since the mid-thirties, which they did not have to learn.

Their broad theoretical approach to strategic problems makes them adept at long range plans. They are fully trained in thinking of distinct phases in any long term sequence, quite prepared, mentally, to follow one tactical line for years and shift to another when it is judged that the time has come to do so. Their present shift toward the more agreeable or amenable line is their fourth, the others being those of 1922, 1935, and 1941. Their capacity to reverse again, from soft to hard cannot be doubted, having been demonstrated also four times, in 1918, 1927, 1939, and 1946. For a long time the West was highly disoriented every time they took a major turn of policy, and tried to assume that the temporary direction was the basic and permanent direction in spite of the explicit doctrine of Lenin that the course must be a zig-zag one.

The truth of the matter is that the world revolution has outgrown Marxism and Communism. It is the United States which represents the most revolutionary state of economy and society and politics, not Russia. The revolution does not mean the destruction of all the great truths that have been learned in the West. The Communists' efforts to turn their back on nineteenth century evils have resulted in their rejecting the good and keeping the bad. At the same time modern science and technology are in a new phase of development and the conditions of life on the planet are presenting problems for which Marxism and Communism are less and less pertinent.

There is one very great advantage on the Communist side which rests upon their faults rather than being weakened by these faults. For the backward countries, Communism with its party-state or police-state, and its firm belief that violence is the inevitable handmaiden of progress, offers a crude solution to all the difficulties of reform. It is easier to hate and to kill than to persuade in many situations. It is always easier to assert one's own position than to integrate the elements of truth in conflicting positions. It is easier to see the error of the other and the virtue of oneself than to see the converse aspects. The task confronting the backward peoples is more difficult than what we have accomplished in our past, simply because they have to traverse in a far shorter time a course which took us centuries. With extraordinary luck it might happen that they would produce leaders of the highest calibre who would master it. To rest our hopes on that would be pure Micawberism. The dice are loaded in favor of Communism, and this will remain true except as the effective means are found to assure the solving of the problems of progress through responsible means.

It has been stated more than once above that the Communists have had an advantage in their integrated ideology and doctrine. There has also been an advantage to us in not having had one up to now. If one goes back historically over the ideas which have been most influential on our side, any attempt to have formulated doctrine at any time might have been quite dangerous. The period of the Neutrality Acts was certainly a time when American doctrine would have been a queer fish. Our lack of doctrine has partially represented a feeling that our doctrine was the obvious truth and needed no stating; we have had more doctrine than we have sometimes admitted; but our pretense to lack of it, and the degree of our real lack of it, have left the way open for the sort of improvisation by which we have so successfully met more than one crisis and are still in business. This does not mean that we need no doctrine at all. Our need is greater than we are aware of. What is more we now have enough experience and have abandoned enough of our old illusions, so that a doctrine if we now formulate it might have three important characteristics:

a. It might be far superior to Communism in retaining the great values of Western civilization.

b. It might be far superior to theirs in

scientific objectivity, a far better operating tool for estimating situations and choosing courses of action, and as good for us as theirs for them in facilitating unity in the complex cadres which have to conduct our affairs.

c. It could retain the element of skepticism, of openness to revision and improvement, and to further discovery of truth which contradicts old prejudice, where theirs has become a dogma.

In summary, they think that we are in a world revolution and that they own it. They have preached for years that it must come. We have shut our eyes to it. Yet we are more revolutionary than they, more modern than they, and more realistic than they about this same world revolution. The U. S. is far more the protagonist of the revolution than they are, and is cast in the role of its leader and exponent, while they have distorted and perverted it into a reactionary thing. It would be tragedy if they were to win. It should be basically comedy, and comic as well, if we outmaneuver them and create the future world in spite of their opposition.

Their power is now such as to make the thing about as difficult as can be tolerated. The loss of China to Communism was a very serious loss. Their material power is a power for disturbance, through military might, through scientific capability, through trade and influence and prestige. But the weight of all resources still favors us, and if we cannot win with such weight it must be because of a gross failure to learn how to organize our assets.

VIII. THE POSITION OF THE U. S.

The U. S. has accepted the role of center and leader of the world reluctantly as becomes a leader who might be a good one. It has moved only when its own interests were clearly threatened and where it was obvious that no other power would act effectively if the U. S. would not. It has tried repeatedly to put away world problems through such gadgetry devices as the League of Nations and the Kellogg Pact and the Neutrality Acts. It has avoided thinking about the operational problems of the rest of the world to such an extent that it has had no body of organized doctrine about such problems. It still shows a tendency to approach the biggest problems with a policy of muddle-through. Large sectors of opinion still resort to Micawberish optimism whenever immediate threats give them any latitude to do so. American thinking, in the forms that were dominant enough in American life to dominate our policies, had a ghastly record in the first half of this century for misconceptions, mistakes, and failures. Lippmann has devoted much energy to analyzing the roots of this inadequacy of U. S. thinking on international affairs.

Lippmann's views can be summarized in a few excerpts:

> Is it not true that in the twentieth century we have witnessed on the one hand the rise of the United States to preeminence among the nations, to a position of great leadership and immense responsibility in shaping the destiny of mankind? And on the other hand, is it not also true that the course of events is strewn with the debris and wreckage of high and hopeful declarations of policy: with Wilson's neutrality, Wilson's Fourteen Points, and the Covenant of the League of Nations; with the Washington treaties of disarmament and the Kellogg Pact to outlaw war; with the Dawes Plan, the Young Plan, and the Hoover Moratorium to reconstruct the world after the First World War; with the Stimson doctrine to prevent aggression; with the Neutrality Act before the Second World War; with the quarantine speech of Franklin Roosevelt, and the Four Freedoms, and Hull's Seventeen Points, and the Atlantic Charter, and the Yalta Declaration, and the Truman Doctrine?
>
> In the American ideology the struggle for existence, and the rivalry of nations for advantages, are held to be wrong, abnormal, and transitory. Our foreign policy throughout this period has been dominated by the belief that the struggle does not exist, or that it can be avoided, or that it can be abolished. Because of this belief our aim has not been to regulate and to moderate and to compose the conflicts and the issues, to check and to balance the contending forces. Our aim has been either to abstain from the struggle, or to abolish the struggle immediately, or to conduct

crusades against those nations that most actively continue the struggle.

We not only ignored the development of the means to achieve our ends; we chose as the ends of our efforts a set of ideals which were incompatible with all the means of achieving any ideals.

We must seek the cause of our diplomatic failures, therefore, in our own minds. We must look for the cause of trouble not in material circumstances but in our own habits of thought when we are dealing with foreign affairs and with the formation of American policy. In the period from Woodrow Wilson to Harry S. Truman our foreign policy has miscarried so regularly because there has been interposed within our own minds, between the outer world and ourselves, a collection of stereotyped prejudices and sacred cows and wishful conceptions, which misrepresent the nature of things, which falsify our judgments of events, and which inhibit the formation of workable policies by which our available means can be devoted efficiently to realizable ends.

Whether one agrees with Lippmann in detail or not, it is certainly hard to avoid accepting at least that there is much truth in his thesis. The present writer feels that while the explanation offered by Lippmann is rather inadequate and a fuller examination of the historic and philosophic roots of our mistakes is required, the basic charge of unreality is correct.

In addition to some peculiarities of mind which made us much trouble until recently, we have some difficulties with our governmental organization also. For a long time this was largely due to the simple fact that there were no organized agencies in our government designed and assigned to think about some of the things which have to be thought about. Also, in part, it is due to special features and consequences of our system of separation of powers.

The problem of what we should say to the world is illustrative. In spite of our pretense that we all understand the principles of democracy, any statement of these principles is actually a partisan matter unless it is made quite vague, and worse than that, neither of the major parties has any firm and unanimous position. There is some group in this country which will rise in opposition to almost any formulation that can be offered. Recall, also, that in our political system there is room for decisions to be dominated by minorities, in every case where a small group feels strongly and makes a loud noise, while the majority is unconcerned because it is concerned about other things. If ten percent of the people feel strongly, while the other ninety percent either are unconcerned or divided, it is easy for the ten percent to have their way in the processes of democratic government, for they can deliver decisive votes. This is well-known to all students of American government and politics. What it means in relation to U. S. foreign propaganda is that it is almost impossible for the government to address the world in other than pusillanimous or bowdlerized terms without raising a storm of protest in the U. S. from some group, and only if it can gain the compensatory support of some comparable group. The only corrective is strong support from the White House, which is the only U.S. institution accepted by the American people as speaking for the national interest rather than for local and parochial interests of all kinds. Only the White House can arouse the mildly interested majority against the intensely interested few.

The U. S. and its manner of living, and the methods by which it conducts its affairs, are difficult to explain, apart from any difficulty of attaining agreement. The U. S. economy is now activated by a highly articulated system of private and governmental factors. Like the British constitution before Bagehot, it has been constructed by the work of many architects, but has been clearly analyzed in its whole effect by none. (This is a summary statement, not meant to imply prejudice that some recent books may have made long strides in this respect.) The political system of the United States is far different from what it was three decades ago, and is still changing rapidly. The major internal actions of the U. S., which are the best evidence of everything about us on which it is difficult to find the right words, are basically consistent when examined, but tell only what we accomplish and not how we do it.

In politics we have discovered, learned, and become experienced practitioners, of the art of

providing adequate power on the side of needed reforms. This is far from perfect, but it is far more effective now than formerly. This reflects a sort of mass competence in politics, a vitality in the people themselves, that is the real source of strength. It is political skill at the level of the PTA, the labor union local, and a multitude of other elementary forms of political life, which gives our political system the character of free enterprise and dynamic stability. Leadership is not absent, it is effective because prospective followers are not inert. It does not take the old form of bossism because the capacity is too widely distributed. A sense of responsibility for the general effects of particular acts is more and more evident, with less and less tendency to practice the old principle of everybody for himself.

Problem solving methods have more and more influence on the decision making process. In the most advanced form, this is represented by scientific studies to produce advice for policy makers. In more rudimentary forms, it is represented in a heightened level of debate, an acceptance of the merits of the argument, a restraint placed on individual or group interest.

Our economy is also now a great system of private and governmental factors. Its tremendous productivity reflects the high motivation of free enterprise. Its freedom from obsolete and misdirected accumulations of wealth and power reflect the income tax system, the anti-trust laws, and the low interest rate. Its combination of competition with huge-scale production reflects the sheer size of the big economy, with internal barriers and impediments restrained by the freedom of interstate commerce. Its freedom reflects the fact that the ills of older and smaller economies in Europe, which led to the movement for socialism as a remedy, have been passed by in the United States, with socialism left in the limbo of unrealized and unnecessary concepts. The relatively equitable shares of labor, of management, of commerce, and of agriculture, in the national dividend, reflects the organized power of each to claim its rights and the power of all to restrain the excessive claims of each. It also reflects the dynamic balance of political power. The relatively narrow range of living standards for the very great part of the people, with a differential of ten to one, covering more than nine-tenths of the people, narrower than in Russia, reflects both the great productivity and the feat of preserving motivation without excessive individual wealth. To the outer world this is for the most part sheer mystery. To Americans themselves it is also mystery, since few understand the whole, while each knows his part with an obviousness born of experience and living, and knows it without the questioning which would prompt lucidity. It is easiest to define our economy in terms of what it is not. It is not the "capitalism" of Marx or the Communists. It is not the free economy of Mises and Hayek. It is not the socialism of the British socialists nor the state monopoly of the Communists. It is the revolutionary reality that surpasses all those poor conceptions.

The record of action toward the world is far more mixed, and is the evidence that we have been slow to recognize our relation to the world. On the one hand we have been guilty of errors of judgment and of failures to act. From the neutrality acts and the demobilization of 1946 to the loss of China one can make a long list of instances where we judged wrongly, or where we wrongly judged that we did not need to judge. At the same time there is a contrasting list of great actions, from our conduct toward Cuba and the Philippines to the Marshall Plan, MDAP, NATO, our proposals for control of atomic energy, our intervention in Korea, and many others, which can be summed up only as evidence that we have recognized many of the obligations and opportunities of leadership, and many of the responsibilities that accompany our extraordinary power. Furthermore, there is the long and arduous record of re-tooling our government for continuing active participation in the critical condition of the world, not only through the re-establishment of military strength, but

through the development of reasonably competent intelligence, of a modern diplomatic system, of improved governmental management, and of improved conduct of legislative business and of executive-legislative relations. Finally, there is the clear evidence of our reluctance to impose our will, most evident in our reluctance to accept security restrictions, in our very difficulty in establishing an intelligence system, and in our eager post-war demobilization. We, not the Soviets, undertook a program in 1946 which approximated their concept of the "withering away of the State," so far as all aspects of the state related to the affairs of other nations was concerned.

"Isolationism" is the old name of the element in the American mind which assumed that if we could manage our own affairs, the other nations should be able to manage their own. Since we have recognized that "isolationism" was wrong-headed, we have become blind to the virtue which it expressed, for it did express virtue as well as a narrow hedonism. The whole record of our isolationism is the conclusive answer to any and all charges that we are imperialist or war-mongerers.

The record is far more consistent than even we have been aware. We have been slow, but not quite too slow at any time, to learn new lessons and to take new steps. We have been slow, but not quite too slow, to undertake some of the most difficult and unpleasant of the tasks imposed, such as intelligence, security, and conscription in peacetime. We have been generous in granting wealth and resources to every proven need. Historically, the record has been much more systematic and consistent than it has seemed. The view of the forest has been obscured not only by the towering trees of particular events, but by the underbrush of confused detail and the brambles of controversy.

There is much to be done here. The sources of American power are obscured even to Americans by the superficialities of natural resources and productivity. The American scholars and experts have had their noses to the grindstone of detail, and have generally failed to integrate the whole. As Allan Nevins has asserted, the historians have followed a misconception of the logic of American development. We now need to define our place in the world when we have neglected the basic work for such a definition. We need to tell others the secrets of our success, when we have not yet understood those secrets ourselves. Our government needs to speak to the world with a consistent and clear voice, when we cannot yet endow it with the right and power to speak for us who cannot agree among ourselves. Above all we need to establish in our minds as Lincoln put it, "where we are and whither we are tending" so as to "better know what to do and how to do it."

With all our strengths and weaknesses we are cast by forcible facts in the role of leader of the free world. Courses of common action among free nations can be taken with confidence and energy only if we are sure to support them. Only if we initiate them is our support surely evident to others.

Common action is important in this situation. We rightly feel not only that we cannot do the job by ourselves, but that if we did so it would not come out right. But talk of common action has all too frequently a tone of making common action an end in itself, as if there were some article of faith which makes common action the touchstone of sure virtue and success.

Action requires decisions. Decisions among allies as among men anywhere in any numbers have to be made by processes that take more or less time, and which involve the weighing of evidence, study, argument, and authority or voting, in various ways and degrees. Decisions can be made by command, and must be so made, in the single brain which can make them with least time, when action must be taken in least time. Decisions can be made by the processes of the law, with as much time consumed as is necessary to examine all evidence and to hear all arguments, when time is not essential. They can be made by negotiation or politics, without pretense to reconciliation of all arguments but yet with a common decision

for action, as in the bargaining of the market place or in the political processes of a committee or a congress or an election. Or they can be arrived at through the problem solving processes of scientific or expert investigation, if and when the findings of the scientists are accepted by the actors. Decisions in a coalition are not different from decisions in a government in this respect. Command can be used only if established by the will and consent of the participants. Science can be used only if those who must follow the advice of the scientist can follow its logic, or if they are impressed enough with the prestige of the scientist to accept his advice without understanding.

In a general sense there must be a trend toward federalism. This is not to be interpreted only as a formal development exhibited in federal types of institutions and agencies. It will take far more the form of joint decisions on common courses of action, with the constant emphasis on the necessity of interdependence and of the necessity for compromise. Without the simultaneous use of problem solving techniques in conjunction with decision-making techniques, this would result only in constant compromise of principle and corruption of the results. Progress toward standards must go forward with progress towards agreement if compromise is not to erode all principles. The important issue is that a modern peaceful order is inconceivable without decision-making procedures; that decision-making only by a rigidly organized world state would be only an extrapolation of the past with all its limitations, that the future condition is more likely to be something different from anything we can yet handle with our concepts and ways of thought, that truth and error will remain as causes of success and failure, and that agreement for its own sake is no test of truth.

If common action were to be elevated to a mandatory principle then, what would be the result? Given the ways in which men conduct affairs, the result would be most often the resultant of negotiative or diplomatic-political processes. As in our own politics, there would be an exaggerated leverage for special interests. Further, the processes of decision in a coalition or alliance are subject to unanimity, a gross weakness always.

If all actions of our alliance were to be common then there would be three consequences:

a. Some actions would never occur because there could be no decision on time by the laborious and slow processes available.

b. Many decisions would reflect compromise for the sake of unanimity to such an extent as to ruin the effectiveness of the action taken.

c. The ruinous results would soon dissolve the alliance, unless it led to the introduction of stronger methods.

Then what meaning and value can we assign to "common action." It must mean this. We will never act alone in situations in which there is time to consult our allies, nor against their express will except where they differ among themselves and the necessity for some action is apparent. We will seek collective action in every case where it is appropriate and practicable. We will seek to develop common doctrine and standards by which to increase the sense of teamwork and of spontaneity in acting independently for agreed objectives.

But, also, we will never fail to act, with or without our allies' concurrence, when the safety of the Free World demands immediate action. We will not fail to accept this responsibility, heavy as it may be. To avoid this involves our doctrine in unrealities, however idealistic. If we accept this responsibility the common will of the coalition will be assured by the assurance of viability. If we accept it, the truth can be served. Common will and common recognition of truth and common hope cannot rest upon a doctrine of common action subject to fatal impediments to right and necessary action.

Unilateral actions have been necessary several times in the course of the Cold War thus far, and have been taken. One was the decision to develop the capacity to use atomic

warfare rather than liquidate it after World War II. Another was the decision to offer the Baruch Proposals to the world, repeated or modified in several later versions, but standing as a unilateral move of profound significance. Another was the decision to fight in Korea, while seeking UN support. Others have included the proposal of the Marshall Plan, the Truman Doctrine. These do not represent common action except as they fit into a much larger pattern of common action. They do represent the acceptance of prime responsibility, and the fulfillment by the strongest partner of the conditions which make a coalition possible. The doctrine of "common action" must not be mistaken as excluding such unilateral actions.

Given this, the U.S. is inevitably cast as leader of the Free World. It has the material power which permits decisions and actions as comprehensive as the situation. If the U. S. does not lead, nobody else can. The U. S. is in some ways ill-equipped for its role, yet its weaknesses are the weaknesses which have accompanied its strengths. It is weak on ideological doctrine, but therefore its doctrine, if now formulated, cannot be so obsolete. It has lacked modern organization for necessary planning and intelligence, but it has rapidly worked to make up such deficiencies. It has been subject to sentimental illusions, but it has found a practicality crises which has permitted it to survive a strenuous schooling by hard experience. It is closely approaching maturity for its role, if it has not reached this already.

Other papers have emphasized in more than one place the all-important issue of maintaining deterrent strength in arms, and the hazardous instability which characterizes this task. The issue need not be discussed again in detail at this point. But the issue is the most critical one, in the sense of setting the criteria which we have to meet.

The U. S. has to find the wisdom and skill to assess with ruthless objectivity the actual pace and scale of weapons developments. This does not mean that we have to know precisely when the enemy will have a weapon, or how many. It means that if we do not know we must not guess wishfully. The necessary may include a safety margin. Only when knowledge of enemy capabilities is absolutely certain and precise can margins be dispensed with. Such cases will be the exception, in fact they are substantially impossible.

If we can be uncompromising on this issue we can surely find the morale to make the necessary sacrifices whatever they may be. And we can then be realistic on any other issue, for none is so seductive with its promises of welfare and of political advantage as this one. It is not necessary that we expect perfection of ourselves overnight in all things, but it is necessary that we earn the right to all the time it takes us to go on learning what we have to learn. The maintenance of unbroken deterrent strength is the price of time, and it will buy all time if we never cheat on the price.

The determination of America to maintain an effective deterrent position is the cornerstone. In the first place we must not fail. In the second place, our determination must be apparent, for it is the fact which all the free world must know. This fact, that we are determined, must enter their minds and affect their thinking as one of the very few most important premises for all the development of the free world in the next few decades. It is the premise which makes it possible to assume that the whole difficulty and cost of responsible progress without violence is worth bearing, and that world war or the defeat of the U. S. will not vitiate the accomplishments of every other nation. To make our determination clear is, basically, an honest matter of maintaining determination. But it is also in part a surface matter of how we show this determination. If we cut our arms budget at the first appearance of relaxed tension with the Soviet, it will not be clear that we are determined. No words will then suffice to make it clear. This does not mean that no reduction of our defense budget can ever be made. It does mean that the explanation to the U. S. and to the world as to what we are nevertheless doing to maintain

the deterrent will have to be very very clear. In consideration of all the technological-military factors, there appears little chance that a substantial budgetary reduction can be compatible with U. S. determination in the next decade.

The possibility of establishing a positive motivation for the American people does not mean that it will occur just because it is needed, nor even just because it is inspiring. Americans have been saturated with individualism for a century, and their habitual idea of a positive goal is of a goal for the individual, not for the nation or the world. They fight with fury when the nation is visibly threatened, because the nation is the shelter within which they can go about their individual business. Jobs and families and homes and security are the positive goals of their individual lives. They have learned in the last decade to recognize Communism as a threat, and to accept taxes and conscription to prevent Communism from becoming more of a threat, but they have no concept in mind of building a new world which would eliminate Communism as we know it now. They want peace, and they support the UN, and they like NATO. Communism threatens to disturb things, either by starting a major war, as they feared in 1951, or by nibbling away gains for itself and losses for our world until it can call us to showdown and defeat. As long as Communist moves are minor, the American has the reaction of a man to a gad-fly, to reach for a fly swatter. If there are too many he puts up screens. If they are still a nuisance he may set out to wipe out all flies.

Any attempt to mobilize fears based on predictions of remote danger makes little impression. All the viewing with alarm that has been done for ten years on the subject of atomic warfare, all the pictures of the H-bomb, have left us cold. The hysteria of some commentators has been partly a frantic reaction to the lethargy of the public. The same public has reacted, briefly, to Korea, to the Berlin Blockade, and to other Communist moves. But it has then had a course of action laid out for it by its government. When no course of action is laid out the public waits for one and, generally speaking, it assumes that there is no urgency if no course is offered.

The idea of doing the necessary to change the structure of human culture so that wars will not occur is not a clear idea to any but a very few people. It is not clear to the government itself. Yet it is the only positive expression of what is otherwise expressed negatively as the avoidance of war, and the eventual transformation of Communism.

The Government has not in the past considered that the formulation of such a purpose is actually a proper function of the government. The reason is traditional. Such positive projects have never been set by Government in our system, with the possible exception of the New Deal. Historically considered, we can review the great causes which the American people have accepted, and in nearly all cases the torch was carried by private groups, with the Government acting after and not before the establishment of a consensus. This was true of the abolition of slavery, of prohibition, of women's suffrage, of conservation, of the United Nations, of intervention in both world wars.

This relation between Government and private forces in the formation of opinion is an important one in a Democracy, and on 19th Century premises as to the nature of problems, the degree of danger, and the time element, this arrangement made good sense. But it is also one reason why the U. S. has made so many mistakes in this century, why its intervention in two great wars has been so disappointing, and why it has faced such a succession of disastrous surprises.

For there are things which the private agencies seeking to shape public opinion lack. They lack the capability to formulate sound proposals and to offer sound leadership because they lack the time, the money, the men, the systematic means to do the work, and above all, they lack the data. They can guess, and they can express their opinions, but they cannot speak with authority, because they cannot establish the authority of their facts

about the problem. This leaves the situation which made Churchill and others during the war beg for more clear and positive leadership from the American Government, and has made Malik of Lebanon and Hammarskjold of Sweden beg the U. S. to accept the burden of telling the peoples what they have to know.

The substitution of a positive purpose for the negative motive of specific fear does not appear easy in this context. But there are favorable factors also. The persistent hope of the people for peace, and willingness to sacrifice for peace, has been demonstrated constantly. Their fear of being hoodwinked with a nostrum or panacea or utopia or fallacy or illusion is deeply grounded in the record of deception by self-deceived leaders in the past. That they have swallowed so many bitter disappointments is a measure of their faith. Further, they believe in work and pragmatic experimental progress and tests.

If they are told that they have a job to do in a generation, that the essential resources are available, that it will be the greatest achievement of man if they succeed, that the greatest disaster that ever befell man will occur if they fail, and will also occur if they fail to try, and that there must be no illusions or nonsense about it, and if this is done from the highest point of authority as to the dangers and possibilities in the situation, they may be expected to react with all the latent idealism they have.

Stopping the expansion of Communism will not save the status quo. The fact that the Communists are wrong, and the fact of their failure, will not mean that there is no revolution. Their failures will mean that we mastered the revolution and led it.

There is an immediate challenge, a passive and negative challenge. We have to avoid undue Euphoria and abhor relaxation. Any relaxation that is really justified in one field of effort will be only an opportunity to turn more of our energy to others. If we can do this it will be the most significant landmark of our history in this century. It may be in many respects an unobtrusive achievement, since its critical proof will be continuity of direction, not a change of course. But it will also require outspoken expression of the estimate of the situation which underlies our stubborn determination.

It is a situation for fear and hesitancy in the face of an effort which may "shrivel up our little stock of courage," because it may demand more effort than minds can bear. A positive basis for our morale cannot be made a really dominant factor in the drive and direction of our action by exhortation about abstractions like Hope and Truth unless positive content is given to these terms. The positive content that can be given to them is ready to hand and can be backed up all the way. The effort is unescapable for the minds of men who have a will to clarity of the consciousness which God gave them.

IX. CONCLUSIONS

The Immediate Situation

The reactions of the U. S. and the Free World to the Soviet-Communist threat have been mainly motivated by direct provocation, and have been mainly designed to prevent specific enemy gains.

Communist tactics during the first two phases of the Cold War, from 1946 to 1955, have provided renewed provocation whenever the will to maintain the necessary countereffort has declined.

In the third phase of the cold war now opening, they threaten to deny us further stimulus by abstaining from overt provocation.

We remain in a situation in which there are very great latent dangers, as much as five to ten years away in the future, without overt enemy action to emphasize or dramatize them.

The greatest dangers ahead are of great certainty in degree of danger, though of great uncertainty as to timing.

The remoteness of the principal dangers in time makes it impossible to establish and maintain a firm will to continued effort on the former basis of immediate enemy provocation.

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To conduct our affairs under these conditions will require a basic estimate of the situation broader, firmer, and clearer, than any we have needed during the nine years of cold war that are now past.

Stable long-term motivation has to be a motivation to do something, not merely to prevent something.

Only a positive basis of motivation can be independent of specific actions by the enemy, As a corollary, only a positive basis for motivation can afford us a basis for initiative, with all the advantages of initiative.

The General Situation

The world situation in this century is a systemic revolution, that is, a revolution of the whole state system, not simply of one country.

The two World Wars amount to two civil wars of the world community.

The revolution can be analyzed and understood.

The problem now is to eliminate war, the evolution of a world political system free of war is a basic aspect of this world revolution, but war is to be expected as an automatic by-product of the situation unless the automatic forces can be analyzed and brought under control.

The customary processes of history include war as a part of the process of deciding matters which cannot be decided by the decision-making procedures of a single state.

War is not immune to mastery by the human mind, once it is recognized that it involves social mass action and that its logic is not the same as the conscious logic in the minds of its participants, this in parallel with the business cycle and other cases of social mass action which have been analyzed.

We cannot now take several centuries to abolish war.

The Backward Areas

The backward areas present special problems, and are involved in revolutionary changes of various intensity which threaten to produce violence and disorder incidental to the main development.

Disparate progress as between countries, between groups within countries, and between technological and institutional elements in the same culture or country, strains customary social-political relationships always, but now more than ever.

The essential is to find ways to adjust the time-phasing of those elements in progress whose disorder otherwise generates explosive tensions.

"Point Four" in its present form is inadequate as a means of assisting backward countries to adjust their cultures to Western technology, since it emphasizes just the technology which is easiest to learn, and underemphasizes the social and political and economic factors which are most difficult.

A basis for motivation that would satisfy the U. S. people by themselves would offer no basis for morale and patience and confidence in progress, for the peoples of the backward areas.

To satisfy the need for direction for the Free World, a rational basis for morale must satisfy the U. S., its principal allies, and the backward countries.

Reform is much more difficult than supposed in all but the most highly developed political systems.

Communism

Communism has long predicted a world revolution and they consider themselves as enjoying proprietary rights in it.

Communism has so many faults and errors built into it that it is actually obsolete and irrelevant to the main development.

One great advantage Communism nevertheless enjoys is its applicability, because of its crudity, in situations where the modern political processes become unusable. Communism offers an easier because cruder route toward technological advance and toward the destruction

of obsolete institutions than does modern democracy.

The case of revolutionists by profession who actually do not understand the revolution in which they are engaged is a familiar fact of history.

The Communists, in spite of their errors, are skillful in practical political situations, skilled in long range planning, and capable of adopting a hard or soft line for several years on end as a mere phase in a longer plan.

The United States

The United States has avoided general theoretical analyses of its own situation and has made its way by improvisation.

The U. S. political system has evolved in recent decades into a revolutionary new social-political system with capabilities for resolving problems beyond any previous one.

The U. S. economy is a new and revolutionary system which is neither capitalism, socialism, nor communism, and which makes all of those concepts obsolete.

The U. S., not the Soviet, is of post-revolutionary type.

There remain many factors in the United States which make it difficult to recognize its own achievements, to formulate them, and to accept the appropriate position in the world.

The record of U. S. actions is more consistent than is generally understood, and represents the acceptance by the U. S. of the role of leader, but is marred by various failures and mistakes.

The necessary positive reformulation must begin with recognition of the nature of the situation, the steps required for the avoidance of war and for the defeat and transformation of Communism, and the practical methods and measures to be taken, and costs to be accepted.

The alternative is to "muddle through", and our confidence in our own capacity to muddle through is a factor which inclines us to try to go on doing so.

Deterrent strength is the key issue which must be met without any mistakes and which is the essential price of time for all other matters to be dealt with.

U. S. determination to maintain deterrent strength, and to maintain all necessary effort, must not only be real; in order to serve as a premise for confidence in the outcome it must also be clearly apparent at all times to the whole of the Free World.

Summary

The world situation is a world revolution.
The U. S. is the leader of the world revolution.
There are two great dangers:

1. That the Soviets will obtain at some time in the future (1958–1970) a decisive military-technological advantage which will permit them to precipitate a showdown with expectation of success.
2. That the failure of the U. S. to assert its leadership in an adequate manner will permit the Free World to fall into disorder and weakness with Communism as the winner by default in local situations.

There are four reasons why the U. S. cannot pursue its further courses of action without a positive doctrine concerning the situation and the goals:

1. We have now to undertake long-term efforts of high cost without the immediate provocation of enemy action.
2. The Free World, including the backward areas, as well as the U. S., has to be given direction and confidence.
3. Only a positive position can provide the advantages of the initiative.
4. War cannot be excluded from history by leaving the historic process to the customary automatic forces.

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Paper 6

The U. S. Public—A Matter of Orchestration

Originator: C. D. Jackson

Critics: Max Millikan
P. M. A. Linebarger

I. THE PROBLEM—ALLEGRO MA NON TROPPO.

It would be best at the very outset to admit that the U. S., its Government, its people, its press, its history, its temperament, all combine to prevent a complete solution to the problem of orchestrating a foreign policy. To insist, or to set forth a plan, that requires a totality of our Government to stick to the agreed-upon position, so that the American people, the audience, hear only a single coherent and convincing theme, is, in the context of the United States of America, unrealistic.

We certainly do not wish to adopt the monolithic techniques which are possible in a police-state dictatorship. Equally, we cannot wait a century or two to develop the render-unto-the-Foreign-Office type of orderly respect which characterizes the attitude of Parliament, press, and people in Great Britain.

However, there are many things we can and should do which we are not doing. Our built-in deterrents may prevent perfect operations, but they need not prevent far better results than we are currently achieving.

The solution would be far easier if there were one identifiable villain or set of villains. Professional mavericks aside, there are not villains in this picture—only a vast uncoordinated mass of minds and vocal chords.

Some attempts at orchestration have been made, but they have almost all been of the ad hoc variety—one shot operations which momentarily stimulated a large number of people to some semblance of coordinated activity. But the moment passed quickly.

As this paper is being written, we can witness a perfect illustration of the problem.

Taken together, the declarations of the President at Geneva, the President's speech in Philadelphia on the true meaning of the "spirit of Geneva," and the Secretary of State's speech at the opening session of the United Nations, present a coherent, convincing, compelling, and in a sense majestic, statement of American foreign policy for the coming period.

Yet what has been done to orchestrate this composition? Has the President explained the matter in these terms to his Cabinet? Have the appropriate legislators been informed by the appropriate administration officials of this three-stage development, and its implication for the future? Has the State Department forcibly impressed upon the Chiefs of U. S. Missions abroad the overall implications and their individual responsibilities within the frame of these implications? Has an appropriate person communicated to citizens' groups throughout the country a detailed interpretation of these fantastic 1955 foreign policy developments and their vast implications? Has it been suggested that a group of interested and dedicated citizens on a national scale band together for the purpose of common appreciation in order in turn that they might disseminate their appreciation locally?

The answer is NO.

To be sure, the mimeograph machines have ground furiously. But what has come out is

unevaluated facts. Every Ambassador has indeed received a copy of the text of Mr. Dulles' speech, but none of them have received a copy of the all-important relationship between Geneva, Philadelphia, and the United Nations. And in the U. S. the various media of communication are left strictly on their own to devise their own angles and interpretation from the raw facts. Government officials get their nourishment from headlines, and the citizens have to rely on a special kind of osmosis.

This sorry situation is not entirely due to negligence. There is also an underlying psychic block—namely, self-consciousness and fear that any organized attempt at orchestration will be attacked as administration propaganda.

In the context of the vast and dangerous game which is being played, this is utter nonsense.

This does not mean that such attacks will not be made. It does mean that they should be disregarded—for what we are dealing with is not the raw stuff of partisan politics, but in a very real sense a victory or defeat in the most titanic struggle in which this nation has ever found itself involved.

II. THE NEED—ANDANTE CANTABILE.

Although many details are still missing, and others will come into being only as events demand their appearance, the Government of the United States does not have today sufficient thinking and decision to articulate global policy on the three tremendous fronts of diplomacy, foreign economics, and security.

If this is a correct statement, the task of information and interpretation to the U. S. public is as important as any other aspect of the operation.

The American people have in fact been extraordinarily docile and cooperative. They have rolled or oscillated with a tremendous number of changing moods—hard line, soft line, scowls, smiles, tough words, peaceful words, and now the "spirit of Geneva".

But now also, in this year 1955, there is the new phenomenon of relative fluidity in the East-West maneuvering, coupled with the fact that the President and the Secretary of State have hammered out the broad outlines of a real policy which can be told. And if this policy is to achieve maximum international amperage, it must have the drive of an educated citizenry behind it.

III. THE PROPOSAL—MAESTOSO.

The first and essential step is for the Executive Branch to get its own ducks in a row. And here the chief burden falls on the President and the Secretary of State.

Assuming that they would both subscribe to I and II above, and are prepared to concert their thinking, three immediate audiences should hear the story in considerable detail—and presented not as a suggestion, but as a firm policy to which they will all commit themselves. These audiences are:

1. A combined Cabinet and NSC meeting (including Secretaries of the armed services and the Joint Chiefs.)
2. The White House Staff.
3. The legislative leaders, plus possibly some additional specially selected legislators.

From these meetings a group of leaders should be designated to assume the responsibility of disseminating the essence of the President's policy to the key personnel in their organization—and the White House should be prepared to furnish speech outlines and/or an articulate representative if necessary. It is conceivable that in the case of a particularly important sub-group, say Pentagon brass, the President himself might address them.

Key questions should be arranged for Presidential press conferences which will permit the President to make the necessary public statements on the subject, and the Secretary of State should hold at least one off-the-record background-only press corps dinner to position this global policy in their minds.

Several national organizations, notably CED

(Committee for Economic Development) and the Advertising Council, have learned how to act as national minute-men on matters of importance to the nation. The appropriate officials of these and one or two other national organizations should be summoned to Washington for a thorough briefing, and should then be charged with the responsibility of organizing this material in such a form that it can be sent to their chapters and representatives and membership throughout the country, after full-dress ratification by their Boards—at a special meeting if necessary.

Although the preceding paragraph gets close to grass roots, a still closer activity is essential, and to achieve this a National Conference of educators, industrialists, public opinion experts, politicians, and national organization heads is the best and quickest-acting device.

The National Conference is recommended rather than another Committee because:

(1) it would not present overt competition to any existing organizations;

(2) it would provide the broadest possible framework for every kind of organization to participate as much and as deeply as possible;

(3) it could set up special committees of its own to carry out particular programs that didn't fit into any existing organizations;

(4) while the conference organization can continue as long as there is need for its existence, it does not have the aura of a self-perpetuating committee staff, and therefore has greater appeal for fund-raising.

A detailed description of such a National Conference—its organization, its agenda, its techniques, and the results to be expected—has been drafted and is available.

In conclusion, note that there has been no attempt in the above to discuss substance. There has merely been reference to the three major fronts of U. S. global policy—diplomatic, foreign economic, and security. The assumption has been that other conference papers and the summary conference findings would develop the substance.

Paper 7

The Discrete Problems of the Far East

Originator: Paul M. A. Linebarger

Critic: George A. Lincoln

Prefatory

The following paper consists of three distinct parts.

Part One, Prologue, states the difficulties of getting a policy which will meet five basic criteria:

(1) acceptability and desirability to the U. S. public;

(2) coherence with the general direction of U. S. domestic development and world-wide policy, as seen by leaders and experts within the United States;

(3) applicability to the real-life situations in which different portions of the Chinese people find themselves;

(4) harmony of the U. S. policy with British, Japanese, and other allied policies;

(5) relevance of the policy to the general relationship of security-through-competition which now obtains between U. S. and Soviet power, especially in marginal areas such as Germany, Korea, and Vietnam.

Part Two, Draft of a Ten-Year Policy, provides a target for discussion and for further refinement by spelling out some of the concrete policies which should be considered seriously for American policy-planning purposes.

Part Three is a brief résumé of the overseas Chinese situation.

Though the focus of the paper is on China the general conclusion of the paper is to the effect that for the next decade or two, Japan is more important than China for many U. S. purposes, and that therefore no China policy should be developed unless it fits closely and effectively with the policies of Japan concerning China. In their turn, the policies of Japan concerning China should be a major focus of American study and (if necessary) of American partnership.

This paper is submitted in conjunction with a closely related paper on the subject of *Policy and Opinion in South and Southeast Asia*. The two papers are designed to cover adjacent geographic areas, and in many cases their subject matter carries through from the one paper to the other.

No attempt is made, in this paper, to spell out the economic or military costs of operations in the South Asia, Southeast Asia, and East Asia areas. It is generally assumed that short of open combat these costs are and should be less than the cost of the military and economic aid programs which have already been applied in the Mediterranean and West European areas. The cost may be substantial in any one year, but in relation to U. S. totals of defense and aid expenditures over a decade, the cost of all the Asia programs put together should not be high.

Consideration of any American policy toward China is complicated by the fact that there are at least five basic frames of reference (outlined above) which such a policy must fit.

Peculiarly important is the consideration that over and above the inner circle of the definitely pro-American Nations of the Pacific (Japan, ROK, Nationalist China, Thailand, Australia, New Zealand), there are potentially pro-American nations who must not be alienated. In some cases, the reasons for not alienating

them are militarily and diplomatically *operational.* The nation in question would be valuable as an ally to us, and may well become an ally. In other cases, the value is *psychological;* American leaders and journalists would not like to see a country estranged, come a showdown on the world scene. Furthermore, the Communist pleasure at taking anything whatever from us, unreasonable though it may be, usually arouses a corresponding emotion of worry and dread on our side.

Of the nations which are *not* pro-American, most of them are "Asian" in terms of propaganda utterance instead of merely Asian or Asiatic in terms of their geographic location. The more well-established and older the government, the less apt it is to be "Asian". The Japanese Government is rarely "Asian" in the sense in which Mr. Nehru uses the term.

The policies which suit the pro-American Nations will not necessarily suit the "Asian" group. An affirmative policy on Formosa's security will probably please Hatoyama, Rhee, Chiang, Pibul, and Magsaysay; it may even be a source of reassurance to Norodom Sihanouk; it will most distinctly worry U Nu when he is speaking in public, however much he may be pleased by it when he is speaking in private, and it will vex Mr. Panikkar or Mr. Menon.

To be effective, an American policy concerning the Chinese people, their National government, the Communist authorities, their representation in the world, and their future cannot shift from week to week as British or "Asian" opinion may require.

a. A very substantial achievement has already been accomplished by the Eisenhower-Dulles team in getting Formosa off some of the tenterhooks of uncertainty and by scaring the Communists away from the offshore islands for the time being.

b. Particularly effective was President Eisenhower's insistence in simple and understandable terms, on the idea of "peace" last spring. The President expressed, wittingly or not, almost all of the classic Chinese virtues. In reply, Chou En-lai sounded like a bad Chinese garble of a German text. He had to lard his riposte with foreignisms (so far as the spoken Chinese language is concerned) referring to "domestic" rights in "international" law, "international jurisdiction," and the like.

c. Since a long-range American policy cannot and will not be effective if America's top leaders, busy as they are, try to figure out a long-range Chinese approach to China's problems, really effective policy depends on its being grounded on what the U. S. is going to do anyway, China or no China.

The first question on China policy is, "What is U. S. domestic policy?" Should our policy be impugned, we cannot and will not have a position of strength in the Far East if at the same time we reduce our military budgets so that we no longer possess the striking forces with which to strike.

U. S. domestic policy is derived—quite reasonably, too—from the U. S. estimate of U. S. global policy at any one time. This primarily concerns our own safety in relation to Soviet power at the time. Only later can and should China policy come in.

I. PROLOGUE

Supremely important is the fact that an American China policy must cohere with U. S. domestic policy. In a sense modern Chinese civilization is already propaganda-saturated. Only rarely can verbal symbols compete with the inferences made by observers from action. The future is measured on both sides of the Bamboo Curtain in terms of what is going to happen, not in terms of what should happen. If American domestic policy appears to be leading the United States first to a position of domestic strength and then to an international position of being able to use that strength, most of the "psychological warfare" will make itself in the future. If the United States is going to become absolutely and relatively weaker

in the next three decades a China policy based upon a false prediction of strength could bring the United States people and government nothing but harm in China and contiguous territories of East Asia.

Up to now much of the difficulty of an American "China policy" has been the fact that it was "China policy" and nothing more—not an organic living part of America's general policy in the world. If the United States is capable of creating a Far Eastern policy from the foundation of basic "American policy" prescriptions for action which show humane, practical, long-range prediction of American economic and political survival, with a sane, optimistic, intelligible affirmation of how America intends to grow and prosper—the result would be much more valuable than the trumpery of a specious "China policy" made up by Americans for Chinese, only for Chinese, and not applicable to anything else on earth.

On the score of the acceptability of American policy as part of the cold war the Chinese Communists are vulnerable both as Communists and as Chinese. A policy toward the Communist authorities of China can take account of the fact that American-Russian relations are much better than American-Peking arrangements at the present time. There is no need to make American policy toward the Communist mainland identical with American policy toward the USSR. The two can be distinguished. It is necessary, however, to reconcile an implicit contradiction in the present American position, a contradiction which arises from two separate and distinct aspects of recent U. S. policy.

The first implication is that (a) the internal political and economic structure of a foreign country is none of America's business, that (b) the United States is indifferent to the sufferings of people under Communism, and that (c) if a Communist government behaves itself "well" in a technical and narrow "international" context the Government of the United States is willing to deal amiably with such a government.

The second implication is that the United States as a government and the Americans as a people have a special sentimental and political loyalty to the Chinese on the grounds of one hundred years of peculiarly significant and intimate association, with American appreciation of China's dedicated sacrifices in the struggle against Japan, and that therefore neither the American people nor the American government can accept the Communist subjugation of China as anything more than a temporary phenomenon which we are prepared to outwait if necessary.

Each of these implicit statements has been made explicit by various U. S. spokesmen with reference to the Chinese front of the world-wide cold war. The contradictions between them are serious enough to affect the grounds of America's entire moral and political posture in the Far East. It can be suggested that neither of these considerations need be excluded altogether from diplomatic consideration, but that a thoroughly clear-cut choice of one as a major theme and the other as a minor theme might permit better diplomacy as well as more effective propaganda programs.

When one turns to the intra-Chinese impact of U. S. policy, consideration must be given to the fact that Chinese political behavior is highly sophisticated and that in a sense the Chinese were Marxists long before Karl Marx was born. This can be explained with the statement that the use of ideological control within the Confucianist system accustomed the Chinese to the concept of "official truth" long before the Western authoritarian states had spread the art of "doublethink" on the present scale.

Much of China's internal political behavior as well as external relations have been based on the striking of postures which are not meant to reflect fact or even seriously to deceive the antagonist, but which are merely postures designed to evoke from the antagonist a counter-posture for the next stage in a pantomime of reciprocal intimidation.

For example, the claim of the Chinese to be a great power at the present time is meant to be taken very seriously as a claim, *as an impor-*

tant ceremonial verbalization not yet related to fact, but providing a foundation for future attitudes of deference on the American side and arrogance on the Chinese side, and therefore at present nothing more than a claim.

The study made by Dr. Shen-hu Dai for the F. P. R. I. indicates that the Chinese people on many occasions in the past established separate co-existing Chinese governmental forms which could be called "states" is not to be found as a major strain in Confucian thought.

A distinction between state and government can be made even in Western thought with reference to the permanence of the institutions involved. It can be suggested that few Western thinkers would regard two co-existing governments, even if they were closely akin by race or competitive in their juristic claims to territory, as mere "governments" and not "states" if they lasted as long as fifty years.

The Chinese are rapidly approaching a point in which they themselves admit in fact that there are two separate Chinese states, two Chinas, both of which will exist as far as any man can foresee.

The fact that the foundation of two Chinas instead of one is adventitious does not mean that the foundation is not becoming more and more accomplished a fact with the passing of each successive year. Foreign Minister Shigemitsu stated before the National Press Club on August 30, 1955, the best view of the Japanese Bureaucrats at the present time:

> As for China, my country is maintaining diplomatic relations with the Chinese Nationalist Government on Formosa and that precludes our entering upon formal relations with Communist China. *Nevertheless, neither we, nor you, can possibly escape the reality that there are two mutually hostile Chinese governments exercising control over two separate areas.* We naturally feel gravely concerned for the sake of peace in Asia and are most anxious that neither side aggravates anew the situation, now fortunately tranquil, by resorting to violence.
>
> As you well know, there is a popular pressure in Japan in favor of expanding our trade with Continental China. This is understandable since we must foster trade wherever available in order to sustain our slender economy, but we feel that our public is apt to forget the drastic change that has taken place in China during the past decade. (Italics added.)

As a tactful man, Mr. Shigemitsu did not go so far as to indicate that he thought that the freezing of the Chinese civil war *by the world situation* meant that the particular division of China which happened to obtain in the winter of 1949–50 was going to lead to the creation of two Chinese states.

The point should perhaps be made both in staff studies and in propaganda that there is no serious prospect of the People's Republic overcoming the Republic of China without Russian aid. The entire military air establishment of Communist China is Russian-supported.

The Communists have been successful in making the balance of forces on the Chinese scene seem to be the result of unilateral American intervention, when in fact it is much more reasonable to assume that "a balance of interventions" has stopped the Chinese civil war at the particular boundary which now obtains between the two Chinas.

In other words, Free China with American aid can defeat New China.

Free China without American aid could not touch New China with Russian aid.

New China without Russian aid can not touch a Free China which has American aid.

If neither China obtains aid from its respective international partner, it is extremely unlikely that Chiang could land in the near future or that the Reds could take Formosa in the near future.

Finally, if America helps Free China and Russia helps New China, the outcome is unpredictable, but might well lead to a major war which neither Americans nor Russians appear to desire at the present time.

Considerations such as those set forth above may appear very cogent in Chinese eyes. They do not necessarily have much effect on the isolated groups of political leaders and publicists who grandiloquently call themselves "Asians" (see paper 8).

Finally, reference must be made to the fact that the only *operational* great power in Asia is Japan. "Great Power" is used in this context to denote a nation-state which could plan, organize, equip, and deliver an invasion across 2,000 miles of foreign land or of open sea. If Asian opinion is to be considered at all, Japanese opinion should be consulted first and foremost. Japan and only Japan possesses the near-future capacity of putting task forces overseas in Japanese-built ships, with Japanese-designed air cover, for Japanese strategic purposes (within the limits of future U. N. mandates) for the preservation of life and order in disturbed portions of Asia.

The Indians, the Chinese Communists, the Pakistani, and the Indonesians are in no position, technologically or militarily, to act the part of great military powers even if world history demands that they should do so.

Considering this prologue, the digest of a proposed China policy which follows may make enough sense to remove some of the so-called China problem from the area of controversy within the United States. No policy designed as a means for the accomplishment of goals which are reciprocally, partly or wholly, contradictory can achieve real internal consistency. It is impossible for Americans to seek the friendship of Peking and the destruction of the Peking regime at the same time. The policy set forth in Part II is an attempt to provide a thumbnail sketch of a policy which will in its several facets achieve a maximum number of goals over a ten-year period.

II. DRAFT STATEMENT OF A TEN-YEAR POLICY

The following draft of a policy is not designed to supersede or replace policy statements which now exist. It is, on the other hand, an experiment in planning.

Obviously, the writer of this paper agrees with Bismarck, who was quoted as saying that with the best intelligence in the most efficiently run chanceries of Europe, no statesman could see more than three years ahead. The draft is made for ten years because certain phases of policy—long-range effects in psychological warfare, economic development, results from educational policy—cannot be obtained in less than a decade in many instances. If the means to a policy require more time than the end of the policy itself stipulates, a paradoxical situation results.

Perhaps the only solution is to set up an "as if" policy, a hypothetical statement of what the U. S. people and leaders should want "if all other factors remain the same." Obviously these excluded factors will not remain the same, but it is better to establish a modifiable goal than no goal at all.

For speed in reading, the subjointed paper has been cast in the rough outline of a staff study.

Statement of the Problem

How can the United States Government sustain a diplomatic policy toward the several Chinese political authorities in a manner devised to achieve the following long-range goals:

a. Minimization of the prospect of effective further Communist territorial expansion;

b. Minimization of the prospect of international or intra-Chinese armed conflict;

c. Minimization of the unnecessary tensions which may exist between Peking and Washington without a loss of honor, security, or power by Washington;

d. Furtherance of an acceptable form of peaceful competitive co-existence between the Communist and anti-Communist systems in the Far East;

e. Recognition of the special role of Japan as the only indigenous great power in East Asia;

f. Repayment of America's historic debt to the Chinese Nationalists for the Chinese Nationalists' sacrifices made on behalf of themselves as a movement and of China as a nation in the war against Japan;

g. Preservation of the territory of Formosa

in the political framework of the free world combined with a policy which will not preclude the "liberation from within" of the Chinese people now governed by Communist authorities on the mainland.

How can policies designed to achieve these goals be combined with policies designed to achieve other goals deriving primarily from diplomatic situations in other parts of the world (such as Germany or Morocco)?

Facts Bearing on the Problem

The Chinese governmental and political system has been in a condition of decline and chaos for two hundred and twenty years, more or less, and in a condition of nearly continuous internal armed conflict between 1820 and 1950.

The stabilization of China under a single political order, *if it turns out to have been accomplished by the Communists*, will turn out to be the most important *political miracle of our time*. In dealing with this potential miracle American policy should be neither to admit nor to deny that a wonder has been worked. A decade is too short a time to reveal whether the Communists have or have not accomplished this.

There are today in fact two Chinese states. These states claim to be identical with one another. The claim, itself a manifestation of internal Chinese political warfare, has been accepted naively at face value by all the outside Communist and non-Communist powers with the sole exception of Japan. The two Chinese states may not wish to be any more than competing governments of the same Chinese state, but since neither state possesses the physical capacity of destroying the other in an effective war the presence of both on the international scene must be predicted for an indefinite period of time.

The Chinese Nationalist State is officially called the Republic of China and unofficially alluded to as Free China. It comprises Formosa and various off-shore islands.

The Chinese Communist State is officially called the Chinese People's Commonwealth, (*Kung-ho-kuo* being closer to Karl Marx's concept of commonwealth of *Gemeinwesen* than to "republic," though it is usually translated "republic," thus confusing it with *Min-kuo*, the traditional term) and unofficially called New China. The fact of Communist rule on the mainland is no more and no less a fact than the fact of the Nationalist rule on the island. A final and reasonably clear title to Formosa was given by the previous owners, the Japanese, to "a Chinese government" in the Tokyo-Taipei treaty of 1951. Third parties lost their chance to protest the validity of the treaty when they failed to speak up by registering their objections at the time.

Neither in the U. N. nor elsewhere is there international official acknowledgment that all persons speaking the same language should be driven by military power into a single unified political system. The Chinese Communists claim to represent the Chinese race and nation and to be the only Chinese authorities in the world. This claim can not be supported from Western experience.

There is no United States policy paper listing specifically American, specifically selfish, specifically protective goals entertained by this government with respect to the general area of the Western Pacific.

In the absence of such a statement, U. S.-China policy must take the form of American intentions "on behalf of the Chinese" instead of American intentions "on behalf of the Americans." An official, public statement of American strategic goals outlining what Americans regarded as the minimum requirement for U. S. safety in the Western Pacific, such hardheaded, realistic goals might win greater acceptance from both Mao's cabinet and Chiang's than would an excessively moral claim on behalf of Americans that Americans should guide Chinese internal ideological and political affairs. The impact of such a statement on U. S. domestic opinion might well be salutary, and might narrow or remove the apparent gap which exists—in Peking's eyes—between so-called,

"China-firsters" and persons chiefly concerned with the defense of Europe.

The United States has not held an international conference on the subject of China.

The United States has not obtained a reconciliation of its long-range foreign policy goals for China with the Chinese goals of Japan and of the Republic of Korea.

The United States does not at present desire an identification of the pro-American nations of East Asia with one another. An alliance of Japan, the Republic of Korea, Nationalist China, Vietnam, Laos, Cambodia, Thailand, and the Philippines has not been encouraged. Bilateral arrangements between the United States and each of these nations exist in one form or another.

In terms of the deployment of any reasonable combination of sea, air, and land power the nations listed in the paragraph above are far more a part of the strategic territory of the Western Pacific than they are a part of the rimland of a Soviet heartland.

It is assumed that the United States will not discover a clean-cut ideological goal within the near future (1955–1958) and that even in the mid-range future (1959–1965) it is quite uncertain that the domestic forces of American politics will raise a political standard to which men of good faith on all continents can repair, as to a crusade. The United States will remain empirical, governing its judgments and actions by largely unexpressed systems of value, and loosely democratic in its foreign policy.

Liberation will be a slogan, but not an operation of government.

While the United States desires the liberation of the mainland of China from Communism neither the leaders nor the people of this country are willing to take a serious chance on World War III in order to obtain that goal. In this they can be considered wise. If Communism in Russia should fall, Chinese Communism surviving alone would pose no strategic threat to the world.

The crux of the world situation lies for the 1955–1965 period in the competition of American and Russian science and technology, and not in a count of heads on the mainland of Asia.

The 600,000,000 recently discovered Chinese (as opposed to 480,000,000 previously listed) and the 400,000,000 Indians do not by sheer numbers constitute a "force" in world politics. The number of persons under Communism does not reflect the striking force which might be delivered by the Communist or anti-Communist system in an all-out war.

The strategic wishes of the Japanese have not yet been expressed. Japanese claims to a resumption of the effective strategic military leadership of the Western Pacific and East Asia would be vigorously resisted at the present time by many of the territories which in fact depend upon the United States and upon a non-Communist Japan for their own protection.

The United States must be prepared not merely for counterpressure which may be offered by Communist aggression and to capitalize on future pro-American sentiment arising as a consequence of future domestic American strength engendered by resentment against Communist aggression. The United States for the present and the foreseeable future need not be capable of taking the initiative in any military operation against Communist held territory. Once given the initiative, and a superior military capacity, the conclusion of local wars to the advantage of the United States and related nations becomes an important problem in foreign policy. Without this U. S. capacity, the Free World risks being nibbled to death by Communist aggressions.

The best evidence from the Communist and non-Communist press suggests that the leadership of the Soviet Union is increasingly impressed by the risk of a general war requiring the use of atomic weapons, but that the leadership of the Chinese People's Republic is not impressed by atomic weapons and is willing to assume risks which the Moscow leaders would reject.

Discussion

The potential of the Kuomintang as a revolutionary force is, judging by appearances, not defined as a datum and included in American policy toward or concerning China. The development of the necessary intelligence and research on this point should be considered a matter of high priority for both private scholarship and governmental study.

If the people and leaders of the United States have faith that a characteristically Chinese revolution can consummate the modernization and democratization of China there is no reason why the United States should not indefinitely support either the Nationalists or an anticipated modification of the Nationalist movement which such an American expectation would assume. It is entirely possible to frame a long-range policy on the liberation of China from Communist imperialism and the mere "fact" that a Communist regime has lasted for six years is no more compelling a political consideration than the fact that Manchukuo lasted for fourteen years.

If the United States does not expect that the Chinese will continue and complete their own revolution, and if the United States is prepared to accept as a fact and a continuing probability the effective leadership of most of Chinese civilization by Communists, the United States should consider moving with great care toward the manipulation of two separate Chinas on the world scene.

The United States has already negotiated very sensibly with the Chinese Communist authorities in Korea, in New York, and twice at Geneva.

The handicaps of initiative lie entirely with the Communists and their friends. At present, most of the advantages of inactivity lie very largely with the United States.

The Chinese Communists humiliate the United States whenever they (as they see it) compel the United States to deal directly with them. If a matter is sufficiently momentous to be discussed in Washington, D. C., it should be taken up with the international equivalent of Washington. The only Communist equivalent of Washington, D. C., is Moscow. If the Peking leaders wish to address themselves to Washington they should be compelled to go through Moscow. If a matter is unimportant they should be compelled to go through Chiang Kai-shek's government, the local British authorities in Hong Kong, or the government of India.

American domestic public opinion and internal politics will not permit the writing off of all China to Communism, nor will it permit the risks involved in an effort to liberate China by a combination of a Nationalist initiative with American support.

If the United States continues to be the primary source of support for the government on Formosa it should be prepared to accept as the price of that support the responsibility of interfering enough in the domestic, political, and military affairs of Formosa to make sure that the Nationalist Government represents not only historic Chinese Nationalism, but a partner of whom the American people can be proud.

The further democratization of Formosa and the creation of an even higher standard of living will be effective unless a maximum effort is made by means of both traveling individuals and media of communication to spread the actual facts concerning Formosa before non-Formosan Chinese elsewhere in the world together with other Asian spectators.

Conclusion

The United States should continue to recognize the Nationalist Government of the Republic of China as the only legitimate government of China for the near future.

If the Chinese Communist authorities behave themselves and meet the requirements of international good behavior alluded to by the Secretary of State on August 2, 1955, the United States should be prepared to recognize the Communist government of China as "the only Communist government of China," but not as "the only national government of China." U. S. *de facto* recognition of the principles of

military and political authorities on the mainland of China should be conditioned upon a factual recognition by those Communist Chinese mainland authorities of the existence of Nationalist Chinese off-shore authorities.

The United States should not move toward the recognition of Red China until American striking forces in the Western Pacific (in the Sino-Soviet military estimate of the situation) possess a striking capacity which the Chinese Communist leaders will not, under any circumstances, dare to ignore or to deny. Recognition proceeding from apparent weakness could be a sure provocation of further aggression. If the U. S. military forces are in fact so deployed as to be capable of effective and heavy reprisal against the next Communist Chinese armed aggression the minimum conditions for a respectful Peking attitude toward Washington will have been obtained.

Recommendations

It is therefore recommended that:

The present empirically satisfactory policy toward China should be maintained.

No attempt should be made within the next three years to make general a settlement of any aspect of the China problem.

In information programs, stress should be laid upon the fact that China's political situation exists because Chinese persons have created two different Chinese governments and that American support has done nothing more than to counterbalance in a small measure Soviet support for the Chinese Communist authorities.

The United States should encourage other governments to press their settlements of what they allege to be "the China problem" by making sure that alternative solutions are always available. For example, if the British press for a solution of outstanding issues between Washington and Peking through Delhi, the United States should indirectly encourage the Japanese to press for a somewhat different solution by means of a conference of all countries recognizing Japan with frontiers touching territories now controlled by the Chinese Communist armed forces of their dependent allies in North Korea and North Vietnam. Such alternative solutions would, where effective, relieve part of the strain which the Communist and neutralist world has imposed on the U. S. by alleging that Americans, not Chinese, are the arbiters of China's destinies.

III. THE OVERSEAS CHINESE

If the practice of the Chinese themselves is followed, the term *hua-ch'iao* can be taken as the prototype of the English-language words, "overseas Chinese." In this sense, the Chinese in Formosa are not overseas Chinese, nor are the Chinese of Hongkong island, though they are both separated from the mainland of China by ocean water. Overseas Chinese, in the sense of *hua-ch'iao*, refers to Chinese—or persons of Chinese ethnic origin—domiciled in foreign countries. (The germ is thus reminiscent of the meaning and application of the concept *Auslandsdeutsch* as of 1914 or 1939.)

There are somewhat more than ten million overseas Chinese, who fall under more than thirty political jurisdictions. The most important areas of settlement are Southeast Asia and the Americas.

The practical affiliation of the overseas Chinese with the mainland of China lies almost entirely through their native counties (*hsien*), from which Chinese migration took place. Many of these counties have been badly governed by the Communists and a majority of the overseas Chinese is still outside the Communist camp at the present time.

The military potential of the overseas Chinese is substantial. Their importance for overt or covert psychological warfare is even greater. Their traditional political role, 1894–1922, of supporters of the inland revolution, is no longer tenable to the degree that it was in Sun Yat-sen's lifetime. In part, the diminished effect of the overseas Chinese on the homeland results from the general increase of police control throughout the world. In greater part,

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the reduced importance of the overseas Chinese arises from the fact that culturally and socially the mainland is in many ways "ahead" of them—that is, it is more changed. Many of the overseas Chinese groups are becoming islands of archaic Chinese language and customs.

From the U. S. point of view, it is important to note that though a vast majority of the overseas Chinese live in territories outside direct American jurisdiction, a somewhat differently composed majority lie well within the area of U. S. strategic influence.

A serious approach to the overseas Chinese must consider their value to the Nationalists and to the Communists. At present the Nationalists appear to be holding their ground in the overseas communities as a whole, though they lose in specific areas.

The strategic value of the overseas Chinese can be found in their performing the following tasks:

a. lessening the line of communications burden on ANZUS or SEATO forces by means of a U. S.-inspired and U. S.-supported but British-controlled recruitment policy aimed at exploitation of the Chinese manpower of British Malaysia and the British territories in Borneo;

b. U. S.-Nationalist cooperation in the development of overseas Chinese personnel in friendly foreign armies for intelligence, for special forces cadres in the event of war with mainland China, and for civil government support in the liberation of Chinese territory;

c. Japanese American programming for the inclusion of Chinese minority units in Japanese land forces at a later date.

The long-range task of an overseas Chinese program should be to promote the local Chinese interest in becoming citizens in their countries of new settlement, or facilitating their eventual return to Nationalist or Communist China. It is not in the interest of long-range American policy to foster small China irredentas in many different foreign countries. The Chinese Americans of the United States can fortunately be considered a model for this line of development.

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Paper 8

Policy and Opinion in South and Southeast Asia

Originator: Paul M. A. Linebarger
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Prefatory

The problems of South and Southeast Asia are even more isolated from the whole of Asia, from one another, than are the problems of China, Japan, and Korea. While Vietnam provides the physical link between the crisis area of Northeast Asia and a comparable crisis area in Southeast Asia, the two areas have very little else in common. Psychologically and diplomatically, Communist China has considerable impact on India and on the neutral states of Asia; economically and strategically, this impact diminishes very rapidly with distance.

To make the proportions of discussion manageable as between the different areas of South and Southeast Asia three principal subjects will be considered in this paper:

1st. Vietnam and the other two states of Indochina;

2nd. India;

3rd. The relations of the British to American policy in this area.

Each of these subjects will be taken up in turn.

I. INDOCHINA

For the purposes of a psychological-political evaluation of the situation in this part of the world, Indochina along with Formosa provides both a geographic and a psychological connecting link between South and Southeast Asia, on the one side, and Northeast Asia, on the other.

The highest common denominators of Northeast Asia and Southeast Asia are threefold:

a. the continued psychological resistance to a past period of European and Japanese imperialism;

b. cooperation with the United States as the predominant power among the free nations;

c. relationships to Communist power.

The different portions of the South Asia, Southeast Asia, Northeast Asia combine react in very different form to each of these pressures. Anti-colonialism is, for instance, a very minor issue on Formosa, while in Korea anti-colonialism (as anti-Japanism) is vital. The Communist threat is the supreme issue in South Vietnam and virtually no issue at all to Ceylon at this time. The reactions of these different territories must be separated from one another, and U. S. policy must make a very nice adjustment in calculating a balance between particular targets and the sweep of non-Communist Asia as a whole.

An American retreat in Formosa would, as pointed out in the discussion of China, have severe repercussions as far west as Pakistan. Even more pressing than the problem of Formosa is the issue of Vietnam. What the United States does in Vietnam is not only of supreme importance to the survival or extinction of a non-Communist Vietnamese state; it is also one of the future yardsticks by which the other nations of Asia will measure U. S. capabilities and intentions for the next few years.

Vietnam and Formosa are more urgent than Korea, chiefly because U. S. policy has frozen on Korea to such a degree as to preclude a successful Communist attack on the Republic of Korea in the immediate future. The United States has, in other words, purchased a degree of

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security in Korea at the price of losing a strategic and political initiative for the time being. The economic initiative in Korea remains important and if economic factors are considered Korea must be added to Formosa and Vietnam as a crisis area.

The Present Situation in Vietnam

Apart from relatively minor aggressions in Laos, the Communists appear to acquiesce in a condition of military quiet with respect to the Vietnamese situation at the present time.

The Democratic Republic of Vietnam (DRV) may decide at any time to exercise its acknowledged military superiority and to sweep over the South before the training and equipment of the Vietnamese Army can be brought to the point of making Communist aggression too risky or too costly. Alternatively, the DRV might precipitate chaos by means of a major covert campaign.

More remote in time than military action, and somewhat more probable in the light of world-wide Communist strategy, is the possibility that the Ho Chi Minh regime would agree to strictly define free election and would win these elections. If Ho does this he will become the first Communist leader to win outside the Iron Curtain and to overturn the current assumption of the free powers—the assumption that a Communist state cannot be installed beyond the periphery of Communist military power. Such a peaceful victory would do damage far beyond the limits of Asia and would undermine a fundamental dogma of current Western policy.

The logical but purely formal alternative—that the anti-Communist Vietnamese of the South might take the initiative in overriding Geneva I—is extremely unlikely for both military and political reasons.

The primary task for immediate United States policy and action is the utilization of a period of relative outward calm to help the construction of a Vietnamese regime so solidly based economically, politically, militarily, as to reduce the probabilities of a peaceful victory for Ho. It is a reasonable surmise that Ho will not join battle unless he has a reasonable chance of success. The Communists appear to have acquired a distaste for fiascos.

Currently urgent among issues facing the U. S. is a policy responsive to the cease-fire arrangement reached at Geneva I. The U. S. commitment, although moral, is very substantial. The signatories to the agreement included the U. K., France, and the DRV. The agreement itself leaves the nature and the purpose of the elections wide open. The United States delegate to Geneva said,

> In the case of nations now divided against their will, we shall continue to seek to achieve unity through free elections, supervised by the U. N. . . . peoples are entitled to determine their own future and [the U. S.] will not join in an arrangement which will hinder this.

The agreement itself states that the elections must lead toward unification, but does not specify what kind of unification, where, under whose auspices, or in what fashion after the holding of the elections. All the agreement states is, "pending the general elections *which will bring about the unification of Vietnam. . . .*"

The Geneva declaration is not a formal intergovernmental arrangement at the international level. It did, however, refer to the elections in the following language, ". . . free elections by secret ballot . . . general elections shall be held in July 1956, under the supervision of an international commission." The declaration further provided that consultation was to be held from 20 July 1955 onward.

With respect to Indochina, the over-all commitments of the United States in Asia have a more binding effect on Vietnam than do the mere statements of the American delegate to Geneva in 1954. The United States cannot oppose genuinely free elections as a road to nationhood and unity for Vietnam while demanding the same type of elections for Germany and for Korea.

It can be suggested that the United States may gain more by linking the divided countries

and insisting on free elections for all four of them than by letting the issue of divided nations remain discrete to be settled country by country at Communist convenience. The grouping of the two Germanys, the two Koreas, the two Vietnams, and the two Chinas might result in the loss of the Vietnams and the Chinas, but would do so only at the gain of the Germanys and the Koreas to our side. A demand for free and internationally supervised elections which covered the entire mainland of China as well as Formosa would be certain to be rejected by the Communist side, but would not be morally inadmissible before the Asian and West European audience.

For the immediate area of Vietnam a more modest and immediate U. S. policy emerges. Can American policy-makers define procedures, elections, and post-election political developments which will preserve the political integrity of as many Vietnamese as possible while permitting the fulfillment of the Geneva I arrangements in good faith? U. S. action for the Vietnam area is conditioned by U. S. relations with the other Asian states, as well as U. S.-U. K. and Franco-U. S. relationships.

The Diem government has caused some embarrassment by failing to commence talks on the specified date for the agreement, but Diem's radio broadcast of August 9, in which he agreed to free, nation-wide elections, mitigated his earlier obstinancy.

The Vietminh press representative, commenting on the September 5–10 conference, suggests that the DRV would be amenable to regional elections. It is possible, therefore, that if there are regional elections the two Vietnamese governments will compete for the largest minority vote. Each will count on a majority from its own area, but will place primary emphasis on acquiring a minority, opposition vote from the antagonist's area in order to get the largest feasible nation-wide margin.

Immediate U. S. tasks are to encourage the Diem regime to grow toward political, economic, and military maturity, to keep the Diem regime talking, to help the Diem regime define the election times, terms, and issues in such a way that a Vietminh victory in voting would not necessarily lead to a Vietminh take-over, and to preserve, uncompromised and crystal-clear, the basic insistence that the United States and its allies favor genuinely free and genuinely democratic political processes.

Several types of elections have been suggested as possibilities:

a. a plebiscite to choose a national leader (Ho Chi Minh, Ngu Dinh Diem, Bao Dai, or a dark horse);

b. an election to choose a national legislative assembly, the rest of the government to follow later;

c. an election to choose a constituent assembly;

d. and a referendum on the fundamental question of national unity.

Of these, the plebiscite is the most dangerous and the least useful. An election to select a national legislature would have to be preceded by negotiations as to the form and duty of the legislative body. Such a negotiation could be valuable as a time-consumer, but not as a practical way forward for the implementation of the first Geneva agreements. A constituent assembly might be feasible, particularly if the special majorities required to approve a draft constitution in successive stages provided safeguards against Communist trickery. The most feasible form of election would be a referendum which would say either yes or no to the basic point of proceeding further at this time.[1]

[1] The question, "does the United States need time in which to improve its position in South Vietnam?" can be answered only by experts on the area. The current apparent answer is yes. The Diem government is in power. Bao Dai is discredited. Diem's subordinates are often inexperienced or incompetent. There are evidences that the regime is improving month by month; he is certainly far ahead of where he was six months ago. He appears to generate loyalty in a way that no previous Vietnamese leader has succeeded in doing for the anti-Communist part of the country. It is quite patent at this point that Diem is not willing to be an American puppet. Some Americans have been irritated by his

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Limited military operations against Communist forces which remain illegally in the South can provide excellent training and testing facilities for the Vietnamese National Army units which have come into being. The NVA force is substantially smaller than the DRV. The application of some of the disarmament issues arising from Porkkala and other Communist moves in Europe to Vietnam might be all to the good from the Allied point of view.

The United States, therefore, has everything to gain and nothing to lose by insisting that the DRV is not a separate and independent problem, but is merely one sector of the world-wide Communist front. Insistence on Communist good behavior on this front can and should be coupled with problems involving a detente on other parts of the front. Skillful propaganda correlation of the DRV offensive strength with Communist allegations of disarmament elsewhere might exercise a restraining pressure on the DRV build-up and give the free world a chance to build up the VNA.

The United States commitment in South Vietnam should, therefore, not be particularized at this time.

Above everything else, the United States must avoid playing the game of satellites with the USSR, while using the unfortunate Vietnamese people as pawns in an apparently cold-hearted game of power politics. Seen in this light, Diem's intransigence in dealing with the West is a positive asset. The DRV is dangerously close to becoming a Chinese vassal. Excessive American interference with Diem might exculpate Ho from the charge that he has become a cat-paw of Peking. Finally, it must be noticed that the French are still present in Indochina; the good to the United States in the French presence should be exploited. This good derives from two sources. First, the presence of some French representatives, and even of some French forces, prevents Vietnam from becoming a purely American problem. Second, if Diem and the French can reach a genuine *post-colonial* relationship, the United States may be able to support South Vietnam and France both.

The offer of coalition government must be resisted if coalition government means the kind of farce which the Communists presented in Peking in October 1949. The United States cannot acquiesce in a coalition which simply provides a screen for the final Communist take-over. It is suggested that the correlation of the German and Vietnamese problems may provide the most fruitful means of establishing a policy which will combine reasonable progress with a prudent regard for our own safety.

The United States cannot make the Diem government popular to its own people. Neither overt nor covert operations can do much against the governmental realities which have been set up. A great deal can be done, however, to resist specific Communist schemes and to expose Communist subversion and sabotage.

It is not recommended that at this time American policy-makers give their attention to the question, "what should the United States do if all of Vietnam falls under Communist control?" The question is premature and the defeatism of its implications would put the rest of our considerations in an undesirable context.

The Promising Area of Cambodia

The recent victory of the part of ex-King Norodom Sihanouk makes the already promising prospects of Cambodia even more cheer-inspiring for the anti-Communist side. It need be pointed out only that a maximum progress of Cambodia toward economic, political, constitutional, and military viability is very much in the interest of the United States.

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rebuffs of advice from the United States. The availability of Americans as mentors, bankers, military experts, and diplomatic advisers may be more important than their role as leaders of a confused South Vietnamese situation. The United States should insist on a high minimum of progress on economic issues such as land reform, refugee care, resettlement, and monetary reputability. Military gains will not by themselves turn Vietnam into a viable state, but they will provide the shell within which such a state can grow.

Often overlooked is the peculiar closeness of Cambodia to Thailand and the implacable hatred which the Cambodians have had for the last several centuries against Vietnamese aggressors. Much can be gained by a closer affiliation of Cambodia and Thailand and by the disassociation of Cambodia from the fortunes and misfortunes of Vietnam. It can almost be said that whichever side the Vietnamese join, the Cambodians will join the other.

Laos

The international control facilities set up by Geneva I in Laos have leaned over backward in preventing an anti-Communist counter-attack against Communist military aggression. The Pathet Lao forces are widely advertised on the Communist radio and a scurrilous attempt is being made to attribute anti-Communist aggression to an area in which the Communists themselves at one time said that they had no territorial ambitions.

In many ways Laos offers an almost perfect piece of this sample territory in which to test the reactions of the Asian neutralists to further Communist aggression. If the Asian neutrals will not heed Communist aggression in Laos at this time, they will probably remain blind to Communist aggression—short of spectacular invasions—for the immediate future. If Laos is capable of stirring them out of their strategic lethargy it might be to the advantage of the United States to leave Laos to the attentions of the Indian, Indonesian, and other neutralist Asian governments, rather than to make an attempt to support Laos either by military commitments or an urgent training program.

II. INDIA

Two of the most massive psychological realities underlying India's relations with the Western powers are these:

a. the emergence of India from colonial status leaves most adult literate Indians still preoccupied with the problems of their own past and unready to consider problems of their own future, thus making anti-colonialism rather than anti-Communism the key issue in their lives.

b. the difficulties and the frustrations of themselves in the new context of self-government makes it vitally necessary for all sensitive, educated Indians to have outsiders on whom they can vent their spite, disappointment, wrath, or other psychological frustrations—and since the Indians are much closer politically and linguistically to the English-speaking world than to the Russian-speaking or Chinese-speaking worlds, *it is a sign of Indian mental health that they should complain incessantly about the United States.*

American toleration of Indian petulance is very different from American complacence with the specific content of Indian complaints at any one time. Diplomatically and personally, American spokesmen and leaders should show friendliness, forbearance, and a patient restraint in meeting the often unreasonable demands of the Indians. In mass propaganda the United States should avoid the defensive position when answering Indian complaints to other parts of the world. There is a long-range gamble involved. The American gamble can and must be the hope that the Indians will grow up, internationally speaking, faster than they will collapse, and the development of Indian power will from within India itself increase the degree of political and moral responsibility shown by the Indians.

Take Indian comment on the policy of the United States toward China as an example.

The key groups of Indian public opinion, both governmental and journalistic, are still in what can be ascribed as a honeymoon period of calling themselves Asians. "Asia" is not very well defined in their minds. The physical fact is that Israeli territory is just as much a part of the continent of Asia geographically as the Republic of India. Culturally, Chiang Kai-shek is considerably more Chinese than Nehru

is Hindu; his European component is less. The whole concept "Asian" must be taken as a reflection from European socialism of attitudes in the former British and Dutch possessions. It can be suggested that the Indian, Indonesian, Ceylonese, Burmese, and Pakistani viewpoints, so often called "Asian," have little connection with the majority of the inhabitants in any of those countries or with political leaders of the other nations of Asia. However, the concept "Asian" is a simplification which has become popular in the United States as well as in many Asian capitals.

Significantly, and the most important thing which the United States could do vis-à-vis "Asian" opinion is to display *majestas*.

Indian opinion may illustrate this point. Compliance by the United States with the demands made by some Indian journalists and politicians would arouse nothing but contempt and hatred from India. Within Hindu civilization the arts of chattering, clamoring, upbraiding, and bedeviling an antagonist are well known. For the United States to give in to what the Indians themselves know to be billingsgate would be a concession of weakness and confusion on the part of American leadership. A reply in kind—insult for insult, abuse for abuse—would place the United States in the position of the ludicrous man, contemptible by Indian standards themselves, who has lost his temper because of childish taunts. Toward India the United States needs more than anything else a sustained, serious, majestic, sincere affirmation of American ideas with the express corollary that the Indians will follow America's example if they are wise and will fail to follow it if they are foolish. Even in Indian life itself, even in the uproar of the Hindu family or temple, integrity begets respect, majesty inspires real friendliness, and compliance indicates nothing more than moral weakness.

It can therefore be suggested that whatever policy is good for America, is sound against the background of cold war strategy, is reasonable for the Chinese, and is eloquently expressed, will ultimately be more acceptable to the various Asian opinions than a policy, half-sneaking and half-apologetic, of trying to give in to Nehru while not abandoning Chiang Kai-shek.

Purely local cooperation with India in Indian matters is all to be desired. On the world-wide scene it might be a wise division of labor between the Americans and the British for the two nations to admit the often implied assumption that as long as naval power counts for anything in the world, the United States is primarily responsible for the Pacific Ocean and the United Kingdom is responsible for the Indian Ocean. It is, therefore, entirely possible for the United States to understand why British or Hindu opinion should regard Formosa as far away and unimportant; it does not mean that the United States must agree with the British or the Indians. A policy of dignified, explicit, and separate difference might be more desirable than an attempt to make American and Indian policies coincide when in fact they do not. The social, economic, political, and cultural backgrounds of the two countries are as different as those of any two nations on earth. In many ways the United States and the Soviet Union have more in common than do the United States and India; an attempt to force agreement between U. S. and Indian opinions on foreign policy matters is almost certain to be unsuccessful, if not stifling. Our primary propaganda mission should be the achievement of recognition of ourselves, not compliance with what the Indians think to be their own interests, correctly or not, at any given time.

If in the course of the longer future the Indians realize that the maintenance of their independence depends primarily upon themselves, and not upon the British masters who have sheltered them in the past, they may look at the map of the world long enough to see that the United States has a minimum of interest in the Indian Ocean area and that it is in the long-range interest of their own country to resist Communism by whatever means the Delhi government may select. If the American government can ignore the irritations coming from Indian inexperience and mistakes at the

present time, it is not at all impossible that within a decade the Indians themselves may initiate serious and mature discussions for the perfection of their own defense arrangements against possible Communist attack on India.

III. THE RELATIONS OF THE BRITISH TO AMERICAN POLICY IN THIS AREA

It is interesting that in a group of papers such as the present no one single presentation concerns itself with "American Approaches to the British Problem." In the world at large "the Britain problem" is not less important than "the China problem." Much of the uncertainty arising in Southeast Asia comes neither from the Communists nor from the Americans, but from the well-meant but unsuccessful attempts of the British, so far as the Far East is concerned, to remain on the best possible terms with all worlds.

One of the advantages of British policy in Asia, purchased at U. S. expense, has been Britain's complete reliance on the United States as an anti-Communist force. The British are confident that, if real Communist difficulties arise, the Americans will come to the aid of the British; they are, therefore, able to take for themselves the role of conciliators toward Communism with the assurance that they face no serious danger of losing Malaya or even Hongkong.

This paper is too specialized a presentation in which to suggest that a delineation of American interests in British policy should be included in subsequent work of this panel. The most, it is suggested, that can be done at the moment is to list some of the points on which either *congruence* or *agreed difference* should be set up by the American and British governments for the better effectuation of their common policies and the minimization of conflict or friction between our separate policies, when our policies are indeed separate and not common.

The following is a list of some of the major questions which should arise from a psychological-political American evaluation of the role of Britain to current American needs in the world.

British Domestic Policies Affecting U. S. Position in the World

(1) How vulnerable is the United States to charges of colonialism arising from its continuous support of the British empire proper?

(2) What interest does the United States have in the rapid establishment of small, potentially stable self-governing territories such as the Gold Coast, Jamaica, British Guiana, or Singapore?

(3) Does the United States have any definable interest in the continuation of the British empire as a cosmopolitan democracy of the parent state, the United Kingdom, together with a large number of minor fractions of territories and populations, none of which are suitable for complete self-government in national form?

(4) What territories now colonies can be expected to depart from the British empire, as opposed to the Commonwealth of Nations, within the next ten years?

(5) Do the policies of the several British territories with respect to socialism and capitalism as economic procedures indicate that the British have solved the problem of economic coexistence within their own empire?

(6) To what degree can the United States unload responsibilities on the Colombo Powers, and in particular relegate to the British the primary responsibility for economic development of territories either in the empire or in the Commonwealth?

(7) Since the U. K. is the source of a great deal of the democratic, Leftist anti-American sentiment in Asia, is there anything which the U. S. information mission in Britain can do to head off the worst forms of anti-Americanism at their sources, rather than leaving U. S. information and diplomatic agencies the chore of meeting non-Communist, anti-American, Leftist attacks in each separate Asian location? If so, can this be done, with the cooperation of

British authorities or without it, in such a manner as not to impair the more important and more sensitive problem of Washington-London relations on the European scene?

British Policies on the International Scene Affecting the United States

(1) Is it possible for the United States to devolve some of its psychological and political responsibilities on the British instead of trying to carry a separate American load throughout the world?

(2) Is it possible for the Americans and British to make the informal arrangement that the British will placate Peking while the Americans mollify Taipei, and that each will do its best to keep its respective China happy for the indefinite future?

(3) To what degree do American interests in Japanese recovery, economic and strategic, clash with American interests in Britain's economic viability and military safety, particularly in the Southeast Asian area?

(4) Would a more responsible British policy in the Indian Ocean and East Asia be a support to the United States?

(5) Would a combined psychological warfare conference between the U. S. and the U. K., as suggested by the British at the close of the last war, serve to ventilate any policy problems which remain as sources of irritation or difference at the present time?

(6) Is it desirable or possible to delegate to British military power the protection of most of the free world between Suez and Singapore, leaving the United States free to protect the immense oceanic area of the Pacific?

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Paper 9

The Middle East and Africa—A Working Paper

Originator: George A. Lincoln

Critic: George S. Pettee

NOTE.—This paper is qualitative rather than quantitative in its attempt at analysis. The relative weights of facts and considerations are obscure and so controversial that the qualitative approach appears best suited to the purpose.

I. PROBLEM

To examine the Middle East and Africa in light of developments at Geneva with the purpose of developing guidelines, looking to the coming decade, for an integrated U. S. national strategy.

This problem is to be approached within dimensions of U. S. policy which include maintaining unity and strength of the free world, and assisting the orderly democratic development of nations outside the Iron Curtain. Also, it is hoped to retain the moral issue of freedom vs. spiritual oppression of Communism and to find some other motivation than fear.

At the outset of this discussion, it should be stressed that the above statement and exposition of the problem impinges only tangentially on some aspects of the area under consideration. The main pertinence of Geneva to the area is probably the further indication that the Soviet Union is likely to follow a soft line for a considerable number of years—thereby loosing even more the dynamic and disruptive forces existent. The hope for an *orderly* democratic development is hardly consistent with the situation. Revolutions, even though they avoid military violence, are not orderly. Finally, fear of Communism has not been a primary motivation except in two or three northern countries of the area. It will be even less of a motivation since Geneva. It has been the primary motivation of the policy actions of the U. S. and, to a lesser extent, of our western allies operating in the area.

General Description of Area

The Middle East-African area has a generally subsistence economy with generally illiterate people unskilled in modern political institutions. It is a rapid transition out of colonial status to national sovereignty and to some variation of a western type economic system. Greece and Turkey are at one extreme of the area's development; portions of Central Africa are only beginning to move with the surge. There are strong indications that the rate of change throughout the area is accelerating.

The area is best approached, from the geographical standpoint, as two related subproblems. The Middle East and North Africa is the immediate as well as continuing crisis area. With the exception of Cyprus and French North Africa, this area has emerged from direct colonialism. A case can be made that some other situations constitute varieties of colonialism. It has two generally cohesive elements not so predominant in Africa below the Sahara—(1) almost all the people are Arabs, and (2) almost all the people are Moslems. Africa below the Sahara (except the Sudan) is a crisis area of 3–10 years from now, has possibilities of problems materially different from the other area, and will be discussed separately below.

II. NORTH AFRICA AND THE MIDDLE EAST

This area is vitally strategic to all the great European powers including the USSR. The

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last point might be emphasized by suggesting that a tight military alliance in the Middle East and involving the U. S. might be viewed by the USSR with somewhat the same untrusting attitude as the Chinese Communists might view U. S. military power on the Yalu. The Middle East and North Africa are also vitally strategic from the political and economic standpoints to particular countries. France's (and our) dilemma in North Africa is obvious.

Western Europe drew 77 percent of its oil in 1954, and may draw up to 90 percent by 1959, from the Middle East. Until such time as atomic power becomes a reality, the U. S. dependence on Middle Eastern oil will increase. The current import of 300,000 barrels a day might rise to 2,000,000 in five years—and might rise even higher if the oil industry operated solely on an economic basis. So long as Middle Eastern oil is priced on the basis of Western Hemisphere prices, the profits will be enormous and the resultant amount of western capital can finance a large continuing development program. The Middle East has 64 percent of the world's estimated petroleum reserves, the Western Hemisphere has 27.6 percent and the USSR only 5.8 percent. Six governments, having responsibility for only about 30 million people, are endowed with this huge resource. The current per capita income from oil varies greatly, Kuwait with 200,000 people having about the same income as Iran with 16 million people.

Pertinent figures for oil in million metric tons and payments to governments in million dollars in 1954 are: [1]

	Oil	*Payments*
Bahrain	1.5	8.1
Iraq	30.1	191.4
Kuwait	47.7	217.3
Qatar	4.8	23.3
Saudi Arabia	46.6 [1]	260.0

[1] Includes a back payment.

Iranian statistics for 1954 are meaningless because of the Mossadegh incident.

It is apparent that government capital is available for development. It is, in fact, being so used in part, and on a basis of encouraging orderliness, except in Saudi Arabia. In this last country there is currently a serious governmental financial situation which may continue until the feudal concept gives way more to a sense of civic responsibility.

Four of the great revolutionary forces in the area are (1) nationalism, (2) the "revolution of rising expectations," (3) the unsuitability of the social and economic base lines for the current and developing situation, (4) Israel. None of these forces are readily checked or dampened by fear of Communism; all create opportunities for Communist advance by means other than military. In the Middle East, more than any other place, we can lose the ball game by too much preoccupation with the conventional military aspects.

The nationalism of the Middle East and Africa varies in nature and tends to be a negative force rather than a western type nationalism. Except for Turkey, the nationalism has "anti" elements more dominant than "pro" elements. Anti-colonialism, anti-imperialism, sensitivity toward the presence and influence of large foreign capital and toward a suspected attitude of patronage and tutelage, anti-Israel, these are important nationalistic forces. The cohesive forces are often stronger in relationship to religion, family, tribe or feudal leader—than to nation-state. There is, however, no generality without exception. While some historical parallels to most of the Middle East are perhaps best found in the history of Latin America, the Cyprus problem may develop as not too dissimilar from Venetia Giulia or Alsace-Lorraine—but with the developments compressed into years rather than decades.

The revolution of rising expectations is certainly generated in part by modern communications coupled with disparities in ways of life resulting from the belated equivalent of the western industrial revolution. Population pressures generated in part by western hygiene, a rapid increase in urbanization, shortage of

[1] Source: *The Economist*, July 2, 1955.

markets except for oil, continuation of the landlord system in many areas, lack of raw materials other than oil, lack of capital and lack of economic systems to procure and use it according to western capitalistic methods—these and other aspects increase the hazards presented by the "rising expectations." We have probably made the primary contribution to building the expectations to a level incapable of fulfillment—even in the oil states. Israel and Turkey, now overextended on borrowed money, are good examples. But a projection of population increases and probable capital development supports the judgment for all states except perhaps some of the oil states. Capital development must far outstrip population increase if the expected gains are to be made.

The Middle Eastern-North African area has no frontiers to exploit except oil, improved irrigation, and the individual productivity of the people. A rapidly moving social and economic situation requires a high degree of political competence to give reasonable assurance against disaster. If the government is a democracy, the competence must exist on all levels and is derived from both literacy and experience. The required competence probably does not exist. There is disunity internationally and probably all governments except Turkey are of questionable stability and of questionable continuity as to policy. Peoples and leadership are volatile and emotional in reactions to situations.

The unsuitability of the social and economic base line is a matter turning on the time element. If the area had 350 years to make the changes accomplished in western Europe since 1600 (some portions of the area are starting from the time of St. Patrick!) all might be well. But this change seems now scheduled for a few decades at most—starting from about 1940. The progression from an agricultural to a mixed economy, the consequent development of a large laboring class, even though those in the oil fields are well paid, the development of a middle class and the problem of satisfying its aspirations, the problems created by minorities traditionally remaining unified and separate from the remainder of the local people; these are some of the continuous hazards of the area. The unnatural boundaries from a geographic and political standpoint are even more unnatural from the standpoint of probable economic requirements of the future.

Israel is an international fact of life. The Arab world views Israel, in varying degrees, as a foreign intrusion into their land (a form of colonialism), an outpost of, and supported by, western imperialism, and a future threat to Arab territories. The Israeli view their situation as a return to a traditional home from which they may again be ousted by the Arabs. Theirs is a military state with power to conquer quickly in any direction—but with questionable stamina to hold unless supported. Furthermore, the Israeli have started a state on an economic level far above the Arab lands and of the indigenous capabilities of their land's resources. It can be sustained only by outside subsidy, by an industrialization dependent on assured markets (as Japan and U. K. are dependent), or by both methods. Israel is in the dilemma that she needs to get off the western bandwagon, get rid of the reputation in minds of her neighbors that she is pet of western world, and be accepted as part of local national community; yet she has no present formula for the transition. We should not be shocked if, in her enlightened self-interest, she makes the change.

The Arab refugee problem is one of the most potentially explosive situations in the world.

Progress toward solution of the three problems mentioned in the preceding paragraphs is gravely hampered (at times paralyzed) by the Arab-Israeli problem. This problem hobbles the U. S. internationally (and by internal political factors) in seeking solutions assisting the developments in the area along a course which is not too hazardous to U. S. interests.

Which way might the area go in the next decade? It seems reasonable to expect as much change as since 1945. That would be a lot of change. There is a rapid drift toward elimination of every form of colonialism.

French North Africa and Cyprus are the only remaining directly colonial areas. There seems certain to be increasing pressure to dilute further the situation sometimes called indirect imperialism—Jordan and some of the oil company relationships being good examples. A leader or leadership group able to demonstrate an ability to push the foreigner around, has great popular appeal. Some lessons might be learned and applied from a study of the history of Mexico and some other Latin American countries. Pressures due to increasing population and urbanization will increase. There will be great difficulty in keeping in phase the markets, the demand for capital, and the political arrangements for capital import. Literacy and political aptitude will not keep pace with political and economic requirements. Truly democratic governments are likely to be the exception rather than the normal. Dictatorships and oligarchies are more likely, and perhaps more suitable from many standpoints. Such governments are prone to generate local disturbances, external and internal, in order to rally adherents and distract attention from unsatisfactory conditions. The white collar class is likely to be ahead, in number and aspirations, of the political, social and economic opportunities needed to keep it from being an increasingly hazardous element. Yet, traditionally, a relatively large middle class is needed to give stability in a democracy.

In turning to the U. S. concern over the area, it may be helpful to split this problem into two related parts: (a) military; (b) other.

The U. S. military approach to the area is deeply rooted in analysis of 5-8 years ago. It would be sound to analyze our military interest and needs in light of the probabilities of the next ten years. How long, for instance, will our security require land bases in the area? Is the "northern tier" concept for a general war? or for a peripheral war in the area? or to create a psychological position of strength in the area? or to give a reason for our presence there? or for some combination of reasons? Is there any hope, over the next decade, for development of indigenous military power (other than Turkey) beyond that needed for internal security? If so, what? If one premised their speculation on an assumption of a very low probability of general war during this decade, and that it would probably be nuclear if it occurred, what then?

As to aspects other than military, the United States is interested in a progression toward stable governments friendly to the free world. But this progression may be similar, although more rapid, than that of Latin America. The U. S. is interested in the oil of the area, primarily, at the present time, because of dependence on this oil of parts of the world other than the U. S. But the U. S. may become much more dependent on Middle Eastern oil. It is interested in the friendship and political association of the countries.

Current Threats to the Situation

Now what are the threats in the situation? They are both immediate and long-range. The "era of perpetual crisis" is likely to continue for us in this geographical area even if it is partially dissipated in nuclear matters. *First*, the Arab-Israeli problem is most explosive. *Second*, French North Africa and Cyprus will continue to place our interests in jeopardy in many ways and may explode any time with practically no warning. The Soviet Union, while continuing to radiate Geneva spirits, can fish openly in these troubled waters. *Third*, the values of the "northern tier" can be turned into liabilities by the success of a bland friendly Soviet gesture accepted by a country in rear of the tier. The Arab-Israeli situation gives opportunity for such penetration which the USSR is able to undertake without placing any outwardly visible strings thereon. *Fourth*, the Egyptian-Sudanese problem is potentially explosive. *Fifth*, the rapid and unsteady pace of political and economic advance can easily bring revolutions of violence in one or more countries. Communism is in the happy position of finding its cause furthered merely by helping these people

to do what tends to come naturally. *Sixth*, there is a great hazard in the building of leadership to fill the gap between the peasant and new working class on the one hand, and the traditional feudal-landlord leadership on the other. It seems that the old leadership must catch up with the times or be eclipsed. Currently the leadership in Egypt comes from the military—and there are worse alternatives, also better ones. The equivalent of Ataturks may arise. A frustrated educated class would be a great hazard.

The Communist Hazard

It seems unlikely that the area under discussion (except Turkey and perhaps Iran) will feel that the threat of Communism is so overriding that peoples and states should not deal with Russia. Even Turkey and Iran will probably deal on details and on a limited basis. While Iran may continue to be sobered by the Azerbaijan incident, there may be a probability of a policy of playing the USSR against the west. There is one hazard that needs close examination. Taking into account the expanding economy of the Soviet Union, the estimated limitations on Soviet oil reserves, the possible increasing restiveness toward foreign companies, coupled with the yearnings to show independence, and the surplus of Middle Eastern oil production capability, could the USSR, again blandly, initiate an oil deal in the Middle East?

The Communist appeal and way of going in North Africa and the Middle East seems unlikely to be a doctrinaire and ideological appeal except to dissatisfied intellectuals (and this is admittedly dangerous). Rather, it is likely to be an economic and social force, perhaps, if successful at all, deliberately postponing attempts to seize power openly. It is also likely to be a political force operating openly in the colonial issue and with quiet effectiveness in the Israeli matter. One of our difficulties is that the optimum Soviet way of going initially may be approximately the same as it would be if they honestly had the same general objectives as the Free World, and were participating actively in a "Colombo Plan" for the area. Finally, the USSR with its considerable Moslem population, having experience and cultures similar to those peoples in this area, is in an excellent position to launch a Colombo Plan or a TCA. The Soviet actions in Afghanistan are sobering and may be a pilot run. The western powers can object, but not without suffering the adverse political impact of strongly implying that the Middle East is considered to be their sphere of great power influence.

As a summary statement at this stage in the discussion, we and our allies have at times engaged in local power politics on a short-term basis for short-term advantages since 1946. We probably had no other recourse. But, in the revolutionary situation, the short-term tends to be very short indeed and the price of a short-term advantage may prove very high in the mid-term and long-term. The short-term diversion incident to entrance of Turkey into the Cyprus problem may cost high in the long run. It is obviously desirable to discard, as rapidly as possible, the expediencies adopted to attain short-term objectives, pointing instead more directly at longer term objectives. In doing so, we may more often have two or more alternatives open to us when the crises arise.

III. THINGS TO DO IN THE N. AFRICA-MIDDLE EASTERN AREA

Something new has been added to the situation. First, such motivation and check as was occasioned by fear of the USSR has been decreased by Geneva. This trend will almost certainly continue. The trend is exemplified by the raising of the Cyprus question and by current Greek-Turkish difficulties. These things would not have happened two years—or even one year—ago. Second, the USSR is turning to use outside the Iron Curtain of economic, technological, and social means which, up to now, have been almost a monopoly of the West. The ball game, primarily military,

may be about to become a political, economic, psychological and military Donnybrook affair.

The Arab-Israeli Situation

The Secretary of State has made a wise major proposition to the opponents. Time appears to work against Israel, once the U. S. 1956 elections are passed. Dependent on subsidies, with a high cost in money and in manpower for armed forces, with Soviet support almost certain to be given progressively, on an outwardly legal basis, to the Arab countries, the outlook is bleak if the current stalemate continues—unless (and this is important) the U. S. continues subsidies. The hope might be that the Western Powers would, by the development of circumstances, be left with no military base possibilities in that portion of the Middle East except Israel. But the Geneva developments do not further the likelihood of this sort of happening and, from the Western Powers' standpoint, such a military situation would be bleak and perhaps of little value. Hence, on any rational analysis, the Israeli ought to be willing to come to a reasonable settlement if properly pressed. But there is no assurance of rationality and, at the other end of the spectrum of possibilities, a military flare-up might leave an expended Israel in the U. S. alignment and the Arab states taking counsel and resources from the USSR—with U. N. votes against us.

The Arab situation seems more difficult from our standpoint. The Arab leadership and peoples are likely to be emotional and irrational, they may sense correctly that time is on their side, and are unlikely to move on propositions that appear to be U. S. pressure. Put bluntly, the Arab countries concerned may exact a considerable quid pro quo from the western allies—and a settlement would be worth a considerable cost to these allies. The details to be considered include the Gaza strip, the possibility of a freeway across the Negev, the water problem, Locarno type treaties, continued U. N. policing, assurances on immigration curtailment, and Great Power guarantees. The foregoing incomplete list seems drastic. But we can afford to pay a high price and the hazards are great. In spite of the immediacy of the problem, particular caution will be required until late fall of '56. The Soviet Union may be clever enough to devise a way to utilize internal U. S. politics to give us a serious setback in the Middle East. Perhaps a formula can be devised for initiation through the U. N. that the Soviet Union, consistent with their Geneva spirit, would be unable to oppose.

The Colonial Problem

There is an old rule that it is better to go gracefully than to be kicked out. In retrospect, a great part of our problems in the world come from having our allies kicked out of their colonial areas, and this without having made preparation for a stable friendly government to follow. Of the 800 million people, one-third of the world, in some form of colonial status in 1945, only 200 million so remain. Most of the latter, except those in Central Africa, and some islands, seem certain to move to self-determination (not necessarily sovereignty) within the next decade. The United States has lost to the Soviet its traditional raiment of support of independence movements. It has incurred some distrust and dislike through being grouped, in the minds of most newly freed peoples, with the colonial powers. The reasons for this uninvited situation are well known and perhaps there was no better course. If the current "soft" Soviet policy continues, there will be seemingly less reason for the fence walking approach we have taken during the last few years.

The United States should reexamine its approach to the colonial problem in light of Geneva, and Cyprus may offer an opportunity needed. This is not to suggest that the solution is either annexation by Greece or continuation in the present status. Some other formula should be considered (and is apparently already being proposed—late—by the U. K.). Certainly all concerned would probably like to see one produced. The North African situation is more difficult. But the likely long-run direction of its movement seems to pose a hazard to

the U. S. if we become firmly associated in African and Asiatic minds with opposition thereto. France needs North Africa; equally, North Africa needs France. Out of this truth some better modus vivendi might be developed.

The antipathy toward colonialism and the colonial powers tends to be carried over into the conditions of autonomy and independence of newly formed states. This statement is more often true when all the conditions on which independence is granted are not accepted by the free will of the state concerned. If this independence is achieved on the basis of imposed treaty obligations implying intervention if the obligations are not kept, there is a tendency to build up extremes of nationalism. Jordan and Kuweit can be categorized as somewhat colonial, but their peculiar situation makes currently for stability. Iraq's remaining colonial characteristics are diminishing rapidly. Tunis and Morocco are colonial in that there are conditions which are not *self-determined.* This matter is psychological as well as legal and needs to be considered in connection with military bases and stationing of armed forces. In Finland, for instance, the USSR has given up nothing that it did not impose on the Finns. The Soviet base in Finland was a form of colonialism. The U. S. bases and forces in Europe are in an entirely different category in that the indigenous governments determined of their own free will that these forces should be there. If an allied government ever comes to feel that it cannot successfully invite us to leave—we will have grave difficulties and there may be a resultant impetus to the local "American Go Home" movement.

The Soviet Union has the capability of engaging in a give away contest with the U. S. Furthermore, in the long run, it can attain the facility to live up to its promises. Arms are the most dangerous give away. They must be obtained from outside the area since manufacturing facilities do not exist, except a few in Turkey. Up to the limits of a very adequate internal security, the least undesirable alternative seems to be to stay ahead of the Russians in this "arms race." But it carries with it a continuing commitment. Arms require industrial support not existent in the Middle East. Promises of this support are part of the bargaining hazards of the present and future.

Regional Organization

In the over-all give away program in our enlightened self-interest, it seems that we should look to the possibility of a Middle East Colombo Plan or OEEC type of arrangement. This is bound to have a very unsettled early voyage. But it may help to help these people help themselves and may make them feel more their own masters. There is a need to develop some center for study, planning and exchange of information, which transcends the unnatural geographic compartments. Even the oil companies have had an inadequate interchange, partly due to British-American rivalry and the U. S. anti-trust laws. Our free world stakes in the Middle East are too high to let such matters (called "inherent contradictions of the capitalistic system" by our Communist opponents) be a barrier to effective action. Political and military regional organization probably does not lend itself to the purpose. But a social, economic and technological institute type of organization might be successful.

The U. S. should consider a U. S. regional organization for guidance of our operations. A close look may show a disturbing lack of regional knowledge, regional team work and support of overall U. S. objectives (as compared to local aspirations) on the part of our personnel. Such parochialism as exists has to be combatted by a definite program. Integration of our regional efforts requires more than a policy statement. It probably depends primarily on provision of funds for travel and conference purposes and on assignment of adequate personnel to embassies and missions.

Operation of Private Organizations

Operations of church and other educational organizations and foundations have long fur-

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thered U. S. interests in the Middle East. The oil corporations have undertaken useful programs incidental to their activities. It may well be that this way of going should be further stressed and expanded. These companies are the managers of the "one crop" (oil) economy, from the standpoint of money earnings, of six governments. This resource, located in the possession of about 30 million people, is of vital importance to hundreds of millions. The oil companies have a tremendous and a very difficult task important to free world security. We might recognize that they are, and have to be, instruments of that security.

An energetic program of association of U. S. universities, including engineering colleges, with institutions of learning in the Middle East, financed in part by government funds, may pay appreciable dividends. This idea is not new. The Rangoon association with Johns Hopkins University seems to set a successful pattern to follow.

The rapid transition of the Middle East results in a need for economic and social planning which these countries are unable to accomplish on their own. The Soviet methods are bound to appeal to some. It would be wise to offer alternatives which are superficially separated from great power political control.

Flexibility, Suitability, and Rapid Action in Our Middle East Operations

We should study and draw lessons from the Soviet actions in Afghanistan. They have shown a willingness and capability to use quickly many of the techniques and programs we have developed with painful slowness throughout the world. When technical advisory personnel arrive in the capital city a few days after being invited, pray in the mosque for an afternoon and produce what it takes to pave the main street the next day, the favorable impression achieved is likely to be enormous. We should consider:

a. The shifting of our administrative procedures and organization to take "quick tricks" when the opportunity offers. We should have a policy to this effect. A good, and perhaps sole, example of this type of action was the flying of pilgrims to Mecca. Such a policy requires "mobile forces" in being and is probably best carried out by giving the missions to a going U. S. government organization or a private firm. In the technological area, the Bureau of Reclamation, the Corps of Engineers, and civilian engineering firms are logical instruments for consideration.

b. How to avoid becoming identified too closely with existent regimes. Some of these are bound to change, perhaps accompanied by violence.

c. The future hazards of a crisis such as the Mossadegh affair. In the future, the Soviet Union may well have a "mobile force" and an attractive program to offer—as they did in Afghanistan.

IV. AFRICA SOUTH OF THE SAHARA

This vast area is entirely colonial except for the Sudan, Ethiopia, Liberia and the Union of South Africa. No political unit has more than 20 per cent non-African population except the Union of South Africa. The remainder, except for Southwest Africa, Southern Rhodesia and Eritrea has less than 5 per cent non-African population.

The Union of South Africa has definitely adopted a segregationist policy (Malanism or apartheid). There are differing opinions as to the likelihood that this policy will succeed, some knowledgeable individuals contending that the economic realities alone will cause its failure. The policy has certainly aroused a great deal of adverse world comment and will result in increasing difficulties as colonial Africa moves further along the direction it appears to be going. The British portions of colonial Africa are at the crossroads between integration and segregation. The French, Belgium and Portuguese have a policy of integration of those

who have reached a certain level of what is called civilization.

The current outward direction of political movement varies considerably. The Gold Coast, Nigeria, Sierra Leone, Uganda, Togoland and the Cameroons are on their way to African self-government. French tropical Africa and Madagascar (which has a strong tradition of nationalism) are destined (by the French) to a developing status in the French Union.

French Colonies

The French political concept of the French Union is a difficult one because no such arrangement has ever existed. Like the unicorn, people talk about it but no person has ever seen one. Hence, it faces the initial difficulty of competition with the better understood concept of nationalism. The Union concept envisages progressive development of colonial areas either to departmental status or to the status of "associated states." The point is made here and stressed again later that the element of time may be the determinant of success or failure of this concept—and the French can be fairly judged as being slow thus far. It would be most unwise for the U. S. to base its policy on an assumption of success of the French Union concept. We must provide for other alternatives—which are probably more likely. We should recognize that the French have, thus far, a consistent record of disturbance and various degrees of failure in their arrangements for keeping political institutions in step with evolution of colonies. The British, on the other hand, have a fairly uniform record of success—even though their policies have been much more pragmatic.

British Colonies

The British colonial territories are developing toward self-government but without an assumption of ultimate African control and with locally exercised political power in the hands of non-Africans. As an example, less than a quarter million whites exercise the local political power in the British Federation of Central Africa (Southern Rhodesia, Northern Rhodesia, Nyasaland) which contains over six million blacks. This current situation exemplifies the difference of opinion as to whether the relationship between white and black should be one of "trusteeship" or one of "partnership." This situation, illustrative of the situation throughout Africa, calls to mind that color conflict can be as much of a disturbing force as economic and other factors, and that the Soviet Union and Communist doctrine can perhaps be even more persuasive in this area than in economic and social problems.

Other Colonies

The Belgium, Portuguese and Spanish territories do not have any developed method and direction for their future course. Obviously, their course, like the others, lies within the spectrum of possibilities ranging from an African state through various types of multiracial political structures to close political supervision by the current colonial power. Currently the Belgians seem to be progressing well in the Congo. But the likely rapid increase in the African laboring and lower middle class, due to mining and other economic development, may quickly bring problems.

Some Problems and Hazards of Progress

There is considerable basis for a generalization that African political participation and progress toward self-government increases from south to north. In the current revolutionary situation, the tendency is likely to be toward acceleration of the laggards toward the pace of the foremost. And the foremost may tend toward increasing pressures for greater speed. Also, there is a basis for the generalization that denial of political action leads to conspiracy.

There is no attempt made here to discuss illiteracy, shortage of land, shortage of labor, and several other important African problems. The discussion is limited narrowly to certain national security and political aspects. These are greatly conditioned by the natural drives for modernization and racial equality. These

drives do not necessarily generate a demand for national sovereignty. The French formula could give the objectives desired. But national sovereignty is the traditional formula. The multiracial societies (even though the European components are small) are likely to generate increasing African nationalistic movements. With the introduction of modern industry (including agricultural methods in some areas) and communications, and an assured rise of a literate leadership class among Africans, the multiracial approach to political institutions is bound to have progressively tougher sledding. Much of this part of Africa stands no further forward than French North Africa, with its current acute multiracial problems, stood ten years ago. Perhaps if the French had moved seven years ago to the point to which they have now been forced, there would not have been the recent and current troubles in North Africa.

The principal religion in a great part of this area is Islam. It is judged by many to be increasing its converts. There are judgments that the Moslemism of most of the people is not deep—nor for that matter is the Christianity of the Christians. The disquieting, perhaps very improbable, speculation is offered that an alliance between Islam and Communism in this areas is a possibility.

The Communist Threat

It is very questionable that the U. S. should key its policy and objectives in the area primarily to the threat of Communism. Even if there were no Communism in the world, the possibilities of unrest, disturbance and power political maneuver connected therewith, are sufficient to give concern. If tropical Africa moved happily to self-government tomorrow, there might, within ten years, be a major disturbance due to economic problems, or due to a Moslem drive of conquest to the south, or a combination of these and other developments.

But Communism and the Soviet regime are interested in Africa and Communism is already there. The situation is not one for mass parties such as the French and Italian Communist parties. It is a situation where small cells of indoctrinated and deeply dedicated individuals are the best instruments. The appeals are not ideological but rather are economic, social, and nationalistic. Two of the principal methods for acquiring, training, and introducing party zealots into the area are the labor union movement and the education of natives abroad. The French CGT is a channel to French Africa, the Egyptian labor unions to the Sudan. It is logical that Communism proselyte native students abroad. Parenthetically, French education on the Paris left bank, even disregarding Communism, is not today likely to build friends for America.

African Leadership

This area, like the Middle East, has a problem of developing an adequately educated African leadership class. And it has the related problem of moving rapidly enough to satisfy their social and economic aspirations after they are educated.

The development of any African people through various stages of self-government to national sovereignty, status of an "associated states", etc., is almost certain to be materially different from the usual U. S. idea of development of a democratic state. The useful examples are most likely to be found in Latin American history. The "hero" or messianic type of leader is more likely than the Washington or Jefferson type. There is some possibility that an African educated elite will develop while the mass lag far behind in literacy and political competence. But even a small proportion of the total population can be very vocal and can sway the remainder. There have been recent examples on the rimland of Asia which support this last point.

Unsuitability for independent status of current geographical units. The current boundaries in Africa bear only a limited relationship to ethnic groups, communications, resource sufficiency, security, and other characteristics

desirable for the stability and continued existence of a nation-state. Every current political unit is bound to be materially dependent on the developed countries for a long while for markets, capital and technical assistance. These conditions add hazards to early autonomy. If granted too soon, there is bound to be shopping among great powers for the best deals—and the USSR can even now give a good deal, witness its rapid action in Afghanistan. Obviously, from the economic and security standpoints, continued association with a developed country is the best solution. The alternative might have to be long-term subsidies such as Libya and Israel are receiving.

Once the white man dictated, he now must deal. Africa now stands at a very definite phase line. Previously, the colonial powers could dispose of the local peoples' affairs. Now they must deal with them about those affairs. The vision and wisdom with which this dealing is done will determine whether in the next decade we have crises and major concerns about African impact on our security. It is not yet too late but time is running out.

V. THE U. S. PROBLEM IN AFRICA—COLONIALISM

The U. S. problem and the predominant issue is the colonial issue. There are other aspects such as raw materials, military bases, etc. But the objectives involved will be achieved or fail of achievement depending on the handling of this issue. We have two lines of interest: (1) our traditional anticolonialism; and (2) our strategic interests in our allies, bases, raw materials, etc. It is suggested that a doctrinaire adherence to either line is likely to be disastrous. A middle course is a better course. But it is not a simple course.

The United States faces the almost certain hazard of being required to stand up and be counted within the next few years on matters pertaining to Africa. Our close association with the colonial powers, the policy of India particularly to beat the anticolonial drum at every opportunity, the precedent given by the newly sovereign Arab states to African areas which are predominantly Moslem, the unimpeded movement toward independence of certain western African areas, the strong so-called anticolonial propaganda drive of the Soviet Union, and finally, the opportunities presented in the U. N. forum, seem to assure that our country will soon have to be much more definitive about this problem. One might even speculate about the possibility of internal political pressures within the United States.

Fortunately, no area in Africa, except the Union of South Africa, is moving in a direction materially different from that which appears consistent with our interests. The problem seems primarily one of coordination and acceleration rather than of change of direction. Any acceleration would be in the direction of generating a feeling in peoples that, by their own efforts and political decision, they are progressing toward their social and economic goals. The peoples, particularly their leadership, need to feel that their grievances, real or imagined, are receiving reasonable attention. If this pattern and progress do not come about, then a nationalism of a type we now little foresee or understand (witness the Mau Mau movement), may overflow the land. This nationalism would be characterized by unpredictabilities, emotional as to policy, which would make the irrationality of some Arab politics seem like cold logic.

VI. WHAT'S THE U. S. PROGRAM?

With respect to colonialism, this paper obviously cannot and should not suggest more than a direction of policy and areas for further investigation. The direction of policy needs to be a shift away from our comparative silence on specifics concerning colonialism and toward more of a middle ground. The Geneva developments, if sustained, are almost certain to bring acceleration of pressures (as they already have in Cyprus). This approach requires prior notice to allies—which is a leverage. It

requires a climate reflected to those allies through all U. S. officials concerned. And it requires that we speak with constructive suggestions ahead of the Soviet Union and India now and then.

How much should we enter the African scene? This is a very troublesome question. There are related ones. If the inclination is to act as an observer enunciating a few pious principles periodically, we must face the question of whether we can accept the hazards of such action. Our interests have been seriously impaired already by the ineptitude of our allies in some colonial matters. If we decide to take an active part in our enlightened self-interest, what's the program?

A Possible Program

1. Better intelligence. This is a must.

2. More knowledge about Africa in higher education and U. S. intellectual leadership. There should be at least one adequately endowed, and active Institute of African Affairs in the U. S. It should be a part of a university, thereby facilitating education of African students.

3. Emphasize the activities of non-governmental agencies in non-political areas such as the position of women, health measures, changing undesirable local customs and taboos, etc. This means U. N. agencies and also private foundations. The more that can be done through private enterprise, the better.

4. Related to the foregoing, there should be a feasible way to operate Point 4 type of programs in Africa through contract with universities, foundations, etc.

5. A search should be made for ways to assure careers to educated Africans, particularly those educated abroad. Such careers might well be in efforts of universities, foundations, and the U. N. in the area.

6. The U. S. should spend some money on the area as insurance against problems of 5 to 10 years from now. This might be a few tens of millions and probably not over 100 million a year.

7. The way of going of colonial powers in the area needs to be coordinated before a crisis situation arises. Something like an Institute for African Development, tied to a Political Council for African Development with the latter forcing consultation and an exchange of views on the governmental level, may be desirable. Such an Institute would really be, in part, a study center for problems of non-Communist revolutionary change.

8. Maximum use in any U. S. operations in the area of U. S. citizens of African descent.

9. Consideration of counter-action to Communism in the trade union movement using U. S. trade unions.

10. Increased participation of the U. S. in education of Africans.

11. In general, try to lower the barriers and reduce the conflicts found to exist due to color and religion. Nationals of countries such as Turkey and Mexico may understand the local problems better than Europeans and Americans, and may have more of an appeal as technological experts, etc.

Paper 10:
Appendix A

Notes on U. S. Policy Formulation for Middle East and North Africa

1. Support for Communism in the Middle East and North Africa is minimal at present:
   a. Proximity of Russia
   b. Successful programs by U. S.
   c. Influence of Islam
   d. Failure to create effective local Communist parties.
2. However, conditions favor increasing support of Communism:
   a. Growing social awareness among underprivileged classes
   b. General instability among governments
   c. Populations highly susceptible to irrational propaganda
   d. Rising labor and middle classes, largely without voice
   e. The tradition of oriental despotism is more akin to Communism than it is to the alien concepts of democracy and freedom
   f. Decline of Islam as a force for unity, stability, and order
   g. Improving communications.
3. U. S. policy since World War II has emphasized change in the Middle East:
   a. Mutual defense agreements
   b. Israeli state created
   c. Economic development emphasized
   d. Modern military forces created
   e. Democratic institutions attempted.
4. There are many obstacles to orderly change in the Middle East that may have been underestimated by U. S. planners:
   a. Lack of resources
   b. Corruption within governments
   c. Popular suspicion of government as an innovator
   d. Hostility among ethnic and religious groups
   e. Uncooperative attitudes between national governments
   f. Power of vested economic, political, and cultural interests
   g. Minimal educational standards and general illiteracy
   h. Inexperience in self-government.
5. Because of these obstacles, some of our policy has worked to our disadvantage, although immediate successes have been gained:
   a. Distrust between national states has been fostered
   b. Political instability has not been alleviated
   c. Greater economic expectations have been fostered among masses
   d. Islam—the one unifier—has been increasingly challenged
   e. Military power has been thrust into a vacuum, with minimal political controls over it
   f. The U. S. has allowed self to become scapegoat for failures.
6. U. S. policy in the future must be conditioned by the above experiences:
   a. Greater emphasis should be placed on the emotionalism that characterizes Middle East reaction to U. S. policies. Policies that save pride and salve emotions may be just as important as policies which grow wheat.
   b. Excitement over some present problems must be abated as soon as possible, for the U. S. is held primarily responsible. The Arab-Israeli dispute espe-

cially, the French North African dispute secondarily.

c. Policies that generate radical and rapid change in the area may create as many problems as they solve.

d. Policies that "use" the Middle East to satisfy requirements of other areas may very well undo all that is done for the area directly. Best example is alleged support of French in North Africa to save NATO, etc.

e. Policies which aim at fostering Western concepts—such as "human freedom" and "democratic institutions"—must be interpreted loosely for the Middle East if they are to be useful.

f. Policies which openly advertise U. S. sponsorship redound against the U. S. if failure occurs. Policy failure in the post-Geneva world may have greater consequences than in the past.

7. In view of the above considerations, thorough study should be given to the selection of target groups and areas for U. S. policy. It is difficult to maintain support of the mass populace *and* the special power interest groups in Middle East areas. It is difficult to maintain support of discontent opposition groups *and* groups in power in the rapidly changing Middle East. Ultimate success of U. S. policy may depend largely upon the ability of the U. S. to counter USSR influence with vital segments of the population who hold the power to direct local governmental policy.

Paper 10: Appendix B

The Current Crisis

All of the preceding pages concerning the Middle East and North Africa may be only on the periphery of our current pressing problem.

In hindsight, the outcome of World War II almost certainly had to include the ousting of the colonial powers from most of the Middle East. This ousting has occurred. It was bound to be accompanied by instability, a power vacuum and a distrust for the great powers only recently lords in the area. A great opportunity existed for the United States—a "neutral" great power without imperialist trappings—in its enlightened self-interest, to serve as a stabilizing factor and fill the power vacuum. That opportunity was partially eliminated by the appearance of Israeli. It was further reduced by the "Geneva spirit" and by not finding some action capable of dealing with Egyptian concern over the military situation. The United States now seems to have lost the initiative in the boiling area of Middle Eastern affairs. This loss is, in itself, not critical. But who has it? It appears that it may be shared by the USSR, Israel, Egypt, and perhaps unpredictable Arab political entities such as Yemen.

The sight of the USSR moving to fill the place in the Middle East that might have been ours should cause some soul searching as to the who and why of responsibility and *some appraisal of how much we ought to be willing to pay to reverse assuredly this trend.* The appraisal should not stop at a "let the sand settle" conclusion but should face the hazards

of major USSR infiltration and figure the costs of meeting it successfully; then decide whether our country wants to pay the cost.

We now have two emerging alliances in the Middle East:

(1) The so-called Northern Tier
(2) The hinterland less Israel behind the Northern Tier

The hard facts of the situation include, first, a currently friendly association and possible increasing affinity of the second alliance toward the USSR, and second, a sympathy of the Northern Tier for the hinterland alliance on any problem concerning Israel. Stated mildly, this is an unstable and explosive mixture. The Middle East does not have much strength vis-à-vis Communist advance except the two alliances can be molded together in the stand for regional security in the Middle East. The situation has considerable potential for friction and intrigue. And the Arab-Israeli situation is a sputtering fuse.

There is of this writing a policy of military retaliation being pursued by both Israel and Egypt, general talk of war, talk of "preventive war" by Israel leadership, and talk of maintaining an *arms balance* between Arab states and Israel, as well as mention of other distasteful subjects. It may be that the United States has to "bite a bullet" on the Middle East in order to avoid a high probability of very adverse happenings. But the alternatives currently facing us are bleak. Fighting with adverse developments for the Israelis is certainly contrary to our objectives. And the outcome would be fraught with hazards. Fighting with major reverses for the Arabs is now likely to result in disastrous developments from the standpoint of our interests.

We should face seriously the possibilities of the Egyptian situation. This hinterland alliance already has ties across North Africa. Some success against Israel might well set a fire to Arab nationalism. A reverse could both set fire to Arab nationalism and create a close affinity with the USSR.

Looking to the longer range of three to ten years, Africa south of the Sahara may look increasingly to people of the same color and religion for leadership and assistance. If Egypt and its hinterland alliance adopted as a policy the active support of anti-colonial movements throughout Africa, our Communist opponents' prosperity would increase and so would our troubles.

The concept of maintaining an arms balance between Israel and the surrounding Arab states makes questionable sense in the long run. Considering areas, populations, and the location and numbers of states concerned, the concept seems parallel to a similar concept for Luxemburg or Switzerland. Our policy and programs must, it seems, move to eliminate this concept of arms balance. The elimination must be accompanied by the substitution of something else. Our security guarantee, in association with Britian and France, may have to evolve, and soon, to an active posture for actual "police action", perhaps under UN aegis.

In summary on the current Middle Eastern situation, the directions of policy and the foundation costs which must be paid to reverse the adverse trends to our interests are:

a. First, and the easiest, U. S. and British efforts must be and remain together; this includes matters pertaining to oil.

b. A formula must be sought and applied to bring the two Middle Eastern alliances together.

c. The Arab-Israeli situation is a crux in the matter. In our hard-headed self-interest we can afford to pay very highly for some alleviation of the adverse position in which the situation continually places our country.

SECRET

Paper 11

Latin America—as a Demonstration Area of U. S. Foreign Policy in Action

Originator: Stacy May

I. INTRODUCTION—THE THESIS OF THIS PAPER

The threshold concept has extraordinary relevance to our Latin American policies. Important to that concept is consideration of the critical factor of size or intensity of an otherwise well-conceived effort that must be achieved to make it effective, and anything short of which is doomed to yield disappointingly negative results.

Our aims and objectives with respect to the area are exemplary and for the most part clearly defined. The programs and courses of action that have been developed for forwarding our objectives are generally intelligently conceived to cast an influence in the direction of our aims.

The results, while far from negligible and seldom negative, cannot objectively be appraised as conspicuously successful, or at least they seem to fall far short of realizing the full advantage to United States interests that would accrue from a fuller realization of our objectives in an area that is:

1. Inherently of more direct importance to the United States than the relative attention given to its affairs in our political, economic, and psychological strategy and action would imply.

2. Probably of greater potential significance to the broad strategy of our international relations in the period immediately ahead than has been overtly recognized in our foreign policy formulation as a whole.

There is a considerable and persuasive body of evidence to suggest that a relatively modest intensification of the attention and effort that we are directing toward Latin America, without great substantive change in existing procedures, might carry their effectiveness over the threshold that marks the division between moderate and spectacular success in the achievement of our aims.

II. U. S. AND LATIN AMERICAN INTERDEPENDENCE

The importance of Latin America to the United States in political, strategic, and economic terms should not require a great amount of documentation.

On the political front, our relationships with the 170 million peoples of the Latin Americas (a population that is growing faster than that of any major area of the world) have about the most venerable roots that U. S. foreign policy has produced. They have evolved in a pattern that has shaped and influenced our arrangements and accommodations with nations in other areas. The smoothness of their functioning is inextricably entwined with the reputation and prestige of the United States in the foreign policy field. We count heavily upon support of the twenty Republics for U. S. positions in the U. N.

On the strategic side, while the military potentials of the several Latin American Republics, or of all of them collectively, are as yet inconsequential, there are obvious imperatives for us in seeing that no potentially hostile forces obtain a foothold in the Hemisphere, in protecting the canal, and in assuring our access

to imports of materials upon which both our peacetime and wartime economies are importantly dependent.

It is in the sector of economic inter-relationships that the community of interest between the United States and Latin America has been most underrated. The two-way trade between these two areas now approximates 3½ billion dollars in each direction. Latin America affords the United States an outlet for well over a fifth of its exports and supplies about a third of its imports. We in turn supply almost half of their imports and purchase about 45 percent of their exports. Even more important is the unmistakably evident trend toward an increasing degree of interdependence in the two areas, shown by the growing importance of their inter-trade as a percentage of the total trade of each. Upon the basis of the growth trends of the economies on either side, there is reasonable expectancy that the trade interchange will double by the mid-1970's, on an annual growth rate of 3½ percent. By that time, the population of Latin America may total 275 million, outstripping our own by a considerable margin. There are many economic indicators to suggest that the Western Hemisphere as a whole, with Canada of course included, is evolving upon a growth trend that is importantly outstripping that of the rest of the Free World, in total and per capita outputs and even in the volume of its inter-trade as a percentage of world trade.

III. HEROIC OBJECTIVES AND HUMAN PERFORMANCE

It is impracticable here to spell out the detail of stated U. S. objectives with respect to Latin America, and that of the many programs that have been established to give substance to our aims. It must suffice to summarize the former in the statement that it is our purpose to promote a maximum degree of hemisphere solidarity of purpose and procedure, a vigorous growth of strong and democratic governments, security forces competent to afford protection severally and collectively against outside aggression or internal subversion, and sound growth economies that yield increasing living standards and assure reasonable stability. It is a definite part of our aim to progressively strengthen the Hemisphere political and security programs to make them increasingly effective in the part that they play in the whole Free World system.

The point that may warrant emphasis here is that the weight given to Latin American affairs in our over-all foreign preoccupations is neither commensurate with the intrinsic importance of the area to our interests nor sufficient to convince Latin Americans that we regard their status as of first-class moment.

In the straight political field, where we have had really remarkable success despite the generally instable and embryonic state of democratic institutions in many Latin American countries, there is considerable justification for their chronic complaint that Latin American affairs are given relatively small attention in the highest echelons of the State Department and the Executive Office. For a considerable period, consideration of Latin American affairs has been relegated to last place upon almost all of our Government policy dockets, and the preemptive demand of emergency situations upon top-level personnel has too often resulted in "last-minute" resolution of Latin American issues that have given the impression of hasty improvisation.

On the strategic front, Latin Americans can learn from the Annual Report on the National Security Program that their share of post-war direct military assistance provided by the United States has been about one percent of the total. It is avowedly to our advantage to see that the military equipment employed by Latin American countries is of U. S. origin, particularly to assure that our military missions are relied upon to furnish training in its use. Nevertheless, in spite of our declared objectives to meet foreign competition in this field, it would appear that about half of Latin American armament purchases since 1950 have been made

from European suppliers. The order of magnitude of such foreign purchases would appear to have averaged around $25 million per year.

It is on the economic front, however, that Latin Americans have been most vocal in their expression of feelings of neglect, or lack of appropriate consideration. Certainly, the voicing of a complaint does not constitute its justification, but the objective record shows that the Latin American share of U. S. economic grant and loan assistance has been very small when compared to that area's claims upon U. S. interest based on the relative weight of its trade. Thus, of the (non-military) grants and credits extended by the U. S. Government from July 1, 1945 through March 31, 1955, the Latin American share accounted for only 2.4 percent of the total. In the year 1954, it amounted to 2.5 percent. In the field of international educational exchange, Latin Americans received about 6 percent of the total U. S. grants in fiscal years 1953 and 1954, and 11 percent in 1955. Even in the matter of U. S. Information Administration expenditures, where the importance of promoting solidarity and combatting Communist subversion efforts would seem to warrant particular emphasis, the share attributed to Latin American programs has averaged under 3½ percent in the past three fiscal years.

Capital investment

Latin American countries generally have managed to mobilize some 15 to 16 percent of their Gross National Products for capital investment use in the post-war period. This, together with certain windfall benefits in the terms of their generally thriving foreign trade, has resulted in an over-all growth rate in total economic output for the area considerably greater than that shown by the United States—sufficiently greater even to show a comparative advantage in *per capita* output as well, despite the markedly higher rate of Latin American population increase.

The U. S. contribution to Latin American capital formation in the post-war period has played a far more important role in this growth record than its relative percentage proportions—less than 10 percent—would imply. The preponderant bulk of U. S. capital contributions to the area have been in the form of direct private investments. These particularly have focused in high-yield fields of productive investment to a much greater degree than has Latin American domestic investment. It has been estimated, for example, that U. S. direct investments in Latin America, which cumulatively amount to not more than about 6 percent of total stock of the area's capital accumulation, produce not less than 30 percent of Latin America's total foreign exchange, through the export items they generate for shipment to the United States market alone.

The over-all record since World War II would seem to imply a very healthy status for the Latin American economy as a whole, and equally to testify to the adequacy of the over-all U. S. economic program directed toward that area. Unfortunately, a closer scrutiny of the situation reveals grounds for disquietude. There seems to have been a marked slowing up in the tempo of the area's economic growth since 1950–51, when compared to its exuberance in the earlier post-war years. Progress has not halted, but its rate has fallen sufficiently to change the picture of improvement in per capita living standards from one that considerably exceeded the long-term growth rate in the United States to one that is far lower than that upon which we have counted in this country. This lowering of growth trend rate has been concurrent with a considerable falling off of the direct U. S. private investment of capital funds in Latin America, which has been compensated only to a minor degree by the modest but steady growth of the level of Export-Import Bank and IBRD loan disbursements to the area.

It would be spurious to impute a controlling influence to U. S. capital contributions in the total Latin American economic record, but it is reasonable to assume that it has had a contributory effect. At least, it would be ac-

cepted as a mark of U. S. earnestness in seeking to foster growth economies in the twenty Republics, if we adopted the general goal of keeping over-all U. S. capital exports to Latin America moving up at a rate that would sustain, in a continuing economic growth trend for the area, the same relative influence that it exercised over the earlier post-war years of vigorous growth.

Obviously, no such commitment could be made in unqualified terms. The "climate" for domestic and foreign investment in Latin America necessarily would be a controlling factor. But the enunciation of the aim would do much to convince Latin Americans of the seriousness of our interest in their economic progress. This would be enhanced if our expression of purpose were backed up by concrete proposals for action on our part to make direct U. S. investment abroad more attractive (most hopefully through tax concessions or through quick amortization privileges) and for stepping up the level of Export-Import Bank and IBRD loan commitments and disbursements. There has been recent and quite vigorous action along the latter lines that is a hopeful sign, and the establishment of the International Finance Corporation is a further constructive step. There also have been a number of promising recent developments in the establishment of private institutions to furnish intermediate and long-term credits and equity capital for the area.

It should be noted that the objective suggested for the U. S. in the field of capital contributions is far from grandiose. To continue total U. S. capital contributions—both private and public—in the same relative magnitude to a continuing growth trend in Latin American economies would imply an increase by only an additional $200 million between now and 1958, the $500 million annual level of net direct private investment flows, reinvested earnings, and Export-Import Bank and IBRD disbursements combined that has been the post-war average.

Trade

It has been contended by some that the significance to Latin America of its $3½ billion trade account with the United States dwarfs the importance of all other considerations. This position probably does less than full justice to the influence of capital contributions, particularly in view of their crucial role in increasing the production base and the disproportionately heavy influence that has been noted of U. S. direct private investments upon Latin America's export capacity. However, there can be no doubt of the compelling importance of trade opportunities to the area's development prospects.

In the trade field, the United States record with respect to Latin America is generally unassailable. Most of our major imports from that area are subject to very moderate tariffs if any at all. But there have been sufficient uncertainties about our import policies with respect to oil, and sufficient question of the equities of our sugar policy (which would be partly removed and partly intensified by the pending Administration legislative proposals in that field) to undermine full confidence on the part of Latin Americans in the degree to which their interests will be given weight in U. S. trade policy discussions. In the important trade field of coffee, as well, the United States has not been able to make a very positive contribution to current and prospective Latin American difficulties. There is also a heritage of rather unhappy memories of trade opportunities in strategic items vigorously promoted by the U. S. during World War II, and which quickly evaporated at war's end. Further, our disposal of agricultural surpluses gives rise to fears, if not to actual damage, in a number of Latin American countries.

Again, it is far from clear that Latin American criticisms of U. S. trade policies are fully warranted, or that some of them could be alleviated by any practical action that we could take. The point is that we have been

less than successful in convincing them that the essential magnanimity of our stated objectives toward them in the economic field will be maintained in the face of opposing pressures. From their view of the record, we regard them as poor relations, toward whom our intentions are benign, and to whose interests we will afford consideration other things being equal (which they seldom are).

IV. COMMUNIST SUBVERSION EFFORTS IN LATIN AMERICA

Although the case for an intensification of U. S. effort to cultivate increasingly firm and satisfactory relations with the Latin American Republics rests primarily upon positive motivations, there are evident signs of intensified subversion efforts by international Communism that require effective countering.

The political instability that has been chronic to most of the Republics and their still retarded and often insecure economic status provides a fertile field for Communist subversion efforts aimed at exploiting unsatisfied aspirations. Although the Communists have had only meager and temporary local successes in capturing effective control of national governments in Latin America (as recently in Guatemala), they have persistently and often successfully adopted the tactic of permeating various "front" movements of labor, youth, student, women, racial, and peace groups and of distorting valid aspirations for political, economic, and social reform toward Communist-oriented solutions and particularly toward anti-United States sentiments.

Despite the Hemisphere-wide collaborative efforts to counter Communist subversion formalized at the Caracas Conference, Communist Party (card carrying) strength in Latin America is estimated at 250,000, with two-thirds of the total concentrated in Brazil and Chile.

Since the outbreak of the Korean War, there has been a marked step-up of Communist effort in Latin America, fostered by covert transfer of funds and propaganda material from international Communist headquarters. This has been channeled largely through Soviet Bloc missions to Latin American countries. There is evidence of abnormal expansion of the personnel and activities of such missions, particularly in Mexico and the River Plate countries.

Dramatic evidence of recently increasing effort to build a more effective Communist apparatus in the area is offered by the record of Communist-sponsored trips of Latin American nationals to the Orbit. Less than 100 such trips were sponsored in 1950; this number had increased to 1,000 in 1953, and, while it declined somewhat in 1954, it appears that the operation will attain record levels in 1955 with particular emphasis on cultural and labor missions.

The field of trade also presents a picture of stepped-up Soviet effort at Latin American permeation. While trade with Soviet Bloc countries still represents a very small fraction of Latin America's total trade, there have been disquieting signs of an increased upward trend that, if continued, soon would lead to an uncomfortable degree of trade interdependence between certain Latin American countries and Soviet Satellites. There are now 19 bilateral trade agreements in effect between Latin American and Soviet Bloc countries. The actual amount of this inter-trade increased from a $70 million level in 1953 to between $200 and $250 million in 1954. The great bulk of this trade—80 percent of the total—was concentrated upon exchanges between Argentina and Brazil with Soviet Bloc countries. Argentina's trade with the Bloc quadrupled in 1954, and Brazil-Bloc trade doubled. Trade between Uruguay and the Bloc also showed an upward trend in 1954.

While it is true that over-all trade levels fell far short of bilateral agreement goals, and while Latin American shipments to the Soviet Bloc were restricted to non-strategic items—coffee, cacao, cotton, frozen meat, and wool—in return for manufactured goods exports from the Bloc (and minor shipments of machinery and equipment against much larger Bloc

promises of deliveries in these items that were unfulfilled), the trade record is one that we cannot afford to view with complacency. It is part of a fabric of evidence that all points to a heightened level of Soviet Bloc effort to drive a wedge into United States-Latin American interdependence and the mutual regard it has helped to engender. It calls for an increased effort on our part to see that the Bloc intentions are thwarted *before* rather than *after* they have achieved substantial success.

V. CONCLUSIONS

1. It is difficult to suggest remedies in generalized terms, particularly since our objectives with respect to Latin America are generally beyond criticism.

2. The chief shortcoming that may be cited with some degree of fairness is that our action programs, particularly in the economic field, while consistent with our objectives, are not genuinely adequate for their effective accomplishment either in conception or execution. The remedy lies in a meticulous re-examination and often a strengthening of a wide variety of action programs.

3. While it is understandable that the more acute problems in other areas should have commanded a disparate claim upon our attention and resources, the result has been a neglect of Latin America not only relative to other areas, but in terms of its inherent importance to U. S. interests. This has been keenly felt in Latin America, to a degree that prejudices our relationships in that area. As in our early administration of the ECA program in Europe, our current procedure with respect to Latin America versus other areas tends to throw the weight of the incentives that our programs offer on the side opposite to our intent and interest, since unsatisfactory performance becomes the criterion for attention and assistance. Clearly we cannot refrain from taking action to eliminate trouble that is presently or prospectively threatening our interests. But this calls for counterbalancing measures to certify that our policy is not one of offering carrots to recalcitrants while preserving the stick of discipline for good performance. Even within Latin America, our record has been one of offering the most generous assistance to those nations that have departed most widely from what we regard as sound practice.

4. Although the "public relations" approach to Latin America will not suffice of itself to change the currently widespread resentment of our alleged neglect to an attitude of enthusiastic cooperation, the demonstration of a deeper and more consistently maintained concern for the twenty Republics is an important part of the formula. The recent global broadening of our international interests and commitments is of itself a factor that induces an older-child, new-born-baby complex in Latin America that requires an exaggerated demonstration of affection as a therapy. The base of good will upon which we can draw is sufficiently established to give genuine hope of success if our gestures of interest are accompanied by positive actions to demonstrate:

a. that we are willing to endure a considerable amount of domestic political heat in order to accommodate competitive Latin American exports to our market;

b. that we are intelligently and resolutely prepared to take steps to keep U. S. capital contributions, private and public, flowing to Latin America at a rate that keeps pace with their commensurate influence upon the economic growth of that area in the 1945–51 period, provided always that there is local effort to make such flows tenable;

c. that we do not apply stricter criteria to Latin America than we employ elsewhere;

d. that we take Latin American potential contributions to Hemisphere and Free World security seriously.

5. The dimension of increased cost to the United States of implementing such a program appears to be relatively modest. Importantly, it is a matter of intensifying concern and making our attitudes more conspicuous. As has

been indicated, the dimension of appropriately increased capital contributions is not formidable (a stepping up to an additional $200 million annual flow over a five-year period) particularly since the great bulk of such increase would be in the area of private direct investments and the increase in public funds largely in the form of loans that should be sound. Again on an over-all basis, Latin American resources for servicing foreign equity and loan investment debt would seem to be adequate for any expansion reasonably in sight.

6. Finally, it is suggested that we might profitably regard Latin America as a demonstration economic area, the continuity of whose growth record is usefully exploitable in the current struggle between political and economic systems for the adherence of underdeveloped areas. If we are correct in appraising the Communist strategy as giving extremely important weight to the subversion of underdeveloped areas with the lure of the claim that Communism can offer them a quicker route to the development they seek, it is of major importance for democratic-enterprise countries to rebut this claim effectively. For all of the qualifications that must be made, the twenty Republics are generally oriented toward political democracy and enterprise economics. Among all of the broad underdeveloped areas of the world they can show the most convincing evidence of having escaped dead center and entered into a period of genuinely dynamic growth. There are somewhat disquieting signs of a slackening off in pace, but as yet these are not sufficiently serious to question the validity of the growth trend. If, as is here argued, a reasonably temperate intensification of U. S. effort promises to contribute usefully to a resumption of their economic vigor, the effort would appear well worth the making. The conscious and overt alignment of United States interest in Latin American economic dynamism as a demonstration of the advantages of adhering to our type of institutions has evident hazards. But the odds of success appear to be good, and the gesture would focus our national attention on something that is important to our interests quite apart from cold war strategy. It might serve both to crystallize our own purpose, and to carry greater conviction of its sincerity and continuity to Latin Americans than could be done in any other way.

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Paper 11

The National Cost and Policies Required to Maintain a Modern Weapons System

Originator: Ellis A. Johnson

Critic: William Webster

I. THE PROBLEM

To determine the effect of economic limitations on the weapons systems of the U. S. and Soviet Blocs in order to indicate the policies required to maintain a superior U. S. strength.

II. ASSUMPTIONS

The long-range intention and actions of the Soviet Union will be such as to cause them to attempt to retain relative military superiority over the U. S. Bloc.

III. FACTS BEARING ON THE PROBLEM

a. The U. S. and Soviet Blocs are at present approximately equal in the technological quality of weapons systems.

b. Unless vigorous corrective action is taken by the U. S. Bloc, present trends will give the Soviet Bloc a 3- to 5-year technological advantage by 1965.

c. In view of the relative technological equality between the U. S. and USSR, their relative military strengths depend primarily on the relative magnitudes of their military establishments.

d. The gross national product of the U. S. is probably three to seven times as great as that of the Soviet Union.

e. The U. S. military budget is determined primarily by political rather than economic and military considerations.

IV. DISCUSSIONS

The military effectiveness of two opposing military establishments depends on three principal factors.

First, it depends on the relative tactical effectiveness of the two establishments in both offensive and defensive actions. In the question of tactical effectiveness, the quality of the weapons systems is very important but may not necessarily be decisive by itself.

Second, the relative effectiveness obviously depends also on the relative magnitudes, in the same way that a good *big* man is always better than a good *little* man. Furthermore, because a modern military establishment must attack and defend itself simultaneously on land, sea, and in the air, and since critical parts of the land-sea-air battle may determine the outcome of a war even though the remaining strengths remain proportionately great, both the over-all relative magnitudes of the military establishments and the relative strengths of the opposing attacking and defending forces are important.

Third, in the build-up and planning preparatory to a general war, the economic bounds of the two opponents determine the limitations in a military-economic game, and it is the successful play in this game that ultimately determines strategy and the probable outcome of the war. Since either side can vary the six semi-independent parameters of land-sea-air attack and defense, and since offensive and defensive forces in critical factors must be matched (but in an

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unsymmetrical way between the two opponents), the military-economic gaming is critically dependent on the quality and timeliness of intelligence, especially with respect to the forecast of the production of the opponent in each category and the reporting of the quality of weapons systems and of tactical doctrine, which together should result in an estimate of the offensive-defensive exchange rates by the combat units.

The importance of lead times cannot be overemphasized—in particular the lead times required for training, production, and decision-making. Since all information with respect to the opponent is imprecise, the gamble taken in every decision-making move involving large expenditures in weapons systems is great, by the very nature of the need to *forecast*. It is like a poker game with deuces and treys wild, played by two gamblers, each of whom has a very limited stake that he must risk on a single hand, guessing at what hand he will get!

There are, of course, important interactions between these three factors. For example, the exchange rate between offense and defense determines the rules for the military-economic play. But the exchange rate itself is determined by tactical effectiveness, and tactical effectiveness itself depends on a complex of military factors that includes very importantly the quality of the weapons systems. Thus in playing the military-economic game, one must bear in mind the whole complex problem of tactical effectiveness in exchange rates and its complicated dependence on the quality of doctrine, training, and weapons systems.

So far as is known a satisfactory military-economic game has not yet been devised, although some progress has been made by the RAND Corporation and by ORO. One major difficulty is that of making an adequate forecast of costs and of tactical exchange rates; other difficulties are those concerned with human factors—in particular the levels of damage to populations, troops and economies, which bring about defeat by a combination of physical destruction and lowering of motivations to continue the conflict.

The outstanding feature of modern weapons systems is their growing complexity and cost. For example, in 1937 a U. S. destroyer operated with no more than 60 vacuum tubes to run its various mechanisms. Today one piece of equipment on a destroyer may contain as many as 2500 vacuum tubes. Most of these mechanisms are absolutely critical to the combat missions of the destroyer. Not only has this complexity increased cost (as is shown in Figs. 1, 2, and 3, which give the cost of Army tanks, Air Force aircraft, and Navy aircraft carriers as a function of the models and time), but there has also been a tremendous increase in the logistic requirement for support. Most weapons in combat before and during World War II could be expected to perform without failure for times ranging from days to months without breakdown. Today many of the critical weapons can be expected to operate only for minutes, hours, or a few days before breakdown. For example interceptor aircraft and modern guided missiles, as well as much electronic equipment, have an expected life before failure that can be measured in minutes, and complicated weapons, such as the M48 tank and strategic bombers, require continuous and heavy maintenance and have failure rates that can certainly be measured in days. Thus the tremendously increased effectiveness of the individual new weapon, as compared to its predecessor, only partly compensates for its great over-all increase in cost, primarily the logistic cost in manufacture and maintenance.

It may be argued that the potency of thermonuclear weapons is so great that this very effectiveness will make it less costly to defeat an opponent. This indeed might be so if delivery were unopposed and there were no strategic and tactical reaction to this threat. For example, if the Soviet Union were undefended against modern high- or low-altitude bombers, then perhaps 100 bombers carrying thermonuclear weapons would be adequate to

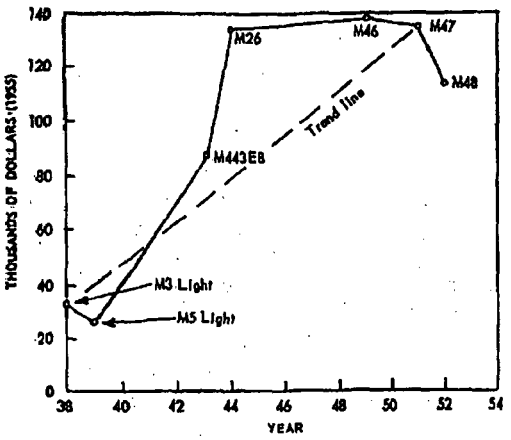

Figure 1.—Unit Costs of U. S. Tanks.

destroy the USSR. These might even be bombers of a relatively obsolete type. Such a bomber force could be supported at a cost of 2 to 3 billion dollars a year.

Unfortunately the universal reaction to the delivery of atomic weapons has led to the design of incredibly effective air defense systems. These have now progressed to the point where the forecast can be made that after paying a certain admission price to establish warning and control nets, the air attack, in order to keep its ability to destroy, will be required to spend between 2 to 10 dollars for every dollar that is spent in the opposing air defense. Thus in a symmetrical game of air attack-air defense between the U. S. and the USSR, such as now exists, the outcome will be determined by the funds spent in the prior 6 years to establish levels of attack and defense.

The lead time to bring an effective system into being is of the order of 5 to 8 years. Thus in this gaming the imprecise forecast, and therefore the gambles taken 6 to 8 years previously and pursued vigorously, determines the outcome of the combat at the time of war.

The rapid turnover of air weapons systems shown in Fig. 4 illustrates the dynamic nature of weapons systems and the rapid rate of obsolescence. Figure 4 also illustrates the increasing competitiveness of the Soviet Union in the race for a modern air attack system. Note that the Soviet lag, as in the Tu–4 to the B–29, changed to a forecast lead for the ICBM. A good part of Fig. 4, of course, is based on intelligence information with respect to USSR and U. S. weapons planning.

The nature of the relation between an air defense budget in billions of (equivalent) dollars on the one side and an air offense budget in billions of (equivalent) dollars on the other side with respect to the outcome of the air battle is shown in Fig. 5. This applies only to the battle between manned bombers of the type shown in Fig. 2, and guided missiles of the type now being installed by the U. S. and the USSR. (By *equivalent* dollars is meant the amount the U. S. would have to spend to produce the given weapons systems. The conversion of equivalent dollars to rubles is complicated not only by the lack of free-currency exchange ratios, but also by the fact that the ratios of labor to capitalization are different in the U. S. and the USSR. The USSR may to some extent substitute labor for capitalization. The uncertainties in the present analysis make refinements of this sort unprofitable. It is assumed here that equivalent dollars may be

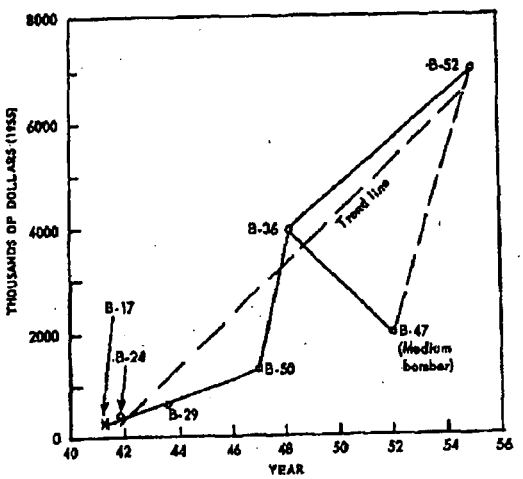

Figure 2.—Unit Costs of U. S. Heavy Bombers.

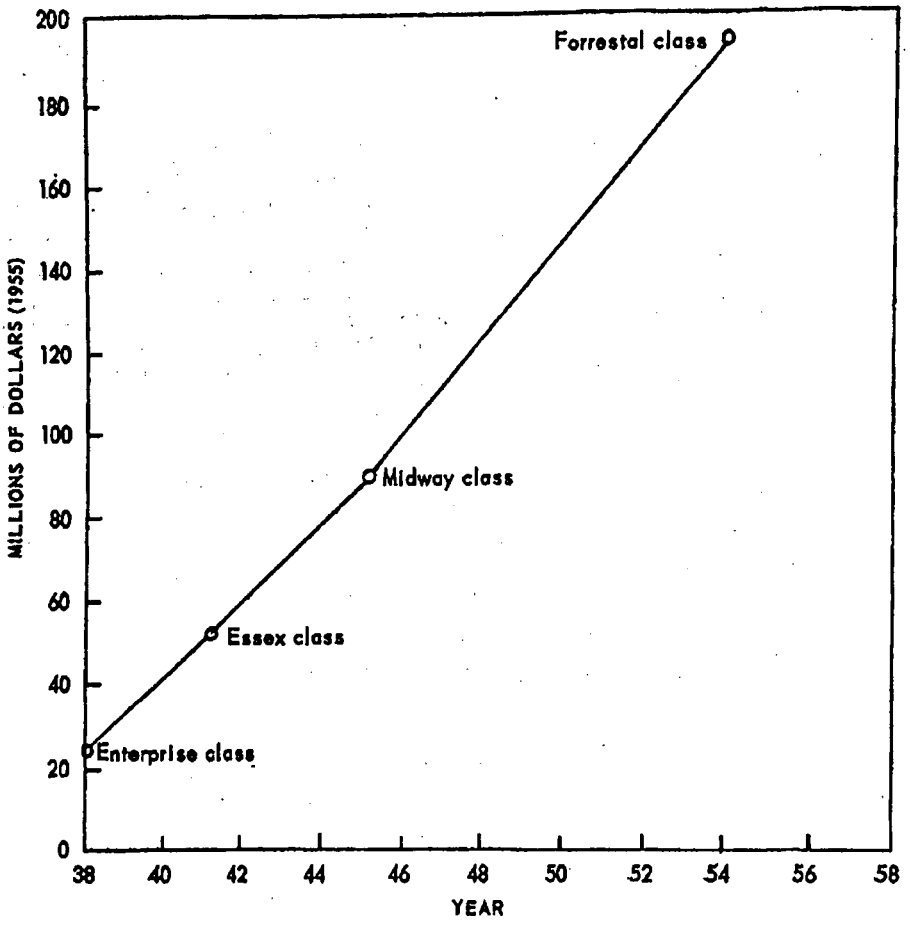

Figure 3.—Unit Costs of U. S. Aircraft Carriers.

converted to rubles by a ratio near that of the diplomatic currency exchange. The uncertainties of the methodology are thus pushed back to a determination of the maximum feasible "peacetime" military budget.)

The linearity of the relations in the main part of these curves may be subject to refinement, and even the slopes of the lines may be somewhat in error. One essential feature of these illustrative curves is the threshold phenomenon indicated by the horizontal segments at the lower ends. The exact nature of this threshold phenomenon is but poorly known. The presence of these segments is due to the fact that a minimum defense budget is required (for radar systems, etc.) before any real protection can be afforded and a minimum attack budget is required before any appreciable damage can be inflicted even on an undefended ZI. Increments to the offensive budget above the minimum level produce an immediate appreciable gain in damage until adequate defense above

the threshold limit has been provided. The slopes of the curves in Fig. 5 indicate that an advantage of over 10 to 1 for the attack budget over the defense budget is necessary to achieve high probability of high damage to the ZI; on the other hand, a defense budget half the enemy's attack budget will give high probability that little damage may be inflicted on the ZI attacked.

In Fig 6 the relation between submarine and antisubmarine budget is shown. The presence of a nearly horizontal segment in the curve giving high probability of controlling the sea lanes again indicates that there is a minimum defensive expenditure before control can be assured even against light attacks.

On the other hand the curve delimiting marginal disruption of sea lanes crosses the horizontal axis to the right of the origin, indicating that sea attack must exceed certain minimum levels before any appreciable effect can be produced. The slopes of these curves indicate that defense budgets must exceed 4.5 times the attack budget to completely protect shipping and maintain U. S. control of the seas, provided the offensive budget exceeds the threshold. Moreover, the defense budget must exceed 3 times the budget for the offense to maintain even marginal control of shipping lanes and the ground war in Europe or the Soviet periphery.

In Fig. 7 the relation between opposing ground forces is shown. For these curves, it is postulated on a relatively inadequate basis that for equal budgets land-combat effectiveness is approximately the same on both sides, averaged over a war. Under this assumption equal budgets lead to stalemate, whereas an advantage of 3 to 2 in favor of either side leads to a reasonably high probability of victory. Whether there is a threshold effect for this latter case is debatable. Any such threshold would be relatively small ($0.4 billion, say) and has been neglected here.

An implication of the preceding illustrative curves is that to ensure U. S. victory, including heavy damage to Soviet PVO, adequate protection of U. S. ZI, victory in the European and

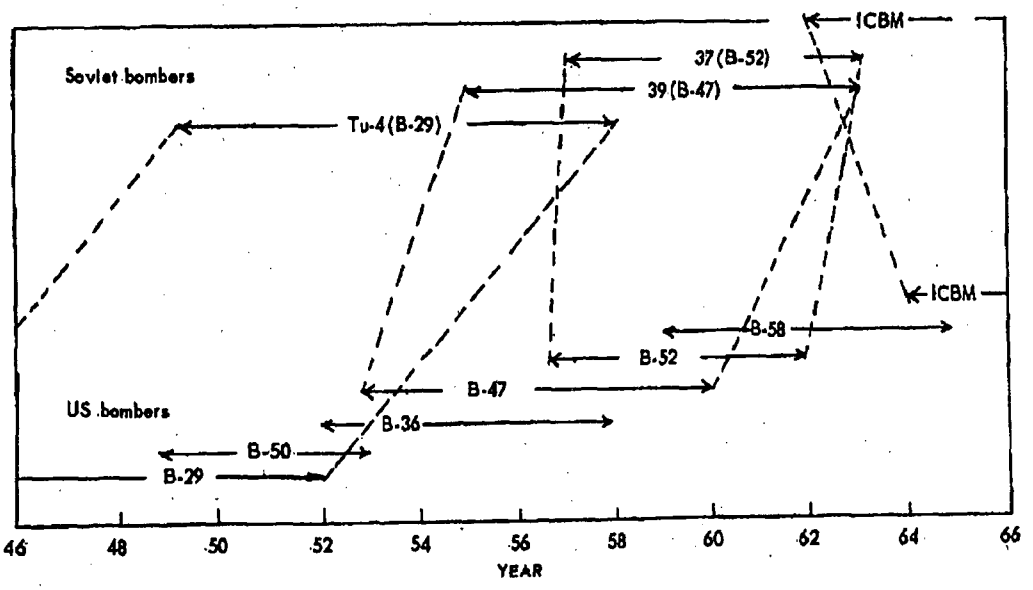

Figure 4.—Time of Introduction of U. S. and USSR Bombers.

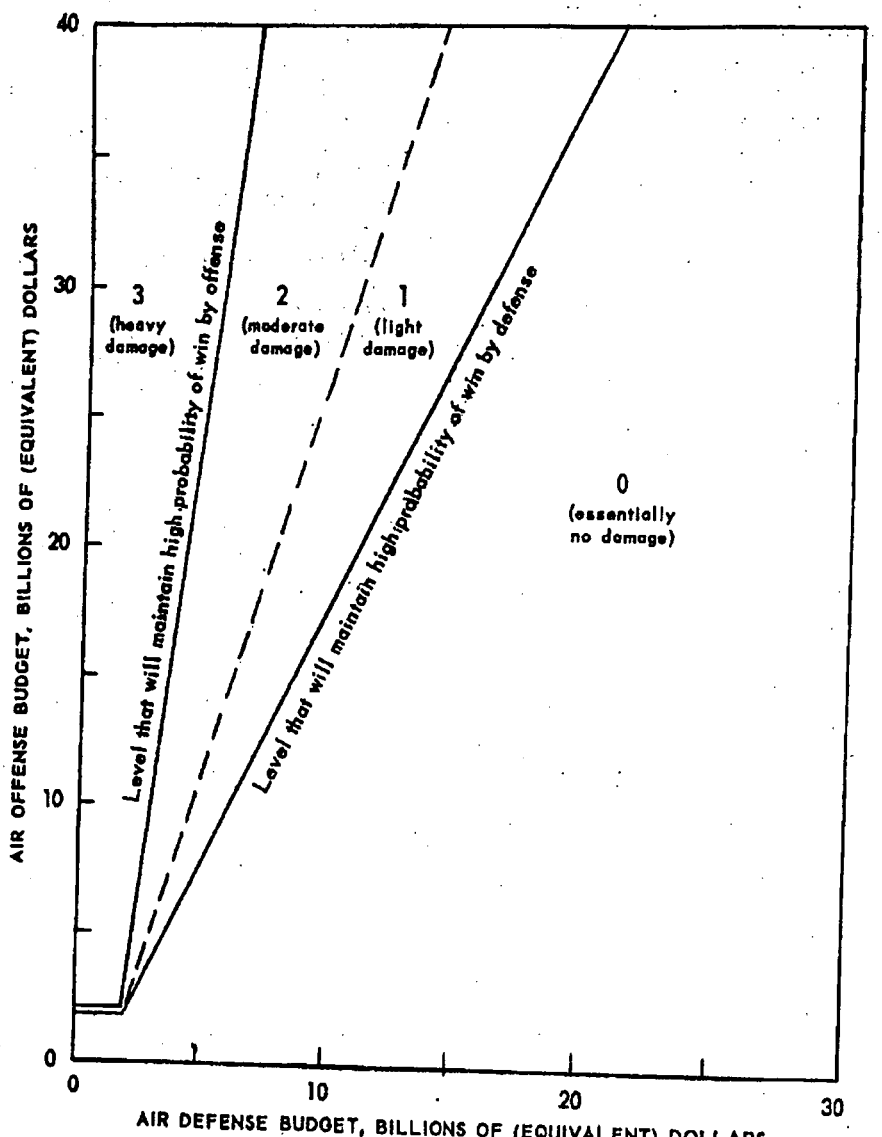

Figure 5.—Relation between Air Attack and Air Defense Budgets. (The numbers identify the regions designated in the game matrix results in Appendix A. The bend in the curves for lower budgets indicates the minimum effective offense and defense budgets—or "threshold effect.")

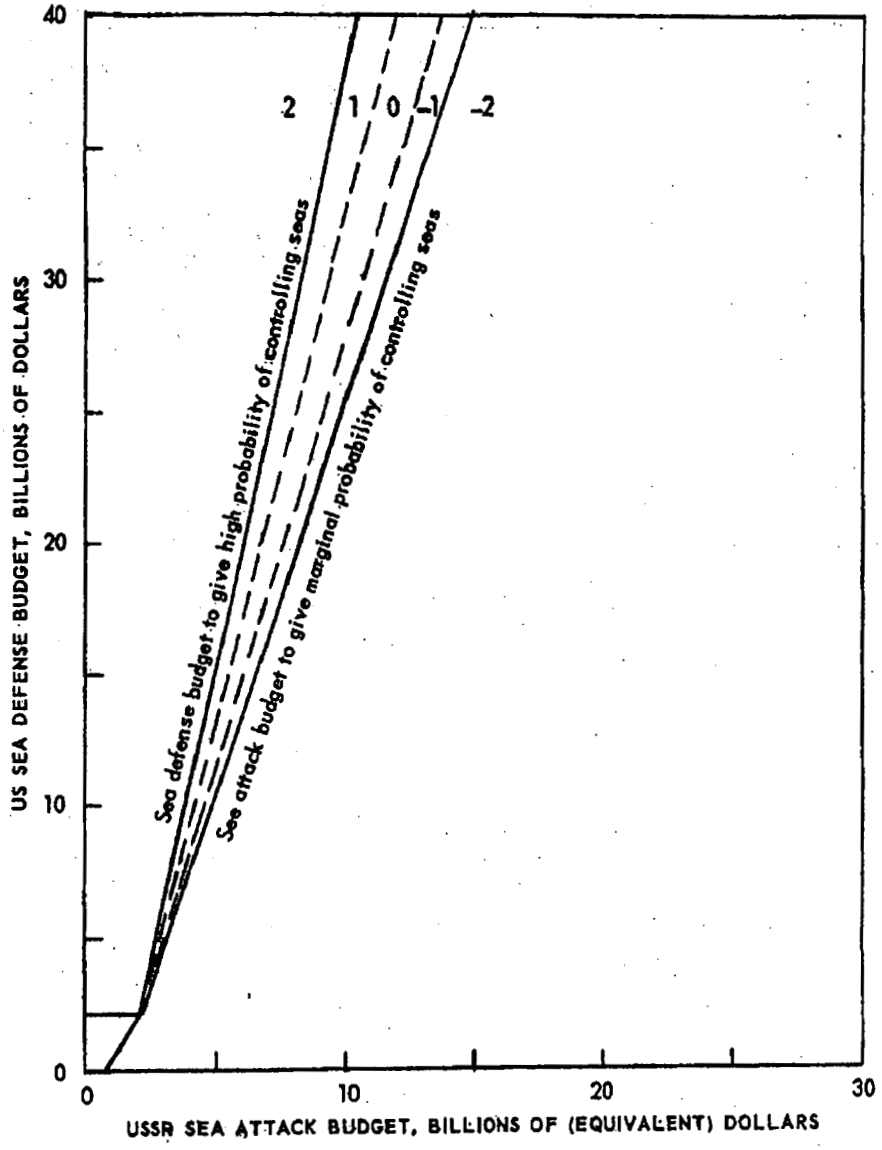

Figure 6.—Relation between Sea Attack and Defense Budgets. (The dotted lines and numbers identify the regions used for scoring the games in Appendix A.)

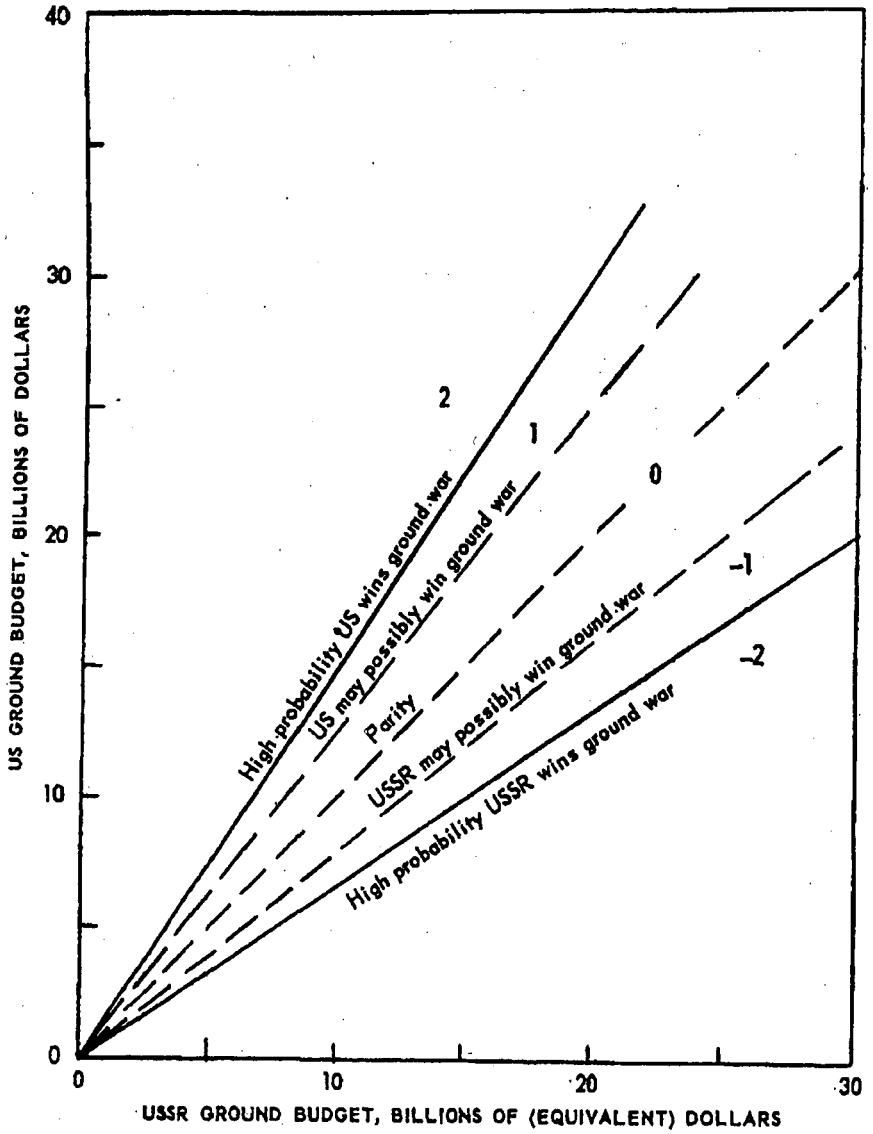

Figure 7.—Relation between Ground Budgets. (The dotted lines and numbers identify the regions and scoring of the games in Appendix A.)

peripheral ground wars, and complete supremacy at sea with unchallengeable control of shipping lanes, the U. S. budget should cover SAC forces exceeding the Soviet air defense budget by a ratio of 10 to 1, an air defense budget exceeding 0.5 times the Soviet LRAA (Long-Range Air Army) budget, an army budget exceeding 1.5 times the Soviet army budget, and a sea defense budget exceeding 4.5 times the Soviet submarine budget. A Russian budget of any specified size is thus most effective if most heavily concentrated on submarines and least heavily on SAC. On the other hand, if the U.S. were content to maintain the status quo and merely defend with a smaller budget, the U. S. air defense budget should exceed 0.5 times the Russian SAC budget and the naval budget should exceed the Russian submarine budget by a factor of about 3 to 1. Again the Russians can best force a larger U. S. budget by concentrating largely on naval forces. The advantage of air defense expenditures over air offense expenditures makes for stalemate (easy parity) in the air battle or for a quick surprise attack with Trojan-horse tactics. Thus in searching for good strategies, the most attractive budgets tend to be balanced—or are even slightly directed toward predominantly naval expenditures.

The general conclusions based on the slopes and shapes of the assumed curves, imprecise and inaccurate though they may be, can be further explored by simple military-economic games, as indicated in the matrix of cases tabulated in Appendix A. Such games can be established to determine whether or not the best solution for the U. S. lies in a high, intermediate, or very low budget, and to determine the general nature of these budgets.

The proposed model would consist of a symmetrical air attack-air defense model with exchange rates based on Fig. 5; included in the air offense budget would be the use of Navy and Air Force strategic delivery. That other part of the naval effort that is concerned with transportation of the Army overseas and with amphibious landings could be allocated to land-war budget. The relative exchange rates shown in Fig. 6 relate to the USSR attempt to prevent transport of U. S. forces overseas and the attempt by the U.S. to counteract and eliminate Soviet attack. Accepting these relations, then, one plays a set of military-economic games with different budgets on the U. S. and Soviet sides.

For illustrative purposes these games have been played with the budgets ranging from $3 billion to $80 billion in ratios from 4:1 to 1:4. For budgets sufficiently above the threshold levels the ratios are most important. The game matrices are illustrated in Appendix A, where various combinations of U. S. and USSR budgets of fixed amounts are compared. A "good" strategy for each side is then selected according to the minimax game principle based on subjective estimates of the values of the outcomes.

Four striking sets of facts tend to emerge from these games:

First, by expanding reasonable funds on air defense it is relatively easy to achieve an atomic stalemate in which neither side can make effective use of strategic delivery of thermonuclear weapons.

Second, the pay-offs have an antisymmetry (introduced principally by the naval exchange ratios) favoring the USSR for low budgets, and to a lesser extent favoring the USSR for high budgets in ratios from 2 (U. S.) to 1 (USSR) on through those of high USSR budget ratios. Considering that the maximum budget in a cold war condition (without decreasing capitalization rates) that either side may expend on defense is much greater for U. S. than USSR, the high U. S. budget expenditure gives the U. S. its most advantageous position vis-à-vis USSR. These conclusions (as implication of the exchange ratios of Figs. 5, 6, and 7) are illustrated in Fig. 8, where the outcomes resulting from the good strategies are plotted. The contours of equivalent results have been constructed from the outcomes for specific budgets, where each

TABLE 1.—*Estimated USSR Military Budget*

Year	Current rubles, billions [1]		1951 rubles, billions [1]	1951 dollars, billions [2]
	Announced	Actual		
1948	66.1	66.3	85.0	------
1949	70.1	70.2	------	------
1950	79.4	82.9	------	------
1951	96.4	93.4	------	------
1952	113.8	108.6	------	------
1953	110.2	(3)	------	------
1954	100.3	(3)	127.0	23.8
1955	112.1	(3)	136.0	------
1956	[4] 110 to 115	(3)	------	------

[1] Ruble figures do not include hidden or undisclosed defense expenditures.
[2] Dollar figures include hidden expenditures.
[3] Not announced.
[4] Estimated.

side is assumed to follow the "good" strategy selected from a game matrix like that in Appendix A.

Third, extreme strategies of the type "putting all the eggs into one basket" tend to be dangerous strategies easily countered by a balanced force on the other side.

Fourth, that advantage for the U. S. is not achieved at low budgets until complete disarmament is approached.

The recent estimated budgets of the two countries are shown in Tables 1 to 3. An estimate of the maximum defense budget each side is willing and able to expend under cold-war conditions is subject to many uncertainties. It is considered that this maximum would not interfere with the present rate of capitalization, but would result from decreasing civilian consumption and (for U. S.) achieving a maximum of production per unit capitalization. These maxima are estimated to be about $60 billion for U. S. and about $30 billion (equivalent) for the USSR. These estimates are given here more for illustrative purposes. The consequences of these limits can be seen from Fig. 8.

These figures are not firm estimates of maximum capability. The $30 billion figure for the Soviet Union represents the middle of a

TABLE 2.—*U. S. Gross National Product and Yearly Defense Expenditures (Unclassified)*

[Billions of dollars]

Fiscal year	GNP [1]	Total [2]	Army [2]	Air Force [2]	Navy [2]
1956 [3]	------	40.5	8.85	15.6	9.70
1955 [3]	[3] 380	40.6	8.90	15.2	9.78
1954	360.5	46.5	12.91	15.7	11.29
1953	364.5	50.3	16.24	15.1	11.88
1952	345.2	43.8	15.63	12.8	10.16
1951	328.2	22.3	7.47	6.35	5.58
1950	285.1	13.0	3.00	3.00	4.10
1949	257.3	12.9	5.24	1.75	4.39
1948	257.3	11.8	5.34	1.12	4.20
1947	232.2	14.4	6.28 (point Army and AF)		5.50
	Extrapolated values based on 1953 maximum defense expenditures				
1957	[3] 425	[3] 60 max.	------	------	------

[1] "Survey of Current Business" (National Income Number), July 1955.
[2] The Budget of the United States, FY 1956.
[3] Estimated.

TABLE 3.—*Gross National Product by Use*

Country and use	Year					
	1937	1940	1944	1948	1951	1954
USSR:						
Consumption	66	65	47	58	56	55
Government	3	4	3	5	4	4
Investment	23	16	12	23	25	27
Defense	8	15	38	14	15	14
U. S.:						
Consumption	74	71	53	70	67	70
Government	10	9	3	6	4	3
Investment	15	18	4	20	10	15
Defense	1	2	41	4	10	12

range of USSR defense expenditure estimates for 1955 and 1956 increased approximately 5 percent annually until 1960 to suggest a rather optimistic rate of growth in national product.[1] The working figure of $60 billion for the U. S. relied on both an extrapolation of the trend of

[1] CIA/RR 23 (ORR Project 26-52-I), "The Economy of the Soviet Bloc: Production Trends and 1957 Potential," 20 May 1953.

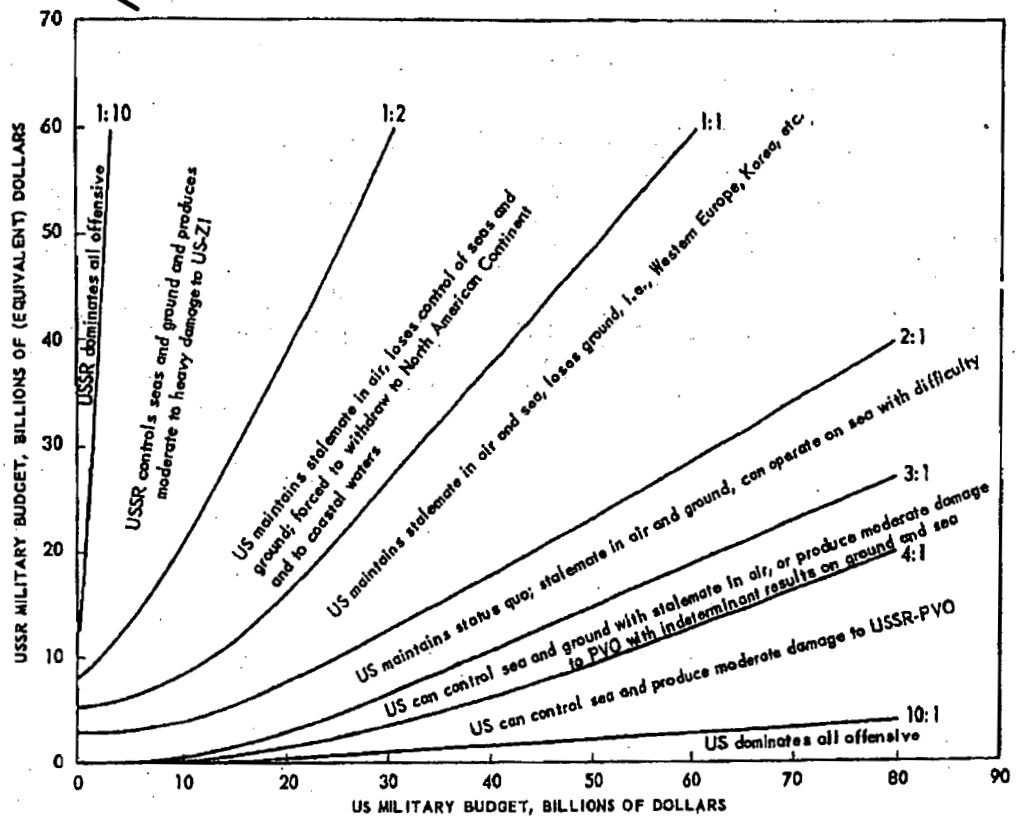

Figure 8.—Results of Best Strategies on Both Sides in Illustrative Game.

the GNP through 1960 (*Table 2*) and an estimate of 1960 gross national product amounting to $425 billion.[2] This defense expenditure would amount to about 15 percent of the estimated GNP, the same relation that existed between the two quantities in 1953, the year of highest defense expenditure in peacetime. The $54 billion USSR defense expenditure in 1954, from which the $30 billion was extrapolated, constituted about 20 percent of the Soviet budget in that year. There is some reason to believe, however, that the CIA estimate of Soviet product considerably overestimates the true picture. It should be emphasized that the $30 billion figure is used for illustrative purposes only, but the uncertainty over the proper figure to use serves to point out the necessity for a more convincing estimate.

It is recognized that these particular games represent only a mockup or simulation of more accurate informative and extensive games that might be played in order to determine the best strategy for the U. S. This kind of qualitative analysis is a form of operational gaming, and to be meaningful requires a more accurate determination of the economic and military bounds of the U. S. and the Soviet Bloc. It can be seen that if the economic capability of the

[2] *Cf.* Gerhard Colm. *The American Economy in 1960*, National Planning Association, pp. 38–42.

Soviet Bloc can be established at a particularly low level, this provides the U. S. with the unique opportunity to outgame the Soviet in a military economic sense and therefore to deal with it out of a real strength—Air, Navy, and Army budgets being equally critical.

From the same argument it is clear that if the Soviet Union recognizes the nature of this game it should make a maximum attempt to bring about a world-wide reduction of military budgets to the lower level, where it will have a superiority.

The difficulties in determining the gross national product of the Soviet Union and the U. S. are apparent to anyone attempting to make this estimate. A reasonably accurate estimate of gross national product and estimate of the Soviet military budget including breakdown by services must be determined before significant results can be obtained through this kind of analysis, since this is critical to the level of the U. S. budget if war is to be deterred. Even more important, a rough analysis of the input-output systems of the two economies is required. An analysis of such input-output systems sufficient for this kind of gaming could be established, but so far as is known this has not been adequately done. It is also clear that the present cursory attempt to establish military models, especially for exchange rates, is not adequate, but it is considered that such models (which could be crude and aggregated for the purposes of this kind of gaming) could be designed on the basis of existing knowledge in the military establishments.

In view of the importance of air defense in this gaming, the effectiveness of air defense for the continental U. S. and NATO is discussed in Appendices B and C.

The results of the illustrative games are strongly dependent on the military-economic exchange ratios. Obviously these will not be static quantities; they will constantly change with the technological evolution of the weapons systems. The exchange ratios illustrated in Figs. 5 and 6 are consistent with the prognosis for the immediate future (1960–1962), assuming that the U. S. as well as the USSR can have adequate air defenses by this period. When the ICBM becomes operational the great advantage of air defense over air attack will be lost, and the situation with respect to the air battle will revert to that which has existed in the immediate past. When the air attack is favored, the good strategies lead to high air-attack budgets; when the air defense is favored the good strategies lead to balanced or even low air-attack budgets with higher ground and naval budgets. Not only will the situation with respect to budget strategies be changed, but also it is predicted to swing much more favorably for the Soviet Bloc. For the period when the USSR has ICBM and the U. S. does not (1962–1964), the air offensive will be dominated by the enemy until the U. S. Bloc can restore parity by making its own ICBM operational.

V. CONCLUSIONS

1. High-level military budgets provide a far more favorable chance for the U. S. to win and a far greater deterrent to war in a conflict between the U. S. and the USSR than lower budgets.

2. The Soviet Union at intermediate and lower budgets would have a relative advantage and therefore would tend to attempt to bring about sufficient reductions in world armaments to bring their system into a favorable zone of competition.

3. In order to get a good estimate of a relatively favorable military budget for the U. S. an input-output analysis for the Soviet Bloc and the U. S. Bloc is required. Such an analysis is feasible and could be relatively crude.

4. An aggregated military model designed in terms of economic parameters is also required in order to obtain useful results. Such a model could be constructed on the basis of existing information.

5. Only complete disarmament in offensive

weapons systems approaches a high-level budget system in relative advantage to the U. S.

6. Intermediate-level military budgets are regarded as especially dangerous to the U. S., and care should be taken to achieve either a high military budget or complete disarmament with a minimum of time of transition through intermediate budget levels. In fact until such a time as the U. S. is completely assured of the good intentions of the Soviet Union, it would be extremely dangerous to consider a prolonged transition from high budget levels to complete disarmament.

7. The NSC could make a sufficiently accurate analysis, of the type described herein, by a cooperative effort of existing agencies.

8. Research and development needs to be kept at a high level in order to prevent establishment of an unfavorable tactical exchange rate for the U. S., with the resulting unfavorable effect on the budget required to maintain deterrence. The U. S. should seek through research and development to correct the unfavorable exchange ratio between the enemy naval attack and the U. S. defense. The U. S. should seek to maintain a favorable exchange for air defense (or air counterattack) over enemy air attack, particularly with respect to ICBM.

9. The U. S. air defense budget requires the most immediate and urgent national attention.

VI. RECOMMENDATIONS

Consideration should be given to making an analysis of the relative U. S. advantage of military budgets at various levels and at various future times, and of the land, sea, and air offense and defense budgets most suited to provide the greatest deterrent against war.

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Paper 11:
Appendix A

Results of Illustrative Game

This appendix contains the working sheets for the outcomes of the illustrative game. To emphasize the game character of the problem, and to organize the results, the outcomes have been laid out in rectangular matrices. Because of the simple linear nature of the assumed curves of exchange ratios, much of the results can also be obtained analytically.

The selection of the "good" strategies—that is, the combination of strategies when each side is pursuing his preferred strategy—depends not only on the outcomes but also on a subjective estimate of the relative preference among the alternatives.

Each budget mix for the U. S. must be selected in the absence of information concerning that mix—or even that budget—selected by the USSR. These uncertainties led to conservation and to more nearly equal mixes.

The outcomes are coded according to the code numbers on Figs. 5, 6, and 7, which plot the exchange ratios for air attack-air defense, U. S. sea defense-USSR sea attack, and ground interaction, respectively.

The outcomes based on these approximate and illustrative curves imply that the U. S., even for budget ratios twice as great as that for the USSR, could have its sphere of influence reduced to that of the North American continent, if challenged, in the period when the weapons systems described are in effect.

The games illustrated here far from exhaust the investigation of possible strategies. However, for budgets above $20 billion (effective) the outcomes and relative budget mixes are determined more by the budget ratios than by their absolute values.

Outcomes are coded in Table A1 according to code numbers in Figs. 5 to 7. The figures in parentheses at the top of each box give the outcomes of the air battles (see Fig. 5); the first number being the effect on the U. S., the second the effect on the USSR. The number 3 represents high probability of heavy damage, 2 an expectation of moderate damage, 1 of light damage. Thus the combination (2, 1) represents moderate damage to U. S. expected, but only light damage to USSR. The number in the middle gives the probable result of the ground battle (see Fig. 7), where the interpretation is as follows: 2, U. S. wins; 1, U. S. can possibly win; 0, indeterminate; −1, USSR can possibly win; −2, USSR wins ground battle. Whenever a ground outcome favorable to the U. S. but a Navy outcome unfavorable to the U. S. is indicated, the number is put in parentheses, indicating that the ground battle can be lost from lack of capability of LofC. The Navy outcomes are coded according to Fig. 6, where the interpretation is: 2, U. S. controls seas; 1, U. S. can achieve local control of seas; 0, indeterminate; −1, USSR can deny local areas of sea to U. S.; −2, USSR controls seas. Preferable strategies (in judgment of the writer) are indicated by ellipses.

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Table A1

OUTCOMES OF GAMES FOR VARIOUS COMBINATIONS OF US AND USSR BUDGETS[a]

US budgets		USSR budgets: Air Atk / Air Def / Ground / Navy	$3 billion (equivalent)	$5 billion (equivalent)		
			.3 / 2.0 / 0.5 / 0.2	2.0 / 2.0 / 0.5 / 0.5	1.0 / 2.0 / 1.0 / 1.0	.5 / 1.0 / 2.0 / 1.5
$3 billion	Air Atk .5 / Air Def 2.0 / Ground .2 / Navy .3		(0,0) / 0 / 0	(0,0) / −2 / 0	(0,0) / −2 / 0	(0,0) / −2 / 0
$5 billion	Air Atk 2.0 / Air Def 2.0 / Ground 0.5 / Navy 0.5		(0,0) / 0 / 0	(0,0) / 0 / 0	(0,0) / −2 / 0	(0,0) / +2 / 0
	Air Atk 1.0 / Air Def 2.0 / Ground 1.0 / Navy 1.0		(0,0) / 2 / 1	(0,0) / 2 / 0	(0,0) / 0 / 0	(0,0) / +2 / −2
	Air Atk .5 / Air Def 1.0 / Ground 2.0 / Navy 1.5		(0,0) / 2 / 0	(0,0) / 2 / 0	(0,0) / 2 / 0	(0,0) / 0 / 0
	Air Atk .3 / Air Def 1.0 / Ground 1.5 / Navy 2.2		(0,0) / 2 / 0	(0,0) / 2 / 0	(0,0) / 2 / 0	(0,0) / −1 / 0

US Preferred Strategy

USSR Preferred Strategy

[a]See Para A7 for explanation of coding.

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Table A1 (continued)[a]

US budgets		USSR budgets: $5 billion (equivalent)			$10 billion (equivalent)					
		Air Atk 2.0 Air Def 2.0 Ground 0.5 Navy 0.5	Air Atk 0.5 Air Def 3.0 Ground 2.0 Navy 1.5	Air Atk 0.5 Air Def 1.0 Ground 1.0 Navy 0.5	Air Atk 4.0 Air Def 3.0 Ground 1.0 Navy 2.0	Air Atk 3.0 Air Def 3.0 Ground 2.0 Navy 2.0	Air Atk 0.5 Air Def 3.0 Ground 3.0 Navy 3.5	Air Atk 0.5 Air Def 3.0 Ground 2.0 Navy 4.5	Air Atk 0.5 Air Def 2.5 Ground 4.0 Navy 3.0	Air Atk .3 Air Def 3.7 Ground 3.4 Navy 2.6
$5 billion	Air Atk 2.0 Air Def 2.0 Ground 0.5 Navy 0.5				(2,0) (0,0) −2 −2	(0,0) (0,0) −2 −2	(0,0) (0,0) −2 −2	(0,0) (0,0) −2 −2	(0,0) (0,0) −2 −2	(0,0) (0,0) −2 −2
	Air Atk 1.0 Air Def 2.0 Ground 1.0 Navy 1.0				(2,0) (0) −2	(0,0) −2 −2	(0,0) −2 −2	(0,0) −2 −2	(0,0) −2 −2	(0,0) −2 −2
	Air Atk .3 Air Def 1.0 Ground 1.5 Navy 2.2		US Preferred Strategy: Air Atk 0.5, Air Def 3.0, Ground 0.5, Navy 1.0		(2,0) (2) −2	(2,0) −1 −2	(0,0) −2 −2	(0,0) −1 −2	(0,0) −2 −2	(0,0) −2 −2
$10 billion	Air Atk 4.0 Air Def 3.0 Ground 1.0 Navy 2.0	(0,2) 2 +2	(0,3) −2 −2	(0,0) 0 −2	(0,0) 0 −2	(0,0) −2 −2	(0,0) −2 −2	(0,0) −2 −2	(0,0) −2 −2	(0,0) −2 −2
	Air Atk 3.0 Air Def 3.0 Ground 2.0 Navy 2.0	(0,0) 2 +2	(0,3) (0) −2	(0,0) (2) −2	(0,0) (2) −2	(0,0) 0 −2	(0,0) −2 −2	(0,0) (0) −2	(0,0) −2 −2	(0,0) −2 −2
	Air Atk 0.5 Air Def 3.0 Ground 3.0 Navy 3.5	(0,0) 2 +2	(0,0) 2 +2	(0,0) (2) −2	(0,0) 2 −1	(0,0) 2 −1	(0,0) (0) −2	(0,0) (2) −2	(0,0) −1 −2	(0,0) 0 −2

US Air Offensive Strategy

USSR Preferred Strategy

USSR Ground Offensive Strategy

US Preferred Strategy

[a]See Para A7 for explanation of coding.

Table A1 (continued)[a]

US budgets ↓ / USSR budgets →		$20 billion (equivalent)								$40 billion (equivalent)				
	Air Atk	10	2	5	4	4	4	4	4	10	5	10	10	15
	Air Def	2	10	5	4	4	4	5	5	10	5	5	5	12
	Ground	4	4	5	10	2	7	7	8	10	5	5	15	8
	Navy	4	4	5	2	10	5	4	3	10	25	20	10	5
$20 billion	Air Atk 10 / Air Def 2 / Ground 4 / Navy 4	(3,3) / 0 / −2	(0,0) / 0 / −2	(2+,1) / 0− / −2	(2,1+) / −2 / −1	(2,1+) / (2) / −2	(2,1+) / −2 / −2	(2,1) / −2 / −2	(2,1) / −2 / −2	(3,0) / −2 / −2	(2+,1) / 0− / −2	(3,1) / 0− / −2	(3,1) / −2 / −2	(3,0) / −2 / −2
	Air Atk 2 / Air Def 10 / Ground 4 / Navy 4	(0,3) / 0 / −2	(0,0) / 0 / −2	(0,0) / 0− / −2	(0,0) / −2 / −1	(0,0) / (2) / −2	(0,0) / −2 / −2	(0,0) / −2 / −2	(0,0) / −2 / −2	(0,0) / −2 / −2	(0,0) / 0− / −2	(0,0) / 0− / −2	(0,0) / −2 / −2	(0,0) / −2 / −2
	Air Atk 5 / Air Def. 5 / Ground 5 / Navy 5	(1,2+) / 0+ / −2	(0,0) / 0+ / −2	(0,0) / 0 / −2	(0,0) / −2 / 1+	(0,0) / (2) / −2	(0,0) / −1 / −2	(0,0) / −1 / −2	(0,0) / (−2) / −2	(1,0) / −2 / −2	(0,0) / 0 / −2	(1,0) / 0 / −2	(1,0) / −2 / −2	(2,0) / −1− / −2
	Air Atk 4 / Air Def 4 / Ground 10 / Navy 2	(1+,2) / (2) / −2	(0,0) / (2) / −2	(0,0) / (2) / −2	(0,0) / (0) / −2	(0,0) / (2) / −2	(0,0) / (1) / −2	(0,0) / (1) / −2	(0,0) / 0+ / −2	(1+,0) / 0 / −2	(0,0) / (2) / −2	(1+,0) / (2) / −2	(1+,0) / −2 / −2	(2,0) / 0+ / −2
	Air Atk 4 / Air Def 4 / Ground 2 / Navy 10	(1+,2) / −2 / −1	(0,0) / −2 / −1	(0,0) / −2 / −2	(0,0) / −2 / 2	(0,0) / 0 / −2	(0,0) / −2 / −2	(0,0) / −2 / −1	(0,0) / −2 / −2	(1+,0) / −2 / −2	(0,0) / −2 / −2	(1+,0) / −2 / −2	(1+,0) / −2 / −2	(2,0) / −2 / −2
$40 billion	Air Atk 10 / Air Def 10 / Ground 10 / Navy 10	(0,3) / 2 / −1	(0,0) / (2) / −1	(0,1) / (2) / −2	(0,1+) / 0 / −2	(0,1+) / (2) / −2	(0,1+) / (1) / −3	(0,1) / 1 / −1	(0,1) / 0+ / 2	(0,0) / 0 / −2	(0,1) / (2) / −2	(0,1) / (2) / −2	(0,0) / −2 / −2	(0,0) / (0+) / −2
	Air Atk 5 / Air Def 5 / Ground 5 / Navy 25	(1,2+) / 0+ / 2	(0,0) / 0+ / 2	(0,0) / 0 / +2	(0,0) / −2 / 2	(0,0) / (2) / −2	(0,0) / −1 / +2	(0,0) / −1 / 2	(0,0) / −2 / 2	(1,0) / −2 / +2	(0,0) / 0 / −2	(1,0) / 0 / −2	(1,0) / −2 / −2	(2,0) / −1− / +2
	Air Atk 10 / Air Def 5 / Ground 5 / Navy 20	(1,2+) / 0+ / 2	(0,0) / 0+ / 2	(0,1) / 0 / +2	(0,1+) / −2 / 2	(0,1+) / (2) / −2	(0,1+) / −1 / 2	(0,1) / −1 / 2	(0,1) / −2 / 2	(1,0) / −2 / −2	(0,1) / 0 / −2	(1,1) / 0 / −2	(1,1) / −2 / −2	(2,0) / −1− / 2
	Air Atk 5 / Air Def 10 / Ground 5 / Navy 20	(0,3) / 0+ / 2	(0,0) / 0+ / 2	(0,0) / 0 / 2	(0,0) / −2 / 2	(0,0) / 2 / −2	(0,0) / −1 / 2	(0,0) / −1 / 2	(0,0) / −2 / 2	(0,0) / −2 / 2	(0,0) / 0 / −2	(0,0) / 0 / −2	(0,0) / −2 / −2	(0,0) / −1− / 2
	Air Atk 20 / Air Def 10 / Ground 5 / Navy 5	(0,3) / (0+) / −2	(0,1−) / 0+ / −2	(0,2) / 0 / −2	(0,2+) / −2 / 1+	(0,2+) / (2) / −2	(0,2+) / −1 / −2	(0,2) / −1 / −2	(0,2) / −1− / −2	(0,1−) / −2 / −2	(0,2) / 0 / −2	(0,2) / 0 / −2	(0,2) / −2 / −2	(0,0) / −1− / −2

[a] See Para A7 for explanation of coding.

Table A1 (continued)[a]

US budgets		USSR budgets → $20 billion (equivalent)				$60 billion (equivalent)			
	Air Atk	3	3	2	1	40	20	15	40
	Air Def	10	8	8	8	10	10	15	5
US	Ground	3	4	5	5	5	5	15	10
budgets	Navy	4	5	5	6	5	15	15	5
$20 billion	Air Atk 3 / Air Def 10 / Ground 3 / Navy 4					(2,0) / −2 / −2	(1,0) / −2 / −2	(0,0) / −2 / −2	(2,0) / −2 / −2
	Air Atk 10 / Air Def 3 / Ground 3 / Navy 4					(3,0) / −2 / −2	(2,0) / −2 / −2	(2,0) / −2 / −2	
	Air Atk 5 / Air Def 5 / Ground 5 / Navy 5					(2+,0) / 0 / −2	(2,0) / 0 / −2	(1+,0) / −2 / −2	
	Air Atk 3 / Air Def 4 / Ground 3 / Navy 10					(3,0) / −2 / −2	(2,0) / −2 / −2	(2,0) / −2 / −2	
$60 billion	Air Atk 30 / Air Def 5 / Ground 5 / Navy 20	(0,1+) / +2 / +2	(0,2) / 0+ / 0+	(0,2) / 0 / 0+	(0,2) / 0 / 0	(2+,1+) / 0 / 0+	(2,1+) / 0 / −2	(1,1−) / −2 / −2	
	Air Atk 20 / Air Def 10 / Ground 10 / Navy 20	(0,3) / +2 / +2	(0,1) / +2 / 0+	(0,1) / +2 / 0+	(0,1) / +2 / 0	(2,1) / +2 / 0+	(1,1) / +2 / −2	(0+,0) / −(1−) / −2	
	Air Atk 40 / Air Def 10 / Ground 5 / Navy 5	(0,2) / 2 / −2	(0,2) / 1− / −2	(0,2) / 0 / −2	(0,2) / 0 / −2	(2,2) / 0 / −2	(1−,2) / 0 / −2	(0+,1) / −2 / −2	(2,2+) / −2 / −2
$80 billion	Air Atk 50 / Air Def 15 / Ground 5 / Navy 10	(0,2) / 2 / −1	(0,2) / 0+ / −2	(0,2) / 0 / −2	(0,2) / 0 / −2				
	Air Atk 40 / Air Def 10 / Ground 3 / Navy 25	(0,2) / 2 / 2	(0,2) / 0+ / 2	(0,2) / 0 / 2	(0,2) / 0 / 1				
	Air Atk 40 / Air Def 5 / Ground 10 / Navy 25	(0,2) / 2 / 2	(0,2) / 2+ / 2	(0,2) / 2 / 2	(0,2) / 2 / 1				

USSR Preferred Strategy

US Preferred Strategy

US Preferred Strategy Balanced

[a] See Para A7 for explanation of coding.

Paper 11: Appendix B

Defense of Continental U. S. Against Air Attack

(Because of its security classification, this paper is not included in this volume. It may be obtained on a "need-to-know" basis from the Director, Operations Research Office, Johns Hopkins University, Washington, D. C.)

SECRET

Paper 11:
Appendix C

Defense of NATO Against Air Attack

I. CURRENT MILITARY POSTURE OF NATO

The current military posture of NATO has an especially crucial aspect: the feasibility of obtaining an adequate defense of Western Europe against airborne nuclear attack by 1958–60.

This aspect of U. S. military policy is held to be crucial for one outstanding reason—the viability of the NATO alliance depends on the willingness of the people of Western Europe to face up to the fearful implications of modern war. There are of course other reasons, among them the necessity for defending U. S. and Allied bases, lines of communication, and ports against air attack. But since these purely military considerations would be of little moment should the NATO alliance fail, major attention has been directed to the question of Western European morale.

It has been concluded that by 1958–60, through an accelerated surface-to-air guided-missile production and training program, an antiair defense system could be erected that would render an air assault on Western Europe very costly and, more importantly, would give the people of that area visible assurance that they were not to be left to bear the brunt of nuclear attack. A program capable of effecting a very high level of defense, although desirable, is probably not feasible within the given time frame. However, a "high level" defense is not absolutely essential to achieve the primary objective.

More specifically it is concluded that current and projected NATO defensive measures are inadequate to meet the magnitude of the known air attack threat and that manned interceptors alone are inherently incapable of meeting it under the limitations imposed in Europe by time and distance. The most promising air defense system must be based on surface-to-air missiles. Of these, NIKE is currently available and offers in being a weapon that can at once supplement existing weapons and serve as the nucleus from which a high-level defense system can be evolved.

A level of defense sufficient to render the cost of an air assault nearly prohibitive and give visible evidence of a modern defense in being could be achieved by the employment of 81 NIKE battalions in Western Europe, Greece, Turkey, and North Africa.

The initial over-all cost would approximate $2.2 billion, of which the U. S. would probably bear about $1.5 billion. Annual operating costs after installation would total $240 million, of which the U. S. share would amount to $100 million.

From these conclusions it is proposed that immediate steps should be taken to obtain approval for and direct the implementation of all requisite actions to effect the deployment of NIKE B guided-missile battalions for use in the air defense of NATO Europe.

II. ANALYSIS OF THE PROBLEM

In the absence of clear assurance that the current policy of nuclear retaliation would in fact be decisive in the event of war, and in the face of possible stalemate or neutralization, the role of land armies in Europe cannot be disregarded. In the initial phase of a general war, the principal NATO strength on the ground necessarily would be the armies of Western Europe.

Thus the validity of current national policy rests in large measure on the will to fight of the people of Western Europe. Not only is their

military contribution to NATO land power at stake; equally important is the safety of United States forces committed in Europe at the outbreak of hostilities. Defection of one or more allies would weaken already inadequate land forces, would threaten Unitee States lines of communication, and would posd the possibility of internment of those U. S. troops in, or dependent for escape on passage through, the defected country.

Without seeking to bring into question the soundness of existing policy, there must be emphasized the possibility that the air campaign might be stalemated, or prove indecisive, or be prohibited by exigencies that may be conjectured but not predicted. In any eventuality, NATO military success and the political and economic survival of the NATO nations would necessarily depend on the ability and willingness of all members of the alliance to continue an initially unfavorable contest on land.

The foregoing considerations relate to possibilities in case of actual war. They bear with equal or greater force on any period of tension preceding war or the imminent probability of war.

Terrible as the threat of nuclear devastation may appear to the people of the U.S., it is even more fearful to the people of Western Europe. Distance and time limits the numbers of bomb-carriers that may be directed against the North American continent; Western Europe is within range of literally thousands of aircraft capable of carrying nuclear weapons. From the standpoint of morale, the question of long-range surface-to-surface missiles, aside from the technological aspects of attack and defense, falls into the identical frame of reference. In the course of development of such missiles there is precedent for the assumption that missiles capable of reaching Western Europe targets would precede those capable of attacking targets in the Western Hemisphere.

These facts, magnified by apprehension that is in turn magnified by propaganda and sensationalism in politics and journalism, are very real to the people of Western Europe. They are complicated both in immediacy and magnitude by the publicity given the probable destructiveness of nuclear weapons. As reports of more powerful bombs (in being or projected) and the lethality and inescapability of fall out reach the people of Western Europe, it is not unreasonable to suspect that their apprehensions must approach the proportions of genuine psychosis. Much of what the people of Western Europe believe may be fantastically unrealistic, but these beliefs influence their actions, and upon their actions depends in large measure the viability of the NATO alliance. It hardly comports with logic to expect already war-weary people to achieve unanimity in accepting certain death as the price of a freedom that even their children would not live to enjoy.

Yet all these people except the British have tasted dictatorship in recent years. Somewhere between the extremes of resignation to atomic obliteration and resignation to slavery lies a mean on which all could rest in hope and relief. The most acceptable mean, of course, would be a state of world peace, whether attained by good will or by a firm stalemate in military power. If the possibility of war must be accepted and lived with, the alternative mean appears to be a defense against the delivery of nuclear weapons sufficient to promise each man a better chance of survival.

The importance of the hope and *promise* of an adequate defense cannot be too strongly stressed. Whatever decisions the people of Western Europe may make in the event of war, these will rest on foundations laid before war begins. People convinced prior to war that resistance is synonymous with annihilation could hardly be expected to put their conviction to the test. Conversely, people convinced that defense against nuclear devastation is possible, and confronted with the physical evidence of such a defense in being, should be more ready to risk the chances of war.

It must be assumed that these considerations are not obscure to the enemy. They provide

him with a psychological weapon of such importance that its application may well determine the alignment of forces against him and even the course of a war. This weapon is atomic blackmail.

To undefended people the threat of nuclear bombing as the alternative to deserting the NATO alliance must be persuasive indeed. Such a threat might be preceded by sample attacks on a few chosen cities, though the genuine fear of undefended people would seem to render such tactics hardly necessary—the threat alone should suffice.

Since it would appear to be in the interest of the Soviet Union to restrict warfare to a contest on land with more or less "conventional" means, consideration must be given to Russia's capability of using atomic blackmail to achieve this result. A land assault in Europe, accompanied by a declaration that the USSR would not use nuclear weapons unless the U. S. initiated their use and that retaliation would be against the major cities of Europe, could place the U. S. in a dangerously equivocal position. Should this form of blackmail succeed, the U. S. would be faced with the choice of abandoning long-range air warfare in favor of an unequal contest on the ground or of withdrawing from Europe and conducting an intercontinental war of attrition from its own final base.

One countermeasure for this sort of blackmail is the establishment of a reasonably adequate antiair defense of Western Europe in time to forestall the contingencies cited above. The problem is simplified in heavily populated Europe by the proximity of population centers and most military targets. Thus defense of populations and defense of military targets will in many cases coincide, with consequent reduction in the requirement for defensive installations.

The necessity for providing an antiair defense of military installations in addition to that in support of the integrity of the NATO alliance must be considered. Without such a defense, no war in Europe would be possible, whether or not the NATO alliance remains intact. An air attack against enemy bases, whether offensive or defensive in purpose, would be severely handicapped, if not impossible, without secure and protected NATO bases. No land army could fight for long at the end of lines of communication under constant interdiction by nuclear weapons. Nor might the latter consideration be material if a surprise attack disrupted NATO command echelons and decimated NATO troop units at the outset.

Although attention has been focused here on one weapon system and to a lesser extent on one weapon, there has been no intent to suggest that this weapon system necessarily would supplant any or all others. It is regarded as a valuable, even essential, addition to the antiair defense of Western Europe.

It should fill a gap now existing between the capabilities of interceptor aircraft and AA artillery, while performing more effectively some of the functions of both.

It should provide useful augmentation, employed in its surface-to-surface role, to the air attack on enemy bomber and missile bases, thus favorably influencing the exchange of nuclear stockpiles.

Its release to the armies of friendly nations should stimulate missile R&D in the laboratories of friendly nations and ultimately should lessen the cost burden on the U. S. through indigenous production.

More immediately, its presence on site, as a product of dynamic science, should go far to reassure the people of friendly Europe that they have not been forgotten in the titanic implications of nuclear warfare.

III. THE THREAT

Available estimates of Soviet Bloc air strength leave little doubt of the enemy's ability to deliver an air attack capable of overwhelming defenses now in being and projected for the period 1958–60. Pertinent estimates follow:

(a) The Soviet Bloc during the period will

possess a total of approximately 18,000 military aircraft, of which not less than 5,200 will be bombers.

(b) Bases will be available within range of NATO targets for approximately 2,800 light bombers and approximately 4,650 fighters, exclusive of interceptors for the defense of Soviet Bloc territory.

(c) By 1958–60 the Soviet Union is believed capable of producing nuclear weapons adapted in size and weight to delivery by fighter aircraft.

(d) By 1958 fighters capable of carrying low-yield nuclear weapons will be available. Employed as bomb-carriers, these aircraft would be reduced in range to an estimated 70 to 100 nautical miles. It appears, therefore, that their use as bomb-carriers necessarily would be limited almost exclusively to short-range tactical missions in support of ground forces.

(e) The Soviet Union during the period will have developed not only improved versions of the V–1 and V–2 missiles but a supersonic missile with a range estimated at 880 nautical miles.

Of the 18,000 aircraft expected to be available to the Soviet Bloc, 3,600 to 3,800 will be light bombers (Il–28 and an improved successor) and 10,000 to 12,000 will be fighters. The latter, including both fighter-bombers and interceptors, will consist almost exclusively of MiG–17s and a new aircraft capable of performing as a day or all-weather fighter according to configuration.

The number of aircraft actually available for attack on NATO targets would be limited primarily by the capacity of Soviet Bloc bases within range. A second limitation would be imposed by the magnitude of logistical preparations for attack as a factor affecting surprise. An attack by aircraft normally assigned to bases within range of NATO targets could be carried out with little or no advance warning of its imminence. Any material increase in the light-bomber strength within range, or preparations to stage large numbers of aircraft through forward bases, probably could not escape detection and evaluation as an indication of Soviet intention to attack.

The probability of success in an initial attack would be so nearly in direct ratio to the degree of surprise that it is hardly conceivable that the enemy would deliberately sacrifice surprise except to gain some greater advantage. No such greater advantage can now be envisaged except the possible one of attack in overwhelming numbers. Aircraft normally within range of NATO targets would themselves constitute overwhelming strength against currently projected defenses. In addition an obvious build-up for attack might provoke preventive strikes by NATO air forces. It appears, therefore, that the logical Soviet course would be to attack with those aircraft initially within range, staging aircraft forward for successive attacks to the extent that logistical support could be maintained.

On this basis the Soviet Bloc would have available 1,410 light bombers for the initial attack on targets in Western Europe without prior redeployment of aircraft. These light bombers would be capable of reaching targets in all but minor fragments of NATO Europe from their home bases, 720 returning to those bases and 690 returning to fighter bases near the border. Additional light bombers would be available for follow-up strikes by staging the number dependent on the extent to which supplies, especially POL, could have been stockpiled at staging bases without compromising surprise.

For attacks on Turkey and Greece, an estimated 670 light bombers would be available without prior redeployment of aircraft. Thus an estimated total of 2,080 light bombers could be committed in the initial assault without telegraphing the attack by unusual activity at bases.

In all the foregoing instances, aircraft available must be multiplied by a factor of 0.70 to 0.75 to account for those temporarily out of commission. Of those available and sortied, another 5 percent or more may be expected to

abort. Therefore 1,400 to 1,500 of the estimated 2,080 light bombers available may be accepted as representing the magnitude of the actual initial threat.

Fighter support of these light-bomber strikes, exclusive of interceptor defense of Soviet Bloc territory, could be provided by an estimated 3,290 aircraft without prior deployment. In addition to limited support by short-range nuclear bomb delivery, these fighters would be available for escort, gunfire, rocket, and light bombing attacks on NATO bases, and as decoys to degrade NATO early-warning and target-acquisition radar. Support for light bombers attacking targets in Greece and Turkey could be provided by an estimated 1,360 fighters without prior redeployment. This over-all total of 4,650 must be degraded not only by the availability and abort factors cited above but also by the requirement for close support of Soviet Bloc land forces should the air attack be accompanied by a simultaneous assault on land. Even in the latter event some portion of the ground support interdiction campaign no doubt would be directed against targets whose destruction would result in concurrent support of the air campaign.

In addition to its capability for nuclear attack by manned aircraft, the Soviet Union may be expected to have operational by the period under consideration several surface-to-surface missiles capable of carrying nuclear warheads. At the present time, improved versions of the V–1 cruise-type and the V–2 ballistic missile are believed operational. The known Soviet concentration on ballistic rather than cruise-type missiles leads to the estimate that a further improvement of the V–2, the G–2 type with a range of 340 nautical miles, is now in process of phasing out earlier models. By 1957 it is expected the USSR will have operational a single-stage ballistic missile with a range of 880 nautical miles and a CEP of 3.5 nautical miles.

It must be emphasized that information currently available throws little if any light on Soviet intentions with respect to missile development, and no definite numbers availability has as yet been established.

IV. DEFENSIVE WEAPONS SYSTEMS

Within the next 10 years the major weapons systems that are in being now, or will come into being as fully operational defensive units, are manned interceptors and four families of surface-to-air missiles. The latter are NIKE, TALOS, BOMARC, and a system that could be evolved from the HAWK I weapon, which shall be designated herein as the HAWK-type weapon.

Obviously defense of NATO would not be carried out with any single weapons system. Several weapon types are required, each with its own set of advantages and disadvantages. To develop a nearly uniform capability against the various possible attack strategies and tactics, it is essential that the defense be a mixture of weapons. On the other hand availability of the various weapons systems is not the same; thus the best air defense cannot be achieved all at once. For the purposes already examined the NIKE system is the obvious choice, principally because of its availability. Features of the NIKE system will be examined briefly:

Conditions of space and time prevailing in Europe place serious limitations on the effectiveness of manned interceptors. Of the 25 aircraft assigned to the interceptor squadron, 17 are ordinarily considered to be on ready status. Of these, 4 are on 5-min alert, 4 on 25-min alert, 4 on 50-min alert and 5 on 2- to 3-hr alert. Under the conditions of warning time available or planned for most of Europe it is apparent that only the aircraft on 5-min alert could be involved in the air battle, or 10 percent of each squadron. In some areas a few of the aircraft on 25-min alert could be engaged. This handicap alone, regardless of other limitations, renders interceptors unsuitable to perform the complete air-defense role for Western Europe.

V. NIKE

This weapon, the first in the U.S. guided-missile systems, already is operational in continental defense. It has a maximum range of approximately 25 nautical miles and can engage targets up to altitudes of 60,000 feet, traveling at velocities up to 1,200 miles per hour. The time of flight varies from 90 seconds at maximum range to 20 seconds at close range, averaging roughly one missile per battery per minute. Its single-shot kill probability has been assessed at from 0.6 at close range to 0.2 at extreme range.

The first major modification of NIKE will be conversion to NIKE B, a missile with a range of 50 nautical miles and an altitude capability of 80,000 feet. NIKE B will be capable of carrying a nuclear warhead and may be equipped with a seeker on which it would home on its target in the final stage of flight. NIKE B with conventional warhead is accorded a single-shot kill probability of unity at close range, dropping to 0.5 at maximum range. The single-shot kill probability of NIKE B with seeker installed should be unity at all ranges. Equipped with a nuclear warhead, the missile would inactivate any nuclear weapon carried by the target.

The principal disadvantages of the NIKE missile are its relatively low rate of fire and its limited capability against targets at low altitudes, features particularly important in defending against saturation-types raids. It is possible, however, that both capabilities of the NIKE system may be improved by already known techniques.

In studies of missile effectiveness, many simulated battle problems have been run on high-speed computers. The results of these, while not put forward as definitive, at least provide a basis for estimating the effectiveness of a NIKE B defense of Western Europe. Should 81 battalions be deployed in Europe, the enemy loss before effective penetration of all of the defended areas should total nearly 1,100 aircraft, or two-thirds of the light-bomber force initially available. With nuclear warheads the cost to the enemy on the above basis should be more than 1,400 aircraft, or very nearly 100 percent of his initial light-bomber striking force. It is recognized that this effect is not of a high order against the maximum threat including ballistics missiles. With 300 battalions the kill would reach up to a minimum of 5,500 aircraft with HE warheads. *And, it is emphasized, the NIKE and other future SAM weapons alone have a potential effectiveness against the ballistic-missile threat.*

VI. EMPLOYMENT OF NIKE

The method adopted for determining the best employment of guided missiles in the air defense of Western Europe proceeds from these assumptions:

(a) The optimum air-defense system ultimately will rely on surface-to-air guided missiles as the principal "kill" weapons.

(b) An early start on training personnel in the developing electronics technology is essential.

(c) First steps needed to be taken at once, fixing on the specific weapon that will be available within the pertinent time frame.

The weapon that best meets these requirements is NIKE B, which will have phased out the present NIKE by the time under consideration. To arrive at the best feasible deployment, a barrier two or three batteries deep was erected along the East-West border. Then protection was allocated to the principal population-industrial centers, and finally batteries were assigned to U.S. SAC bases and other U.S. military installations. The total is 81 battalions, of which 54½ would be allotted to defense on non-U.S. military and civilian targets, and 26.5 to U.S. installations. This total is 75 more than the 6 battalions approved in the present program for deployment to Europe.

This total is not presented as representing an optimum or adequate missile defense of NATO Europe. It represents the deployment believed to be politically acceptable in the U.S. and at the same time sufficiently effective to

render excessively costly an air attack on Western Europe. The 54½ battalions allotted to non-U. S. targets are fewer than the 61 currently approved for defense of the continental U. S. Yet to the people of Western Europe they would be tangible evidence of interest in their welfare and, as representative of scientific achievement dedicated to their defense, exert a psychological influence far greater than their intrinsic military worth.

To achieve an optimum defense of NATO Europe, as many as 300 NIKE battalions might be required, a figure not believed attainable at this time. It is true enough that 81 battalions are not 300. But they are 81 more than none, and the critical demand at the present time is that something palpably reassuring be presented to Western Europe as the alternative to surrender as the sole means of survival.

VII. PRODUCTION FEASIBILITY

Because of the magnitude of the threat, the total NIKE B requirement for Europe would be about 14,300 missiles, including a 20 percent augmentation for reserve. Addition of 75 battalions to the 79 currently planned would present a requirement for 325 battery sets.

Neither the requirement for missiles nor that for battery sets, which was considered jointly with the U. S. requirement, could be met at currently scheduled production rates within the time limit under consideration. By some minor shortening of lead times, increasing plant shifts from one to three, and transfer to Charlotte Ordnance Depot of modification of NIKE I to NIKE B battery sets, the requirement for battery sets could be met by mid-1960 and the missile requirement by 1956. Under a greatly accelerated program, with major compression of lead times, expanding the missile source at a cost of about $250 million, placing missile source on a 3-shift, 24-hour day, 6-day week basis, expenditure of about $100 million on accelerated R & D, and increased tooling level for test facilities, the missile requirement could be met by mid-1959, about the same time estimated for the battery sets.

VIII. COSTS

An 81-battalion NIKE B defense in NATO Europe could be provided by 1960 at an estimated cost to the U. S. of approximately $1.55 billion. This figure includes initial costs over the 5-year period as well as operating costs as battalions are activated during the period. About $625 million of the cost to the U. S. would provide defense for U. S.-NATO forces and SAC bases.

The total cost of the 81-battalion program is estimated at $2.15 billion. Of this total, approximately $600 million would be borne directly by the defended countries themselves or would come from NATO infrastructure funds. The annual operating cost, once the program was in full operation, is estimated at $240 million, of which $100 million would be borne by the U. S.

IX. PERSONNEL REQUIREMENTS

Allocation of 81 NIKE battalions to NATO Europe would require 75,200 officers and men. Of these, 49,400 would be indigenous personnel, members of national forces assigned to the 54½ battalions defending population-industrial centers. The remaining 25,800 would be U. S. personnel, required by the 26½ battalions assigned to NATO forces and defending SAC bases.

Current Army planning foresees a lead time of not less than 24 months from the decision to activate a missile battalion to its movement to site, for training the highly skilled personnel that form an essential part of its strength. Although these technicians are relatively few in number, they are vital to the operation and maintenance of the battalion's equipment. All of them must be school-trained in courses requiring 7 to 43 weeks in addition to basic and other military training.

This requirement for specialist training, acute enough in the U. S. Army, would be increased by

several magnitudes in the case of battalions formed from European manpower. Not only must the U. S. technician first be trained, but he must then be given time to impart his training to the European. Some time might be saved, although the language barrier would impose serious limitations, by training European specialists in U. S. schools. Until indigenous battalions have been trained, the program undoubtedly would impose onerous manpower requirements on the U. S. Army. If the program is initiated promptly, this burden could be carried with acceptable dislocation. By delay it would be increased to the point where it might not be supportable without significant increases in U. S. Army strength.

Equipping the NIKE B missile with an atomic warhead would impose a requirement for an additional 68 special-weapon specialists in each battalion, or 5,508 (324 officers and 5,184 EM) for the total program. Whether these additional specialists need be U. S. personnel or could be drawn from the indigenous population would be principally a question of security. Assuming that sufficient trainable personnel could be procured in each country affected, their assignment to this specialty would be contingent on the action by the Atomic Energy Commission or international treaty. In the absence of assurance that such arrangements could be promptly made, it is safe to assume that these technicians at least initially would be U. S. personnel, increasing the U. S. manpower requirement for the 81 battalions from 25,800 to 31,308.

X. SPECIAL PROBLEMS

In addition to the questions raised by inclusion of nuclear warheads in the NIKE B armament, other essentially political problems would be posed by the allocation of missile battalions here proposed. None of these problems is essentially new in NATO experience, and none appears insuperable.

One question is that of control of weapons in the hands of NATO troops other than U. S. This question, though it deals with command, is fundamentally political. Antiair measures contemplate the defense of national targets from national territory by national forces. Yet since attack on *any* NATO nation involves *all* of them, antiair defense is equally an international affair that requires a degree of coordination if it is to return maximum effectiveness. Once batteries and battalions have been organized in national components of NATO forces, and their personnel trained, national pride should be assuaged and local political requirements met by their designation as military units under national command. Coordination by SHAPE of their tactical employment would not be an unreasonable provision; its extent should be the subject of agreement at the outset. Such agreement should be rendered less difficult than may have been true in other cases, since coordination and not command is the object.

In any event, coordination of communications, especially the information net, should be settled without possibility of misunderstanding or cavil. Continuing tests then should serve to maintain coordination as a real rather than illusory condition.

Land acquisition for sites, while no simple matter in land-hungry Europe, should present less than the usual difficulties, since the land would be designed for the direct defense of cities and their populations. The majority of battery sites could be located on land already devoted to military purposes.

Whatever the relative advantages and deficiencies of the various available and projected systems of air defense in Western Europe, it is essential that steps be taken to provide a defense in which the people affected can place reliance. The NIKE system, of those now available, offers the greatest promise of achieving this aim at the earliest time. And time is the decisive factor.

SECRET

Paper 12

Arms Equation

Originator: George A. Lincoln

Collaborator: William Webster

I. PROBLEM

The problem is to examine the purposes and uses of military power over the next decade in the light of developments marked by the Geneva conference and for the purpose of developing guidance for portions of the U. S. national strategy.

This problem needs to be approached within certain dimensions which are accepted U. S. policy. One of these is that the unity and strength of the Free World be maintained and increased. Another is that there be an orderly, democratic development of nations outside the Communist bloc. This would provide a strong, perhaps the strongest possible, attraction to the satellites. It has been suggested that the guidelines should also include (1) retention of the moral issue of freedom versus the spiritual oppression of Communism; and (2) provision of some other motivation than fear. These latter two dimensions are mentioned here at the beginning because the creation and employment of armed force tends to involve actions and processes difficult to keep within these two dimensions.

The discussion that follows does not cover the strategy of a general nuclear war. It applies to a no-general war situation, which is the likely situation over the next decade.

II. ASSUMPTIONS AND GUIDELINES

The discussion on this paper accepts certain assumptions and guidelines as to what is really going on in the world today and what the world may be like over the next decade. Some of these are discussed in the following paragraphs.

The Soviet Union is very unlikely to choose general war as a policy course unless free world military power dwindles to a comparative level where there is a high possibility of quick success without major damage to the USSR. Or, the USSR would be likely to choose general war if, through a rapid development of events, it appeared that the Free World might attempt to extinguish the current Soviet system. This last point is really a statement to the thesis that a cornered rat will fight and that you must not press your enemy against a locked door unless you are ready to take the consequences. The term "general war" does not necessarily mean initiation by surprise intercontinental atomic attack.

The Soviet Union is likely to continue its current Geneva type policy line for some time. This would be in the classical Communist tradition with its precedent from the Party Congress ending in 1928 and called after the failures in China and Hungary and the apparent effective containment of Communism. The decision to await and exploit the alleged inherent contradictions in the great power capitalistic system bore fruit, by 1939, in a great depression, a global capitalistic war, a major Communist advance in Middle Europe without cost, and a rapidly crumbling colonial system. There is a reasonable probability, which must be guarded against in our military program, of a sudden reversal of this policy line. Such

reversal would again be in the classical Communist tradition. But, there is this time a reasonable probability that the current policy line will continue, at least throughout the decade, without sudden drastic change.

The policy line cuts two ways, both to the probable advantage of the Soviet Union:

a. If it brings disunity in the Free World and a lowering of defensive positions so that a reversal of the policy may reap great benefits, it is successful.

b. If not successful along the line just described, it still gives the maximum opportunity for (1) building the economic and poiltical strength of the Communist orbit; (2) Communist advance by a "helping hand" program for the underdeveloped.

The Soviet Union now shows some chance of growing within a decade or two to a power center which might quickly overwhelm EurAsia and Africa, politically, economically, and psychologically if the western world got into difficulties. The difficulty hoped for, of course, is a recurrence of a great capitalistic depression.

The current revolutionary change in the middle third of the world, often called underdeveloped, will continue, may accelerate, and will almost certainly involve periodic occurrences of violence.

The Soviet Union's captive instrument of revolution, the international Communist party, while retaining its traditional nature and purpose, may be kept under wraps except when opportunities for quick favorable decisions appear. It will operate through front organizations and will strive to capture mass organizations in underdeveloped areas, e. g., nationalist parties and labor unions in tropical Africa. This superficially more separate operation will be harder to counter.

In the free world there will be a definite and increasing reluctance, so long as the Soviet Geneva spirit continues, toward major military expenditures and personal military service. The countering of this is a major psychological task. Legislative leaders, after 9 days in the USSR, are already publicizing their views that the Soviet climate warrants reduction of U. S. Forces.

The general tendency in the U. S. toward military expenditures (and all security expenditures except perhaps atomic energy) and personal military service will be one of nibbling reduction. The real impetus will be tax-cutting, budget balancing, our current varieties of isolationism, reluctance toward personal military service, etc. The alleged reasons will be various and conflicting, e. g., reduction of war threat, shifting burden to allies, improved technology and management give "greater security at less cost", "cut the fat while leaving the muscle", etc. The initial decline will probably be in readiness to deter "creeping expansion" and local war.

The Chinese Communists, while not moving in direct opposition to the Soviet Union, are capable of following independent lines of action. They will pull together when it helps them, especially in use of threats, and go outwardly separate ways when such works to their advantage.

Technological advance in nuclear matters will continue rapidly. Both the U. S. and USSR are in sight of enough nuclear explosives. No acceptable way will be found from the technological and operational standpoint to give an adequate guarantee that nuclear weapons will not be used if war occurs. The psychological and political reluctance toward such action will increase. No way will be found for an adequate defense against such weapons which will be accepted psychologically and politically by the mass of peoples. Some theoretically practical formulae may be evolved. The drive for limitation of armaments, particularly in the nuclear area, will be continuous and probably increase in magnitude. There is a real danger that any progress whatsoever will cause an undue trust in too many hopeful people. Hence, there is a task for education and for direct countering of undue trust—while placing a maximum effort on search for some effective progress on regulation.

III. NATURE OF ARMED FORCE

Armed force is what people think it is. Until actually put to active use, the nature of armed force is what statesmen and peoples think it is. This situation makes armed force a psychological factor and a psychological instrument in political affairs, both internal and international. The emotions it arouses run the gamut from apprehension to fear insofar as armed force in the possession of a potential enemy is concerned, and from concern to confidence insofar as armed force in the possession of ourselves and allies is concerned. It seems unlikely that within the next decade we will stand at either end of either of these two defined spectra. If a situation develops where we do stand at some extreme, it probably will be fear. The element of fear, traditionally and now, is the lever generating armed forces in most states. The concept of armed force as a carefully controlled instrument in support of policy is overly sophisticated for most peoples and many statesmen, even though this is the traditional use of armed force. The immediately foregoing points are made here because part of the problem facing the United States and the Free World is the maintenance, with the current dilution of the element of fear, of an adequate structure of armed force. Looking to history, states have, in the past, appreciated the combined advantages and cheapness of maintaining in being enough of the right kind of military strength, e. g., the legions of Rome and the British Navy in the 19th Century. There are even instances of appreciation of the need for continuous strength and toughness on the part of small states, e. g., Switzerland.

Arms Race or Great Power Maneuver—Arms Equation?

Sloganized short-cut descriptions of complicated situations are often misleading. The term "arms race" can be dangerously misleading. It is dangerous if only that the concept weakens the unity and strength of the Free World. We know that the very highest military people do not consider that we are in anything as simple as an arms race. The true situation is a different one and a much more complicated one. (The term "competition" seems much more meaningful.) First, the struggle going forward in the world is essentially a power struggle. Advance and retreat as a result of military action are most unlikely to occur unless there is prior deterioration in the political, economic and psychological fields. Conversely, military power must be viewed as an aid, most of the time, to political, economic and psychological measures rather than as an instrument used alone. For the first time in history no nation can be strong enough militarily to have absolute security. Even a 1 to 2 or 1 to 3 statistical superiority does not guarantee against a gravely damaging blow. Such race as exists is in the sum total of relationships among nations and even extends to developments within nations, such as the rate of increase of strength of the economies in the western world and the Communist world.

A more correct analogy, rather than a race which implies a finish line, is a contest of team against team in a chess match in which all boards are played at once and moves on one board can influence pieces on another. Some of the pieces could be described as military, others as economic, others as psychological; the pay-offs are always political. The nuclear rooks counter each other and opposing teams rarely, if ever, dare to move them. So the military movements in the dread game are the pawns of peripheral and brush fire wars. If one cares to carry the analogy further, one can think of the chess boards as representative of different areas of the world, or of some other categorization.

The dynamic situation is materially affected by the time element. It is too customary to project some single factor forward five or ten years, for example, technological advance, and then to make judgments thereon. Single factor analysis can often be projected in mathematical terms that are superficially prophetic—and hence a clear guide to action. It is im-

possible to state the complete flow of advance in mathematical terms. The best that can be done is to envisage an ever widening span of possibilities as we look into the future, and to program a method and direction of policy which will cover the maximum of this span while having a flexibility permitting adjustment to include any portion initially uncovered if a turn of events happens to be that way.

Characteristics by which To Judge Military Power

These are closely related among themselves and include magnitude, readiness, location, mobility, endurance or capability for sustained action (bases, etc.), cost as a relationship to the economic base, suitability, versatility and flexibility, and political aspects (applicability to political problems, ability of the state to make political decisions needed to use its available power, etc.). As an example, massive atomic power is a very specialized capability both in actual use and in support of the interplay of international political actions. It has magnitude but limited versatility and suitability. Conversely, conventional military power has great suitability and flexibility but probably would not have the magnitude to be an adequate deterrent to general war.

There is a dangerous tendency to equate the deterrent to general war with adequacy for all other purposes for which military power is needed. This leads to concentration on preparation and planning (which is necessary) for the unlikely event of general war with a fixation that results in blindness to the requirements and characteristics of military power to meet the more likely and more immediate problems of creeping expansion. This psychological phenomena is as old as the activities of the first amateur magician who misled his audience by fixing their attention on an item unrelated to the action he was actually undertaking.

An essential purpose of military forces is to win military victories if war comes, but another essential purpose is to create strategic impressions in support of prevention of both war and creeping expansion. There is no priority among these essentials, particularly when there will shortly be little possibility of strategic victory if war comes—even though some battles may be won.

"Nuclear Superiority"

"Nuclear superiority" fulfills only one facet of security need. The phrases "nuclear superiority", "nuclear parity", etc., are rapidly becoming of limited meaning. A state equipped with nuclear weapons but with "nuclear inferiority" now has, or will soon have, enough to offer such a hazard to a potential opponent that the opponent will seek other means than nuclear war.

> For the first time in history, no head of state, whether democracy or dictatorship, can promise the man on Main Streets (sic) clearcut and certain victory in war.
> (General Twining at Air Force Association Convention, San Francisco, August 12, 1955.)

It is misleading to speak of our current and fleeting nuclear superiority as contributing materially to our current position of strength. The Soviet Union has recently decided not to continue playing, for the time being at least, on that playing field. We do not have the political resolution to continue playing on it since Geneva, nor did we before—witness Dienbienphu. Even if we did, we would probably lose thereby because of the disunity which would be generated in the Free World as a result. If there is any true race, it is a race to find and offer proposals for some control of armaments—the objective being to achieve a political advantage through psychological impact, even though nothing substantive results. This situation could go on, with fluctuating emphasis, for a decade.

Two Equations

It may be useful to think of the arms equation as two separate but closely related equa-

tions: (a) the massive nuclear destruction equation applicable to general war, which includes defense against nuclear weapons (Equation A); and (b) other armed force (Equation B), primarily applicable to local and limited war, creeping expansion, and suitability in support of political action.

> We can be optimistic about avoiding a third world war, and we can also hope with sound logic that we will avoid local wars.
>
> But as prudent men we cannot rule out the possibility that situations may arise again sometime in which force will have to be used locally and specifically and controllably as the modern army, accompanied by sea and air power, can do it.
>
> (Ambassador Lodge, U. S. Representative to the United Nations, spoke at a reunion dinner of the Second Armored Division, of which he was a member in World War II.)

Shortly, both the U. S. and USSR will possess the power of mutual devastation. With surprise, one side might achieve a situation called "victory" relatively unhurt, unless the other has maintained strength and vigilance. Hence, the likelihood of long-term nuclear standoff, unless one side is driven to desperation or both sides are so maladroit as to pull down the tent of nuclear destruction on the world. Acceptance of this situation may for a time be only tacit. There is likely to be probing with limited wars. Hence, the simultaneous equations must provide (a) strength and alertness for a nuclear war while not expecting to use this ability, and (b) readiness to handle a great variety of brush fire wars and situations requiring military power in support of policy.

Equation A

Equation A—general war—has a major element of time therein. The march of technology may at times seem to give somewhat of an advantage to one nation over another. But exploitation of any advantage requires a coordination of technology, production, psychological and political action, which seems very unlikely. Furthermore, the cost of a mistaken estimate is much higher than that paid by Germany in World War II. The overriding fact is that, for the foreseeable future, both the western world and the USSR will not trust each other enough to drop their nuclear guard below some materially high level, giving a mutual deterrence.

The five main national subprograms for deterrent to general war appear to be:

a. *A long-range massive nuclear force.*

b. *Technological advance*—if the analogy of a "race" has any validity, it is in the technological area. On a 2–5 year leadtime basis, as we are, the failure to keep up in both attack instruments and counters thereto could be disastrous—and the disaster could occur through political and psychological developments only.

c. *Defense.* This is part of the deterrent and also a confidence-building program. But nations may choose to depend primarily on offensive nuclear power, a course of action more suited to the USSR in time of tension than to the U. S. Even a mere facade of defensive power would be an important asset in time of crisis. It may be argued that a technological breakthrough may give a near perfect defense. Even if such is developed on a laboratory and theoretical basis, it should be viewed with extreme scepticism from the standpoint of both practical operational and budgetary considerations. As a final comment, what we can do, the USSR can do eventually. A 100% sure defensive system for the USSR, atomic invulnerability, might face us with as great a political predicament as the coming nuclear standoff.

d. *International action to reduce the immediacy of the nuclear threat.* Readiness and cost thereof have an exponential, rather than a straight line, relationship. A reduction in immediacy might enable us to shift priorities for military forces (within approximately the same budget) so as to provide more atomic defense and other means, such as deterrents to creeping expansion, thus far not provided in reasonable adequacy. Also, a reduction in immediacy of the threat makes an even further reduction in probability of general atomic war since more time is thereby

provided for political action to save the situation. This subprogram must be carried out on a basis that no trust can be placed in paper agreements alone. The program must continue in the USSR a fear of retaliation and a mistrust of ability to win. The initial dividend of this subprogram may be development of a high degree of public realization concerning the realities of the current security situation.

e. *A political and psychological program consistent* with the above points and directed both externally and internally. We might well (1) search for ways to acquire the necessary effort from our own people and others; (2) while at the same time following the rule that national security is the program that statesmen should do the most about and say the least about. If we can find a formula for these somewhat conflicting objectives, we will go far toward increasing the unity of the Free World and promoting a confidence that furthers great progress. Time may be on our side if our people become educated to, and accept, the necessity for alertness, strength, endurance, patience and understanding.

Equation B

Military Power for Equation B—deterrent to limited war and counter to creeping expansion. What are the subprograms?

a. *Forces to deter peripheral and local war through or by associate and satellite.* We have recoiled from the thought of American boys dying in limited war and this reaction has generated, among other things, a policy called massive retaliation. Some (including allies and neutrals) interpret this policy as meaning likely resort to major atomic action if we take any action at all. Thereby we have tied our hands. If we have in being the power, other than massive atomic forces, to intervene militarily against creeping expansion, we have the most effective deterrent against that expansion. The obscurity in the enemies' minds of what we might do with atomic power, either locally or generally, adds to the strength of our deterrent. We paid too high a price in Korea for lack of readiness for local war—and perhaps a higher price in Indo-China.

b. *Forces to influence a deteriorating international situation.* If we have nothing but general war nuclear capacity, the enemy realizes that the situation can be pressed a long ways without real danger of general war. If we have only specialized nuclear forces able to act, our allies and neutrals will be quick to counsel caution and concession. We will not have acceptable alternatives to offer them or to choose from ourselves.

c. *Internal security against infiltration, local disorder, and palace revolution.* This must generally be initially a matter for the indigenous governments concerned. The United States can, and can afford to, provide the arms, missions, etc.—the more inconspicuously the better. In addition, governments should have always present the hope, or better still the confidence, that quick assistance is available. In a world where propaganda is a powerful instrument, an appearance of legality is useful. Hence, we should search for increased facility in working through regional arrangements and the U. N. In hindsight, Indo-China might have been made less of a defeat by use of the U. N.

d. *The support of an atmosphere of confidence in Free World, and of a feeling of respect (not necessarily fear) in Communist, statesmen.* We need that power coming from (1) realization that strength is there, and (2) it will be used properly, intelligently, and discreetly. This is the strategic impression we need to make. The U. S. negotiator at the conference table, sitting militarily only with bomb in hand, is very inadequately equipped for the next ten years. Our opponents know we are most unlikely to use this weapon except in case of general war, which they are not going to precipitate if we maintain an adequate nuclear posture. They know that if they can trick us into flaunting atomic power, they will gain

through disunity of our allies and antagonism toward us of neutrals.

We should have a program of suitability, flexibility and versatility which (a) leaves a choice to our own statesmen; (b) gives increased confidence to allies and neutrals that we will not be forced (by an all or nothing program) to either (1) atomic war, or (2) knuckling under; and (c) keeps the opposition a bit unsure. We have to have a readiness for situations such as Indo-China and even hostilities or near-hostilities in mid-Europe (the German unification problem has such possibilities) after possible initiation of the Eisenhower arms inspection approach. The characteristic of suitability needs to extend to allied action. The political and psychological climate of friends and neutrals is likely to turn more and more to a condition necessitating allied (including U. N.) action if any effective action is to be launched.

As a final, and very important, point under this Equation B, we think readily of historical instances of technological changes, battlefield maneuvers, and other shifts which have, often quickly, neutralized major increments of military force and major elements of military policy. We should bear in mind that the turns of international political action over the next decade (which we may find we must accept even though we dislike them, and might find to our advantage if we have retained the military versatility) may have such effect on currently important portions of our military program. If anyone wishes an example of the march of changes overtaking a portion of a program, consider the history of U. S. coast defense.

Allies, Geneva, and Nuclear Standoff

Under this heading the allies divide broadly into two categories: (a) European (NATO); (b) the rest. The changing situation created by Geneva and the coming nuclear standoff is probably not going to be drastically different from the present for countries other than European (Japan is a possible exception). Their military problem is one of internal security and defense against local aggression.

For European countries, we have had a psychological problem engendered by nuclear power ever since Hiroshima. These peoples and their statesmen are deeply conditioned by a history of conquering armies and of forces designed to stem the advance of such armies. How will they react to the changing future?

There has been, and will be, a thesis that the only real threat and need for armed forces is a general nuclear war. Hence,

a. the U. S. nuclear power is a sufficient deterrent and little else is needed.

b. western Europe will be devastated if involved in nuclear war, hence the U. S. nuclear forces are not wanted in the area since they bring the hazard of nuclear attack which might otherwise be avoided.

With the decline, real or fancied, of the likelihood of nuclear general war, European peoples and statesmen will, more and more, ask what their armed forces are for. This wavering is already apparent. While not taken within the scope of this paper, it would be sound to examine a number of hypothetical situations as of 1960. Suppose, as one situation, that U. S. forces withdrew from the continent. Would the U. S. then hazard American cities over a repetition of some situation such as Czechoslovakia (38 or 48)? We would be in a very inflexible position to choose any other timely alternative.

An examination of the Swiss way of national security may show a pertinent precedent. The Swiss have, without fighting, maintained the integrity, except for one short period, of their country for centuries. This is due, in great part, to their reputation for readiness to put up a time-consuming fight, their continuous posture of readiness and resolution, and the probability that military action against the Swiss would trigger other adverse military actions which could be brought to bear before

a fait accompli was achieved. Switzerland has not needed alliances to give assurance of help in case of attack. The realities of the international political situation assured that help. Perhaps the military future of western Europe is as a confederation of "Switzerlands", but with the added deterrent of ready arrangements for U. S. aid.

If Europe moved militarily to an inflexible situation where the choice apparent to peoples in time of tension was between nuclear war and knuckling under, the weaknesses of the European political system in time of crisis would create a grave danger of the latter choice.

The United States has here, over the next decade, a very sensitive psychological-political problem. Changes in our military deployment, the planning approach of our officers on allied staffs, the public and private statements of our leaders, etc., these will be very important and should "speak with one voice." Published reports do not support any belief that NATO countries are really expending a high proportion of resources on preparation for a possible long war of attrition. Nevertheless, a new look at the balance between readiness on the one hand, and depth of military power measured in combat day capability, might produce some helpful variations in programs.

The Importance of NATO

The current change in Soviet attitude has been brought about in great part by the existence of NATO. The importance which the Soviet Union ascribes to NATO is indicated by the openly stated intention of the USSR to destroy NATO. Any complacency about the Soviet Union striving with perseverance and ingenuity to carry out its stated intention, is extremely unwise. It does appear that, unless the NATO powers led by the United States take some positive actions different from those in the recent past, the NATO may be badly weakened.

A method and direction along the following two mutually supporting lines is suggested:

a. There must be a material increase in use of NATO as an international political institution. The concept of NATO as a purely military institution is completely inconsistent with the modern realities where things military cannot be separated from things economic and things political. The ties that have bound NATO can be readily loosened by (1) a succession of events giving aid and comfort to the enemy such as the Cyprus affair and (2) a succession of open differences among NATO members aired in other international organizations such as the U.N. If NATO is to continue as a successful military alliance it must become a successful diplomatic alliance also.

b. The United States must give leadership to NATO on the basis of being "first among equals". This requirement placed on the U. S. for leadership exists in the political and economic areas as much, perhaps more, than it does in the military areas. Here the biblical warning "For if the trumpet give an uncertain sound, who shall prepare himself to the battle?" is a particularly sobering bit of strategic guidance to the United States. There is some question that our country has given to NATO the most "certain sounds" that it might have given over the past few months. We can and should do better.

IV. INTEGRATION OF MILITARY FORCE WITH OTHER ARMS OF NATIONAL POLICY

The classical and generally accepted primary objective of armed force in this country has been the achievement of victory in war. Relatively little attention has been given to other objectives until within the last decade. The obvious existence of other necessary objectives has been dealt with too often with the thesis that maximum possible preparation for victory if war comes (and it has been usual to define the expected types of employment rather narrowly) will ipso facto achieve all

other objectives. Giving priority, sometimes overriding, to conserving existent military power for use in a possible general war, and never having enough to assure strategic victory, it is customary to resist, as maldeployment, the commitment or programming of military power as a deterrent to creeping expansion—unless the action required happens to fit the estimated optimum readiness for a narrow range of possibilities. We are deeply conditioned by our past military experience, which has tricked us twice recently (Pearl Harbor and Korea). We have written our histories that "we always win" and we now tend to assume that winning again means winning in the usual way. Some military men and American statesmen are turning to a broader view. But time may be running out.

The generation of psychological strength and confidence is a main objective of our armed force and that of our allies over the coming decade. We must stand before others to command both respect and a reasonable amount of trust. This is a variation of the power for peace theme. It is not inconsistent with, in fact it requires, such programmed components as readiness and technological progress.

The application of armed forces to national policy is determined in great part by the policy statements made concerning them and by the general attitude in connection with the handling of them. As an example, the USSR reduces its effective military strength, or says it is going to, with the implication that the world is a safer and more peaceful world. A few weeks later, different members of the Executive Branch of the U. S. Government generate public discussion of a reduction in U. S. armed forces in the interests of economy and with the implication that it is cutting the fat while leaving the muscle.

These policy statements and policy actions come not only from our Head of State but from a great many people whose remarks and actions are noticed abroad and within the United States. We need to have a much better party line and much more of a party line as to what we are doing and why we are doing it.

Operation through regional arrangements and the United Nations seems likely to get further in many matters connected with military force, in spite of the exasperating aspects of action in cooperation with other nations. This method usually contributes to unity and gives added opportunity for useful political effects. Furthermore, we must consider and develop ways to use our military international arrangements in closer collaboration with political and economic measures. This approach may well make the needed allied military collaboration and effort more palatable to allies and neutrals. As an example, Para. 2 of the NATO Charter should be dusted off and ways sought to put it to use. From a practical political standpoint, this evolution of arrangements originally entirely military may draw support from foreign ministers and prime ministers in discussions and negotiations which are too often heavily conditioned by the points of view of economic ministers.

Maximum emphasis on suitability and versatility should characterize the maintenance and evolution of armed forces. To pick an exaggerated hypothetical example, if we moved to complete dependence on massive nuclear long-range power for our military posture, and a seemingly feasible method of regulation of such power were evolved and generally accepted by other nations, we would then probably suffer a reverse in the world only exceeded by the fall of a major area to Communism. We must have armed forces and a military policy which give our statesmen maximum latitude in the uncertain future.

Definite thresholds must be topped if our military power is to be of the needed value in supporting political action. As an example, only a token force in Germany would not have been enough during the last few years and would not be enough today. There must be a force in position so adequate that it is apparent to the western Europeans that we have to stand steady in time of acute tension and

have to fight in the unlikely event of hostilities. There should be an examination of the requirements of the "thresholds" in connection with our policy. Our reserve policy, although inadequate, is a desirable move toward one threshold which may be needed to give assurance of the direction of our intentions and of our steadfastness to our allies.

A scientific study of ways to utilize U. S. military power on political targets, in addition to its narrowly military mission, should be made. An excellent example, of course, was the flying of pilgrims to Mecca by the U. S. Air Force. Another possibility, perhaps worth considering, is the use of the Army Corps of Engineers organization and experience. The line of thought in this paragraph comes from the two generally accepted theses that (1) the struggle in the world is a power struggle for the way of government, thinking and living of over a billion people; and (2) that peoples, no matter how friendly, get tired of foreign forces within their midst.

The responsibility now rests on executive leadership. Support of military power fluctuates with threat. This truism for a democracy is an axiom closely related to the axiom that military power, until used, is what statesmen and peoples think it is. It is also a political axiom that a decrease in military power, usually generated through cutting budget and personal service, in a democracy is not recovered until and unless there is a clearly discernible increase in the threat to security. Put another way, we have had to be scared in order to build back and we probably have had to be scared a bit now and then in order to maintain a level program. The next decade requires a sober public understanding of the realities. Increases and decreases in our military program, usually measured in terms of dollars allocated, should be carefully keyed to external political operations and should certainly not be a matter for internal politics. This thought may be ignoring the past realities of public opinion and politics. But leadership in the Executive Branch can, currently, achieve the indicated objectives.

V. THINGS TO DO

The preceding discussion suggests a philosophy of approach and some specific things to do. The following paragraphs outline additional don'ts and do's which flow from this philosophy.

The dangers of the coming decade include:

a. We'll lower our guard because of trust, underrating opponent or softness (both in the head and in way of life).

b. We'll build an unsuitable or inadequately flexible program—as was the Maginot Line.

c. Our design will be too costly for support and hence will fall short of the thresholds of effectiveness.

d. Our program will not be adequately designed to mesh (inter-lock) with (1) U. N., regional arrangements and other states, (2) non-military factors.

The military agencies need more clear and more specific guidance for planning and also for the security philosophy they present to the U. S. public and to the world external to the U. S. This statement refers to two different but related programs of guidance. If the likely situation is as suggested in the preceding pages, then there is a grave question that all services and the Department of Defense are planning on this basis, and on the same basis, for the next decade. Parenthetically, it is believed that the approach outlined in the preceding pages provides an adequate basis for shifts in time to meet the possible but improbable that may develop. As to the way of speaking, our military people and their civilian superiors should speak with more of one voice, leaving to the columnists and the technical and parochial military magazines the arguments as to comparative merits and demerits of particular weapons systems.

A military program with a minimum of unexpected fluctuations is a vital need. Even with maximum efficiency, lead-times are long indeed. The dollar and the man, programmed and spent hurriedly, cannot have the maximum possible military effect and may be a political

liability rather than a political asset. The sudden shift in direction of a program is wasteful in money, readiness and other military characteristics. A sudden downward shift in scope of a program is even more destructive. The number of dollars saved on paper is almost certain to be matched by a loss in readiness, mobility or some other characteristic which is measured by many times the same number of dollars. There are current examples. Furthermore, that these sudden shifts can have grave external political and psychological repercussions. How, for instance, can General Gruenther expect to persuade the European countries to continue their current military programs when the headlines from the United States record both that the economy of the U. S. is at its highest peak in history, and rising, and the U. S. is cutting its military program?

What we say and what we seem to do should have a close relationship.

Withdrawal of some forces from some parts of the world must be considered as a probability of the next decade. We should examine particularly our forces located in colonial areas to see if better political arrangements can be made consistent with political trends.

Military aspects of our Japanese situation need to be continuously examined with a view to seeing whether it would not be wise to get ourselves into a position where we could be openly pressing the Japanese for arrangements permitting withdrawal of some forces at least. It would be much better to be ahead of the possibility of a movement from the Japanese people that our forces leave.

Suppose the USSR soft policy is prolonged. What's the suitable and feasible program? If the effort is not underway already, the National Security Council should press the preparation of a military program and a military policy pointed at 3 to 5 years from now and which assumes a continuation of the Geneva spirit and some success along the line of limitation of armaments. Such a study, if it provided no other dividends, might well develop useful courses of action guiding our national psychological and political policy.

Are the priorities in our readiness program suitable to the next decade? The traditional national security readiness program of the United States to include industrial mobilization, preparations for a long period of hostilities, large stockpiles of materials and the finished items, provisions for transportation and support of huge numbers of personnel and huge tonnages, etc., may well not be in accord with the reasonable probabilities of the next decade. Certainly our continental defense arrangements and our civilian defense are not currently consistent with our military inventories and many of our other preparations. At the other extreme, there is, of course, a thesis that practically none of these inventories, etc. would be used if hostilities broke out. Rather, the decision would be reached in a matter of hours, if not days, and in so short a time that there would not even be opportunity for rapid promotion of the surviving young officers in the Air Force. Conceivably, the course of wisdom is a middle ground with somewhat less emphasis on support of lengthy hostilities and more on ready mobile forces suitable for limited war. If this matter has not been examined incisively in light of the reasonable probabilities of the next ten years, then such an examination should be undertaken, stepping off from guidelines which do not at present seem to exist with sufficient definition on the National Security Council level.

A scientific costing review of the current allocation of effort may be indicated shortly. The headings for the analysis include:

a. Now—near future—long term.
b. massive nuclear power—defense—mobile forces—follow-up
c. R & D—hardware—bases, etc.—men
d. readiness—mobility—flexibility—political applicability
e. Other

Any shift in our military program, such as the recent budget-balancing proposals, should be undertaken in light of such an analysis. A

close analysis could conceivably show that we are over-insuring in one area compared to the hazards being accepted in another. Are we buying the equivalent of overseas bases twice, of nuclear devastation of the USSR more than once, of R & D less or more than once?

The suggestions in the preceding three paragraphs are admittedly particularly difficult of achievement and require the best of professional knowledge combined with judgment. The difficulties are compounded by the fact that such analyses immediately crosses the most important vested interests and runs athwart firmly held objectives of military, fiscal, and other individuals and departments in the Executive Branch.

VI. WHAT IS THE PRICE TAG?

At best, this can be discussed only in generalities and not in absolute figures. It might be that savings in some areas, rising out of the subjects in the immediately preceding paragraphs, would be about balanced by needed increases in other areas. It seems almost obvious that a reduction in U. S. military expenditures from those programmed at the beginning of this year, particularly if reductions are conspicuous ones, will trigger at least proportionate reductions in military effort on the part of our allies and will reduce the chances that our statesmen will be able to achieve political arrangements justifying such reductions. The net effect may be a need for increased cost to the U. S. Costs of equipment and of men are bound to go up during the decade.

The price of increased readiness and mobility for limited and peripheral war should now be accepted and paid.

There are great psychological dangers in relating (1) disarmament to (2) the political desires for balancing budgets while at the same time cutting taxes. The political wish can very readily father fallacious judgments in the national security area. If the U. S. policy approach is consistently that we are willing and able to pay the price of security, including the non-military measures required about the world, we will better lead the free world in the efforts it needs to make and will avoid giving aid and comfort to Communists.

This memorandum does not pretend to undertake any economic analysis of our capabilities or of the problems of reconciliation of economic capabilities and political realities on the one hand with national security requirements on the other. It is noted, however, that our country's gross national product is expanding rapidly and that the free world is materially better off than it has been before since World War II.

On the other side of the coin the costs of military power are steadily rising on an item by item basis and are also rising due to the rapid rate of obsolescence forced upon us by the racing pace of technological change. There is a basis for a judgment that, in maintaining the present level, (1) cost measured in monetary units such as dollars must almost certainly rise if adequate security is provided and (2) cost measured as a proportion of gross national product is manageable and may fall slightly.

The most important aspect of the price tag point is not the exact number of dollars. The question is: Can we afford it if necessary? There is no doubt that the U. S. economy can support materially more than it is now supporting without adverse impact. The additional amount needed, if any, would not be more in the near future than 10 to 20 percent of the current military budget. This is available, and possibly available from the current tax structure while still approximately balancing the budget.

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Paper 13

Crucial Problems of Control of Armaments and Mutual Inspection

Originator: Ellis A. Johnson
Critic: Stefan Possony

I. THE PROBLEM

To determine the critical inspection problems if a surprise attack is to be prevented.

II. DISCUSSION

Appendix A reproduces the varied opinions of invited scientists covering the principal centers of the United States. It is clear that no consensus was reached and that the difficulties of designing a good inspection system are great.

An important point is that strategic aircraft spend 5% of their time in the air in training flights lasting, on the average, 8 hours. Since only about 70 aircraft are required for a sneak attack, U. S. and USSR aircraft would have to be accounted to within about 2% at least every two hours. If both sides have 1500 aircraft this seems a most difficult task.

Surreptitious arming on super highways appears feasible.

Diversion of the following numbers of nuclear weapons for clandestine use by the USSR would be required:

30 percent in 1955
10 percent in 1960
2 percent–5 percent in 1965

This seems easy to do prior to establishment of inspection without possibility of detection, especially in the later years.

A fail proof communications system appears to be difficult to design.

The value of an inspection system appears to be illusory unless the United States and NATO has an air defense that when warned can withstand the surprise attack which is to be detected. Otherwise, what difference does it make.

No final conclusions were reached.

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Paper 13:
Appendix A

Science Advisory Committee Comments on Control of Armaments and Inspection

I. QUESTIONS FOR DISCUSSION ON ARMAMENT REDUCTION

A. What are the purposes, from the U. S. point of view, of a program of armament reduction?

1. To increase *relative* strength of U. S., now, and in the projected future. Remark: Present position relative to U. K. and USSR probably satisfactory.

2. To increase absolute physical security of continental U. S. Remark: present position in this regard clearly needs improvement; U. S. is vulnerable to surprise attack, and fear of such attack plays a strong role in national thinking, leading, for example to talk of preventive war and to great stress on massive retaliation concept. Possibly major objective of program should be to eliminate the possibility of surprise attack.

3. To create better international atmosphere for normal development of democratic institutions by reducing tension and fear.

4. To open the Soviet bloc and permit penetration of democratic institutions and ideas. Remark: Our best security would be a hole in the Iron Curtain.

5. To reduce the economic burden entailed in heavy armament programs. Remark: This especially applies to Germany and France whose economies are unable to support a large military program. (On the other hand, abrupt curtailment of U. S. Defense expenditures could have severe impact, both abroad and at home.) Remark: Present situation of almost *total* ignorance of Soviet capabilities and intentions requires preparation on the part of the free world for all possible kinds of attack. Not infrequently, our plans and policies must be based on exaggerated intelligence estimates, with the consequence that expenditures all out of proportion to the real threat are required. With better intelligence and elimination, through control and inspection of certain weapons systems, great economies could be achieved and much effort now devoted to meeting threats that do not actually exist could be directed to more useful purposes.

6. To establish a position of moral leadership for the U. S.

7. To further progress in underdeveloped countries.

B. What can be predicted about the consequencies in the next 10–25 years of present U. S. policy?

1. Is relative strength of U. S. increasing with time?

2. What is the rate of technical advance of the USSR? Is our being ahead enough to guarantee security?

3. What will be the effect of technical advances in other countries; specifically growing atomic weapons capabilities of small countries?

4. What will be the effect of increasing independence of smaller countries: Japan, SE Asia, Germany, Arab states? Effect of changing political complexion on our strategic position?

5. Weakness of India? Spread of neutralism?

6. If threat of surprise attacks continue, what is cost of dispersion economically and socially?

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7. What will be the effect on our security of foreseeable technological developments as guided missiles, high-performance aircraft, ICBM, CEBAR?

8. Is reduction of armament a political, economic, and military necessity for the free world? (Adenauer) For the Soviet bloc?

9. To what extent is reduction of international tension necessary to preserve our way of life? Does external tension feed back and generate internal tension, and can this lead to a warlike orientation within our own country?

10. Will our present policy be interpreted by USSR and neutrals (and Allies) as preparation for aggression?

C. What would be the consequences to the U. S. of a general arms reduction?

1. What is the purpose of a military force?
   a. to promote national aims and support diplomacy, or
   b. to deter aggression, prevent war, win war, minimize losses.
   Remark: current policy is apparently directed entirely toward (b); Soviet policy has been successful in both (?).

2. Can a reduced military force meet the demands of 1a and b? What would be the composition and purpose of such a force as regards
   a. offense
   b. defense
   c. contribution in alliances.

3. What other means can be used to promote national aims or settle disputes if military forces are reduced? U. N.? World Court? World opinion? Restraint of trade? (Is reduced military force correspondingly reduced in effectiveness if balanced by equal reduction on the other side?)

4. Economic impact on West of arms reduction?

D. What are the obstacles to negotiating an arms reduction?

1. Clarification of position of the Department of Defense: "any negotiation and any arms reduction would be detrimental to the interests of the U. S." Is this a representative view of DOD? WHY?

2. Position of Department of State favoring negotiation? Reasons for difference from DOD point of view? Relative importance of DOD/DOS in determining national policy? Possible reconciliation of views?

3. USSR proposal of May 10, 1955:
   a. relation to their previous position?
   b. reason for sudden change?
   Remark: possibly increased respect for nuclear weapons, possibly internal economic difficulties.
   c. what parts are unacceptable to us?
   d. views of our Allies?
   Remark: formulation of a suitable answer to the May 10 proposal is surely a matter of greatest urgency.

4. What U. S. commitments must be maintained? U. N.? NATO? SEATO? Japan? South America?

5. What can USSR reasonably require as residual forces for international commitments, internal security?

6. What will be the reaction in the U. S. to proposal? How deal with DOD, SAC?

E. What are the technical problems involved in arms reduction?

1. Feasibility of obtaining strategic warning?
   a. value of such warning?
   b. assessment of reliability?
   c. how much warning can be expected?
   d. how define critical terms: "breach, violation, aggression"?

2. Feasibility of absolute control over or knowledge of
   a. nuclear weapons
   b. weapons systems
   c. delivery systems (aircraft, commercial aircraft, ships, submarines)
   Remark: high-performance aircraft, Mach 0.8, and missiles may require control even in R and D stages.
   d. land armies (how count reserves, internal police)

e. capability for surprise attack
f. overall capability to exploit surprise attack
g. clandestine activities
h. infiltration, subversion.

3. Will it be necessary to permit a retaliatory capacity in being? Should each nation retain a stockpile of nuclear weapons for this purpose?

4. Nuclear weapons
a. Is complete elimination necessary or possible? Can a fixed number be controlled?
Remark: with present development of the art a stock of a few hundred could constitute a serious threat. Production of weapons-grade material on a massive scale could probably be controlled.
b. How coordinate reduction in nuclear weapons with reduction of conventional weapons?
c. Effect on our forces of elimination of nuclear weapons?
d. Can Pu be eliminated?
Remark: unthinkable that existing stocks would not be used for peaceful applications, e. g., in breeders, but questionable whether production would continue; cost of separation is very great.

5. Control techniques
a. international vs. national teams?
b. international research center?
c. mechanism of communication?
d. access to "objects of control"; meaning of language of May 10 proposal?
e. usefulness of open information via press, trade, travel?

F. The purpose of a program for the reduction in armaments should be:

1. To increase the relative strength of the U. S. now and in the projected future.

2. To provide a more absolute physical security for the continental U. S. and its possessions.

3. To create a better atmosphere for the normal development of our institutions and way of life in the U. S. and in the free world.

4. To open up the Soviet bloc so that democratic institutions can grow and survive in that area, and the reduction of mystery and threat from that area.

5. To reduce the economic pressure of armament in the free world.

6. To obtain for the U. S. a position of moral leadership in the world working for an extension of freedom and democracy to help the underdeveloped countries make economic and political progress.

7. To reduce tension and fear all over the globe.

II. TOPICAL OUTLINE FOR A STUDY OF THE TECHNICAL AND SCIENTIFIC BACKGROUND FOR A U. S. POSITION ON REDUCTION OF ARMAMENTS

A. Projection of relative free world and Communist positions if present policy continues—10 years, 25 years.

New weapons, etc.

Is the security of the U. S. increasing or decreasing as the cold war develops?

What strains develop in the economic, political, and military situation in the free world allies and in the Soviet bloc?

Query: is reduction of armament or rate of growth a political, economic, or military necessity for the free world or for the Soviet bloc?

Important in this topic is increase in atomic stockpile, peaceful uses of atomic energy for powers all over the globe. New aircraft and ballistic missiles, dispersion problems and increasing independence of smaller countries.

The rise of Asian political consciousness.

The future of Japan, China, India, SE Asia.

The increasing power of the U. K. and the rising power of Germany. Above all, the increasing economical growth of the USSR.

Can our position of leadership and superiority (if true) be maintained under the changing circumstances? Is being ahead sufficient for the physical protection of the U. S. and the U. S. way of life?

B. What U. S. commitments must be maintained?

(a) What U. S. forces must exist even if there were no overwhelming threat of Soviet expansion? What military power must the U. S. possess to fulfill its commitments in the U. N. and to keep peace in the world, i. e., vis-a-vis, China, the Arab states, SE Asia, France, Germany, change in Japanese attitudes, weakness of India, etc.? In short, what military strength and organization is necessary to promote the national interest and support national policy?

(b) What military strength could be permitted to USSR so that it can fulfill its requirements for self-defense without being a powerful threat to its neighbors and to the world?

C. Problems of the reduction or abolition of the stockpile of atomic weapons.

(a) With the destruction of the stockpile and plants for the production of plutonium, U^{233} and diffusion plants for the enrichment of uranium.

1. Effect on the infant atomic industry. The direction of development of nuclear power.
2. Inspection problems, intelligence in general. Technical devices for inspection.
3. What military capability we would have left in peacetime military establishment and in case of emergency.

(b) Reduction of weapons but with continuation of plants for production of fissionable material.

D. Technical problems arising from reduction of armaments.

(a) Purpose and composition of forces for each important industry:

Interest of U. S. A. (continental)

1. Diminution of surprise and maximum utilization of U. S. natural defenses, wide oceans, northern wastes, effective elimination of long-range surprise attack on U. S. by aircraft, submarine, and ships and missiles carrying large atomic warheads.
2. Strong defensive power and strategic and tactical early warning through radar, intelligence, etc.
3. Retaliatory force in being under proper control.

Interest of U. S. A. (allies and free world)

1. Protection of Western Europe warning systems, neutralized zones. Compositions of land armies and tactical air forces.
2. Outlying possessions and allies, Japan, Philippines, Hawaii, etc.
3. Keep sea lanes and communications open and safe.
4. Mobility and easy transportability.

(b) Enforcement, inspection, and control:

To achieve the objectives of D. The reduction in armament cannot be on the basis of percentages or numerical strength or a formal abolition of some weapon such as atomic weapons, but must be on the basis of weapon systems and the inspection enforcement and control will vary with the different weapon systems.

(a) Land armies and armored troops—straight forward method.

(b) Navies, ships and submarines—not difficult to check, must watch out for conversions.

(c) Aircraft

1. Ordinary aircraft easy to defend.
2. High performance at long or short range and high speed over 0.8 Mach very thoroughly controlled.
3. Missiles—thorough control even in research and development stages.
4. Atomic Weapons

Elimination impossible with certainty.

Massive production difficult with inspection.

Techniques for detection of diversion, not certain but will diminish surprise.

1 August 1955

III. MEMORANDUM

IDEAS DEVELOPED IN DISCUSSION RELATING TO D. Z. BECKLER'S LETTER OF JUNE 3 ON DISARMAMENT

Participants: Bronk, Haworth, Fisk, Beckler, and Berkner at meetings of June 30–July 1, 1955.

A. What are the relative advantages to the free world of control of armaments per se compared to the situation as it is and will develop in the absence of control?

On the side of control:

1. Are we willing to continue the present great tensions which the threat of almost unlimited destruction by nuclear weapons poses to both sides?
2. Is it possible that the present armament activity will shortly lead us to either a financial or a technical situation from which we acquire growing weakness rather than a continuance of strength? (Relative strength must be measured in terms of a time scale but our planning must not only consider our present situation but the future development of this situation in both the political and technical sense.)
3. Even if we can succeed technologically in retaining our military strength in the game of measure and countermeasure, will the economic strain tend to destroy the American ideals of freedom and progress that differentiate it from the "isms"? In other words, even if we can afford the necessary uncontrolled arms race in new weapons, will not the pressures of the race destroy our free culture?
4. Is it possible that negotiation on, and steps toward, disarmament could lead to the disintegration of the "Iron Curtain" thereby supplying us with new strength in new directions to replace the advantage of present military strength?

On the side of status quo:

1. Would not any form of control over disarmament tend to diminish our present strength vis-a-vis the Soviet Union?
2. Would not disarmament perpetuate the captivity of the Satellites and endanger Western Europe or other strategic areas?
3. Is not the apparent Russian position evidence of the fact that our military strength is having a powerful, persuasive effect in modifying certain of their undesirable ideas, and, if so, would it not be unfortunate at the present time to curtail our military activity? In other words, if we have them on the run, should we weaken our hand now?
4. Are we necessarily going to lose our strength advantage at any time?
5. Must we assume that a nuclear war would lead to almost unlimited destruction or can technology contain nuclear destruction in the future?
6. What is the relationship of disarmament to consequent increase in power and influence of third parties?

B. Quite independently of limitations in armaments, the establishment of mutual inspection operations may have merit. This could be an important step toward the ultimate breakdown of the Iron Curtain. In particular, an inspection, if it can be devised, which would reveal the onset of immediate preparation for a passive blow with nuclear weapons would have the following benefits.

1. It would greatly diminish the possibility of surprise attack.
2. It would generally reduce the possibility of widespread armed conflict.
3. It would induce stability by reducing extent of unfounded suspicions.
4. It would reduce the need for excessive armament in the face of the unknown.

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We are under no illusion that inspection could be obtained without some cost to us. But we should evaluate cost in terms of gains.

Inspection and control need not be tied together. It is valuable to think of them separately. It would be unwise to agree to a control system based on inspection until we know how to make inspection work and can evaluate it.

C. Basic questions that might be answered by the Science Advisory Committee to aid the U. S. Government in assessing, developing and evaluating plans for inspection and control.

1. What are the relative strengths derived from various combinations of weapons systems in relation to different conditions of armaments control.
   (a) Which combinations from our point of view are superior, tolerable, and intolerable?
   (b) What (numerically) would be the effect on U. S. position now and in the future of abandoning nuclear weapons?
      (1) altogether
      (2) retain for air defense
      (3) other
      (4) does control necessarily require control of nuclear matter?
   (c) Is inspection of nuclear materials technically feasible?
      (1) What would be precision of estimates?
      (2) What is tolerance in accuracy of estimate?
   (d) Is "inspection" of means of "long-range" delivery technically feasible?
      (1) What would be precision of estimates?
      (2) What is tolerance in accuracy of estimate?
   (e) What kind of inspection of other than nuclear weapons is necessary to make a control or disarmament plan feasible; is the necessary inspection technically feasible?
      (1) conventional
      (2) B & CW
      (3) other unconventional
   (f) How does one develop and adapt inspection procedures necessary to reveal the development of any unanticipated (or new) type of weapons and weapon systems?
2. Is a "fail safe" communications system technically possible?
3. What are the values of inspection and how can we arrange it?
   (a) Assuming the Iron Curtain to be one of the great military weapons of all time. can we evaluate the value of "inspection" as a major means of destroying it?
      (1) intelligence value of inspection U. S. vis-à-vis USSR.
      (2) negation of surprise
      (3) social effects on "climate"
      (These points require amplification.)
   (b) What type of inspection would best accomplish these ends?
   (c) How could the USSR be induced to join an inspection system that is completely satisfactory to us?
      (1) Having evaluated independent values of inspection, what would we be willing to trade for it?
      (2) Could inspection be presented with sufficient attractiveness to obtain Soviet alliance without undue cost to us?

IV. MEMORANDUM

REPORT OF CAMBRIDGE MEETING ON CONTROL OF ARMS SPONSORED BY SCIENCE ADVISORY COMMITTEE

A two-day meeting was held in Cambridge, Massachusetts, July 20 and 21, to discuss in a preliminary manner possible technical approaches to the control of arms through an inspection system.

Those in attendance all or part of the meeting were:

David Z. Beckler	Science Advisory Committee
Ivan A. Getting	Raytheon Manufacturing Company
Edmund A. Gullion	Stassen Staff
Marshall G. Holloway	Lincoln Laboratory, M. I. T.
James R. Killian	Massachusetts Institute of Technology & SAC
Edwin H. Land	Polaroid Corporation
Allen Latham, Jr	Arthur D. Little, Inc.
Max F. Millikan	Institute International Studies, M. I. T.
Bruce S. Old	Arthur D. Little, Inc. & SAC
Emmanuel R. Piore	Avco Manufacturing Company & SAC
Edward M. Purcell	Howard University
Hartley Rowe	United Fruit Company
Earl P. Stevenson	Arthur D. Little, Inc.
Roger S. Warner	Cambridge Corporation
William Webster	New England Power Company
Jerrold R. Zacharias	Massachusetts Institute of Technology & SAC

At the outset it was generally agreed:

1. The major Soviet strategic threat was its capability of launching a surprise attack. Thus, the major purpose of an inspection system must be aimed at detecting and blunting any such move by the Soviet.

2. Massive buildup of army and navy forces could probably be detected by inspection of depots, combat supply points, and naval bases as long as ninety days before an attack.

3. SAC inspection is an entirely different situation, since its dedicated purpose and its operations are aimed at maintaining a constant capability of surprise attack or instant retaliation.

Therefore, the majority of the time was spent in discussing means of inspection to prevent surprise air attack.

The general conclusions reached and observations made were:

1. A limited inspection system can be devised which will increase the probability of detecting hostile intentions two to twenty-four hours before the launching of a surprise air attack. Detection of hostile intentions as long as ninety days prior to such an attack would require certain limitations in armaments which would probably have to be violated in order to build up a surprise capability.

Some Elements of Short-Term Detection

a. *Observers at Large Air Bases.* An inspection system limited to this alone would provide little or no warning of a surprise attack. However, it would have intelligence and other values as an important step in international inspection.

b. *Right to Unlimited Scheduled Overflight.* This is essential to any inspection system for minimizing surprise attack going beyond paragraph *a* above. Such overflight would be carried out in an inspected, identified international plane.

c. *Inspection of Long-range Aircraft Traffic.* A system of scheduled flight plans for all long-range aircraft, commercial, tankers or SAC bomber practice flights, and a reporting and tracking system would be required to account for long-range aircraft in order to detect deviations and possible hostile intentions. Electronic beacons might be devised to assist in the accounting. Limitations of total number of bombers in the air may be required.

d. *Inspection of Payload.* Detection of the marrying of weapons to airplanes is one of the big inspection problems. All long-range aircraft would have to be inspected, especially for nuclear weapons. This would be valuable despite the possibility of concealed weapons and secret staging bases.

e. *Observers at Delivery Vehicle Production Centers.* This would make available production figures and minimize the possibility of clandestine modification of aircraft.

f. *Reliable "Fail Safe" Communications.* This is a problem of authentication as well as communication. Cryptographic means of identification as well as arrangements for inspectors and their location require study.

g. *Inspection and Control of Nuclear Materials and Weapons.* Inspection and control sufficient to keep illegal diversions to within the accuracy of normal accountability (See conclusion 2.). The importance of limited inspection will increase with time as the USSR approaches nuclear and delivery parity with the U. S. Although such inspection can reduce both the *possibility* and *probability* of surprise attack, it cannot be relied upon to the exclusion of tactical warning devices. It can be importantly supplemented by unilateral intelligence activities. We cannot afford to pay a high price for one- to two-day warning (as by giving up European bases). Although these inspections and controls can be circumvented or spoofed, they may introduce such uncertainties into Soviet planning as to discourage the launching of a global war.

To be effective the inspection indicated above would have to be extended to the entire Soviet bloc. It would require hundreds of U. S. nationals; although, representatives of neutral nations could also be used.

Although a surprise attack could be mounted without detectable activity in the army and navy, such activity might precede an attack. In any case, the posting of inspectors at central points involving these services would be useful as a source of intelligence for us and a restriction on Russian preparations to follow up a surprise attack.

2. Any inspection system involving inspection of fissionable materials production should be based on the assumption that a certain small percentage of the total production (about one to three percent) cannot be accounted for and could be secretly diverted to illegal uses.

However, an inspection system capable of accounting for fissionable materials down to even a few percent would be highly worthwhile in refining our estimates of USSR production and would be essential to control and/or inspection of the distribution of fissionable materials for weapons use.

This conclusion assumes that clandestine nuclear production facilities in the USSR and her satellites would be detectable through inspection. The quantity of fissionable materials which could be diverted over the next five years without detection could be sufficient for some ten to one hundred weapons, including thermonuclear. If our retaliatory power is decreased or concentrated on few bases during this period, the diverted weapons could decisively cripple our retaliatory power if not our population and industry.

To the above estimate of unaccountable material must be added the irreducible error in accounting for past production of fissionable materials.

It follows that there can be no absolute safety in inspecting and controlling fissionable materials production per se; although, such inspection would complicate preparations and plans for a surprise attack and would restrict the number of weapons available for delivery. The danger from such secreted material can be substantially reduced through control and/or inspection of air delivery systems coupled with strengthening the defensive systems of the countries involved. This is a point the Science Advisory Committee will have to consider further.

3. We do not believe that the dangers of secret diversion of weapons materials are such as to require a cessation of the production of fissionable materials. This would seriously stall the developing nuclear power industry. Some compromise with the State Department moratorium idea might be possible by continuing U-235 but halting Pu-239 production, as there is at present no power use for plutonium. Continued production coupled with a reasonable inspection and control system over production and delivery could minimize the dangers attendant to continued production of fissionable materials.

It is worth investigating the possibility that inspection and control of the flow of fissionable material could be facilitated through the addition of a long half-life radioisotope which could signal the presence of fissionable material to an inspector in the vicinity who is equipped with a radiation detection device.

4. Control of one delivery system may convert other uncontrolled delivery systems from secondary to primary threats due to the transfer of energies of the secret aggressor. Restrictions on aircraft delivery would require special attention to the detection and possible control of clandestine delivery within the U. S., delivery by ships and submarines, and the use of biological, chemical, and radiological warfare.

5. In addition to proposing inspection arrangements for lessening the possibility of a surprise attack, consideration should be given to the following actions which, if necessary, could be taken apart from inspection of air delivery capabilities. All of these actions would necessarily require verification through specialized types of inspection and would be implemented in progressive phases. This could be preceded by general discussions with the USSR on types of activities and plants which require inspection:

a. Open nuclear power plants to the public, disclosing total capacity and fuel.

b. Disclosure of size of nuclear stockpile.

c. Disclosure of numbers of aircraft.

d. Nonproduction of high supersonic aircraft.

e. Nonproduction of intercontinental and other strategic missiles and limitation of test facilities.

Since this weapon and the aircraft of paragraph c are not yet in existence, and there is a good chance of detection in numbers, there might be advantage to the U. S. in proposing nonproduction at this time.

f. Nonproduction of bacteriological warfare agents.

This could have unique good will value and provide a basis for cooperation in the life sciences. Anticrop agents would not be included in this prohibition. BW might be a good guinea pig area in which to initiate international inspection.

6. Inspection and control should not extend to research and development of new weapons. This limitation is necessary to avoid the technological surprise and lead-time which might benefit

the country which carried on clandestine research and development in violation of a control agreement.

7. In assessing schemes for inspection and control of armaments and related activities, emphasis should be placed in the over-all probability of success in detection indications of hostile intent rather than on absolute reliability in every step of inspection and control. Even though the chances of deception and evasion in any given step may be ninety percent, a chain of five such steps would have an over-all probability of success of less than sixty percent. Secondly, the inspection plans must be measured against our present knowledge of the USSR rather than solely on the basis of what information would be ideally required. Third, the plans must be evaluated against the 1960 conditions of nuclear and delivery equality rather than against our fading weapons superiority.

Any presently conceived system of inspection and control can be circumvented to a dangerous degree by massive deception practiced by a vast country with a totalitarian government. Therefore, it is highly important that the U. S. not place confidence in any inspection and control system at the expense of maximum military preparedness under the agreements and of constant national alertness.

8. Inspection of indicators of national productive capacity such as, the steel, petroleum, aluminum, power, coal, etc., industries, is not a promising avenue for detection of hostile intentions. The USSR has already in being an industry capable of supporting a war. Such an inspection of China would be more to the point.

There was some difference of opinion as to whether the U. S. in spending twelve percent of GNP for arms was thereby keeping inordinate pressure on the USSR to the extent that the USSR is talking peace to gain relief, or whether the U. S. current arms spending is more to be considered a drain on our progress in our world-wide fight against Communism.

9. There was a plea that the Science Advisory Committee try to set down what it considered to be the ideal control of arms system. Then one might be able to tailor properly an effective inspection system. In general, one could consider as a bare outline for the ideal case:

a. Strong national defensive capability with limited inspection. Make attack obviously unprofitable.

b. Limited offensive retaliatory capability with full inspection.

c. Brush fires to be handled by a UN Brigade.

BRUCE S. OLD, *August 8, 1955.*

Distribution: Members and Consultants, SAC Attendants at Cambridge Meeting as listed on Page 1.

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF DEFENSE MOBILIZATION
WASHINGTON 25, *July 22, 1955*

V. MEMORANDUM

MEMORANDUM FOR MEMBERS SCIENCE ADVISORY COMMITTEE

SUBJECT: Washington Seminar on Inspection and Control of Armaments

In accordance with the wishes of the Science Advisory Committee, an informal discussion on inspection and control of armaments was held on July 11 and 12, 1955. The following persons participated in this discussion, full or part-time: David Z. Beckler, Ralph Clark, Hugh L. Dryden, Captain Donald W. Gladney (Mr. Stassen's office), Colonel A. J. Goodpaster, Lawrence J. Hender-

son, Jr., Ellis A. Johnson, Stefan T. Possony, Herbert Scoville, Jr., William Shockley, Merle A. Tuve, and Alan T. Waterman.

A summary of the opinions expressed is enclosed. This summary has been checked with selected members of this group, but it has not been possible to circulate it to all who were present.

DAVID Z. BECKLER,
Executive Officer,
Science Advisory Committee.

ODM–12733

VI. SUMMARY OF VIEWS

AD HOC GROUP ON INSPECTION AND CONTROL OF ARMAMENTS MEETINGS IN OFFICE OF THE ODM SCIENCE ADVISORY COMMITTEE, July 11 and 12, 1955

1. The development of multimegaton thermonuclear weapons and long-range aircraft have greatly increased the risk of a surprise attack. Fifty to one hundred well-placed bombs on U. S. targets would at least effectively cripple if not defeat this country.

2. An inspection system could somewhat increase the probability of warning and reduce the risk of surprise attack. There is no practical inspection system which can assure warning. Even though unreliable from a warning standpoint, the experimental, intelligence and psychological value of inspection would be highly advantageous to the U. S. Acceptance of an inspection system requires considerable build-up of our defense posture, including non-military defenses. Strong measures would need to be taken to be sure other intelligence activities were improved and strengthened.

3. Although the group was pessimistic that both a reliable and mutually acceptable inspection system could be devised, it felt that the potential importance of developing such a system justifies serious study.

4. Three levels of armaments require further study in terms of the risks of surprise attack and its probable consequences (a) the uncontrolled armaments race, (b) intermediate levels of disarmament, and (c) very low levels of armament. It was agreed that level (a) would be unstable because the great destructive power possessed by both sides might lead to an irrational decision to attack because of a temporary technological advantage accruing to the aggressor nation. Level (b) would likewise be unstable because the possibility of deception and the availability of reliable information on relative capabilities would make a favorable outcome probabilistic for the U. S. Level (c) would require some means of neutralizing the manpower of the USSR with her advantage of interior lines of communication.

5. The group felt a need for a more precise quantitative estimate of the degree of accuracy required in estimating violations of an inspection system in terms of capabilities for surprise attack.

6. Several suggestions were made for limited inspection possibilities to determine what is required for adequate inspection and warning time and to develop techniques for more general inspection arrangements.

a. Experimentation within the U. S. employing U. S. nationals to inspect SAC operations, and U. S. industry.

b. U. S.-USSR inspection of a specific weapons system, e. g., strategic air forces.

c. U. S.-USSR inspection of agreed upon selected geographical areas within each country.

7. A brief examination of possible combinations of inspection and controls to facilitate inspection (as contrasted with limitations) did not disclose any scheme which could not easily be circumvented by a determined enemy to prevent warning during the interval required to launch a surprise attack. Further, any inspection scheme must consider the possibility that weapons, troops, materiel and production could be concealed in China or the Soviet Bloc.

8. There was agreement that a tight inspection system for fissionable material production would be unrealistic because of the manifold possibilities of diversion, and that controls over delivery vehicles were more practicable than over nuclear production.

9. However, there was lack of agreement on the need for inspection and control of nuclear production. One view rejected nuclear inspection and control as impractical and misleading. Another view was that the stockpiling of nuclear weapons should be limited to a large but limited number (such as 500) whereby expected errors in inspection would not be dangerous, but total destruction in the event of global war could be somewhat restricted as compared with unlimited stockpiling (thousands of atomic weapons).

10. An inspection and control arrangement must be time-phased to accommodate changes in weapons systems (as in going from long-range aircraft to the ICBM).

11. There is no basis for hope in being able to control the design or performance characteristics of weapons systems or to outlaw weapons because of the possibilities of designing around and circumventing such restrictions. The psychological advantages of outlawing large-scale fallout through agreements to control the employment of thermonuclear weapons requires study.

12. A possible alternative to control of arms is to balance military power such as by promoting atomic capabilities on the part of other nations including neutrals.

VII. COPY OF LETTER

C O P Y

THE RAND CORPORATION
1625 Eye Street, N. W.
WASHINGTON 6, D. C.

C O P Y

August 11, 1955
WL-1054

Mr. DAVID Z. BECKLER
Executive Officer
Science Advisory Committee
Office of Defense Mobilization
Executive Office of the President
WASHINGTON 25, D. C.

DEAR DAVE:

Pursuant to your suggestion, I have written Dr. DuBridge and enclose a copy of my letter for your information.

With respect to the summary report you prepared, which I think is excellent, I have only two comments:

1. Concerning the second paragraph, which discusses the advantages to the U. S. of inspection, I should like to point out that there may be hidden disadvantages to us which have perhaps not been fully examined. It is by no means clear to me that I would want, for example, to agree to mutual inspection of SAC and SUSAC bases, even though we know very little about the outward aspects of SUCAC and they know a great deal about SAC. This involves operational and political intelligence considerations in an important way, not simply the question of intelligence on physical objects. I think this is a fairly important point.

2. With respect to the paragraph on the three levels of armament, I would not be too sure that the high level would be unstable because of temporary technological advantage on the part of the aggressor. It may well be unstable for other reasons, but I doubt that Soviet policy makers at a high level would initiate an attack, say, because they had an ICBM and we didn't and had no

defense against it. It is too risky from the operational standpoint to rely on this kind of thing in the case of a really serious policy decision. Besides, I don't see the relation between level of armament and technological advantage. Wouldn't the latter be more important in the case of lower levels of armament?

I hope I was able to be of some help and appreciate the fine job you did in preparing the summary.

Best regards,
Sincerely,

(s) LARRY
L. J. HENDERSON, JR.
Associate Director.

Attachment

VIII. COPY OF LETTER

C O P Y

THE RAND CORPORATION
1625 Eye Street, N. W.
WASHINGTON 6, D. C.

C O P Y

August 11, 1955
WL-1053

DR. L. A. DUBRIDGE
Science Advisory Committee
Office of Defense Mobilization
Executive Office of the President
WASHINGTON 25, D. C.

DEAR LEE:

As you may know, Dave Beckler asked me to join with Hugh Dryden, Alan Waterman, and Merle Tuve, among others, in a session held here in July on the subject of the control of armaments, for the purpose of possible assistance to your Committee. Dave tells me the summary report of our meetings is being made available to your Committee, and when I told him that I had some additional notions which might possibly be of assistance in your deliberations, he suggested that I write to you.

I should first like to say that this letter is purely an expression of my personal views and is being submitted solely in the hope that it may possibly call the attention of your Committee to some aspects of the problems you are considering which may not otherwise have been brought to light. I certainly have no specific proposals to make nor even any suggestions as to solutions of the very complex and difficult problems involved. However, the general matter of control of armaments and inspection appears to me to be so critically linked to the security of the free world that I felt impelled to set down some of my thoughts, however ill-considered, in the hope that I might perhaps contribute something.

DISARMAMENT

Disarmament, or limitation on armament, seems to me to be a subject on which there are in some quarters a good many misconceptions. Most of us have perhaps been conditioned to believe that limitation or reduction of armaments is something to be desired in itself. It is not at all clear to me that this is necessarily so. For present purposes, let us assume that what we really wish is to avoid war or at least a cataclysmic war. We might say then that this is the end, and disarmament simply one conceivable means to this end. Disarmament or control of armaments is not

therefore an end in itself. It is conceivable, in fact even quite possible, that means other than disarmament may be preferred. Until recently this has been the position of our government since the Korean war.

It seems to me, therefore, that we should examine the control of armaments objectively in terms of probable pay-off and cost in comparison with other means to the same end. Perhaps an analogy is the local police force. Here the end is the reduction or control of crime. The reduction of the police force is not an end in itself, although if the end can be achieved while at the same time reducing the police force without adding other burdens upon the community, then sometimes the reduction of the police force might be justified. However, in practice such instances appear to be rather rare.

Considering the end of avoiding or reducing the probability of a catastrophic war and looking at control of armaments as a means to this end, we then must determine how we can get the same or better protection against the probability of war, at a lower cost, while disarming. If this condition could be achieved, then disarmament might appear desirable. However, there are certain facts of life which we must face. In the first place, in the opinion of many responsible people, our protection is now inadequate. Our present and planned military capability does not look very impressive in the light of the growing Soviet atomic stockpile, long-range Air Force capability, and missile development programs. It might, therefore, well be argued that even our present armament program is grossly inadequate to achieve the protection we require.

A second problem is that in the atomic and thermonuclear era, as opposed to earlier eras, where mobilization and leisurely preparation after the outbreak of war were possible, reduction or control of armaments would almost certainly have to be supplemented by other measures such as passive defense, dispersal and hardening of our remaining forces, etc. These additional measures might in fact cost as much as a higher armament level and might not necessarily give us as much protection. This, I am afraid, is a point which has not been adequately considered by those who see in disarmament a step toward reduction in government expenditures. Furthermore, we all know how difficult it is to persuade people to take the kind of supplementary action required to maintain our safety at even the present level. Measures looking to the reduction of vulnerability in our military are woefully slow of adoption and certainly our civil defense program has not been outstandingly successful. If the political or other considerations which have caused these programs to lag are of a permanent or semipermanent nature (i. e., we just won't make up our minds to do these things) then disarmament or control of armaments might in fact be suicide from a practical standpoint.

One aspect of control of armaments which has perhaps not received as much consideration as it should relates to the relative ratios of types of armament or weapons systems. This is of course a familiar problem when put in terms of USSR manpower vs. U. S. air-atomic technology, but it is more complex than this and should probably receive considerable study. Clearly the Soviets have studied it or they would not have come out with the rather specific proposals they have made.

As a corollary, much is said nowadays about the higher probability of peripheral or limited war vs. total war. It seems quite conceivable that some forms of control or limitation on armaments which might appear desirable from the standpoint of total war could be very undesirable in terms of the free world's capability to deter, or, if necessary, wage limited or peripheral wars.

INSPECTION

In looking at the inspection problem, which perhaps can best be considered separately from the disarmament problem, one is struck by the fact that here also the Soviets seem to have a

notion of what they want which is more concrete than any we have officially adopted. I understand that Charlie Lauritsen has suggested that a careful analysis be made of the Soviet proposals in an attempt to determine what it is they want or expect to learn from their inspection in the U. S. This would appear to be an extremely desirable study to have made. I am not at all sure that we know what it is we want to know about the Russians. This should certainly be given very careful study in terms not only of objectives but of feasibility and reliability.

In looking at USSR inspection in the U. S., I think we perhaps tend to exaggerate Soviet knowledge of our true operational capabilities. Undoubtedly, they have much better intelligence concerning us than we do concerning them. On the other hand, the confidence they can place in the information they have may be low enough so their doubts greatly restrict their freedom of decision. I submit that it is eminently desirable for us to avoid any reduction in these doubts, for reasons which I shall not go into here but which I shall be glad to discuss with you at any time. Outward appearances, even on a fairly detailed basis, are very different from a real and accurate knowledge of true capabilities.

ALTERNATIVES

There is a brief suggestion in the summary report of our meetings here in Washington relating to the balance of military power. This has to do with the possibility of changing the bi-polar world, at least in military terms, to a multi-polar one. This is an extremely complicated and difficult problem but perhaps should be studied much more carefully than it has been. There are a variety of possibilities.

Even if we took no action, the U. K. and almost certainly some other European nations will acquire an air-atomic military capability before too long. There are things we could do about this natural growth. We could accelerate it by support of various kinds or we could, conceivably, actually create an atomic capability on the part of our allies, or even neutrals, such as India. Perhaps the existence of multiple atomic capability would not be an unmixed blessing; on the other hand, it might reduce the confidence of the Soviets that they could achieve all their objectives by a massive blow against one nation, such as the U. S. It seems to me that this is an area which requires searching examination.

There is one aspect of disarmament which might be mentioned here as it is related to the question of multi-polar capability. Some armament control schemes which might look attractive to us or be in our interest might not be in the interest, say, of the U. K., because of the difference in the state of their atomic or military programs. Presumably such angles are being considered by the U. S., but there has been very little mention of them to my knowledge.

I am afraid this is a rather disjointed and fragmentary letter, but I hope it may perhaps contribute to your discussions in a small way.

With best regards,

Sincerely,

/s/ LARRY
L. J. HENDERSON, JR.

SECRET

Paper 14

Thresholds of Armament Effort—U. S. and U. S. S. R.

Originator: Stacy May

Critic: George A. Lincoln

The purpose of this paper is to examine the possibilities of increasing the volume of armament production to a point where there would be a good prospect of straining the Soviet economy to the breaking point by inducing a competitive effort beyond that which its economy could support.

I. CURRENT U. S. AND USSR COMPARISIONS—TOTAL ECONOMIC OUTPUT AND MILITARY EXPENDITURES

Perspective upon the question at issue is furnished by comparing the rough magnitudes of the two economics and their respective military expenditure commitments.

The United States

1. The Gross National Product of the United States is currently about $385 billion.
2. Our total military outlays are of the order of $40 billion, or between 10 and 11 percent of the GNP.
3. Our annual expenditures on military hard goods amount to somewhat less than one-half of our total defense outlays.

The USSR

1. The Gross National Product of the USSR is estimated at around $125 billion, or about one-third that of the U. S.
2. Its total military outlays are estimated at something over $20 billion, or 16 to 18 percent of the GNP.
3. Its annual production of military hard goods is estimated at around $10 billion.

Comparison of the Two

In proportion to the size of its economy, the USSR is spending about 50 percent more than we are for military expenditures as a whole and for the sub-category of military hard goods, although the absolute amount of the expenditures in each case is only one-half as large as ours.

The latter statement, taken at face value, is apt to lead to erroneous conclusions, for:

a. With only about half of the "soft item" expenditures of the United States, the USSR supports far larger military contingents than we do. Among the factors that make this possible are their far lower pay and subsistence scales and their comparatively large concentration of military personnel grades in the lower rank and pay brackets.

b. Similarly, in the matter of military hard goods production, the USSR appears to get a larger quantitative return than is indicated by expenditure figures of currencies theoretically reduced to a common base. Intelligence estimates of comparative armament production seem to indicate a Soviet production roughly comparable in over-all magnitude to ours, although the comparison is admittedly difficult because of wide discrepancies that fall one one side or the other

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in various weapon categories, and of qualitative differences that are hard to appraise. Seemingly, a much greater degree of standardization in a variety of major weapon types on the part of the USSR is an important factor in producing this result.

At any rate, upon the basis of prevailing practices and methods of comparing expenditures in the two currencies, it is reasonable to assume that the USSR could match an expansion in our overall military outlays at half the cost represented in our budget. It is not so clear that this would hold true for a matching of military hard goods expenditures alone, particularly if such matching were called for upon a selective basis. In a number of fields, such as electronic equipment, the ratio of Soviet expenditures to American seems to work out much closer to a 1-to-1 ratio. Comparatively large capital equipment expenditures on the Soviet side might also be involved.

II. THE SOVIET BREAKING POINT

How large an expansion of military effort could the USSR economy support? It is logical to start from this end, since the U. S. economy, without reference to internal or external political considerations, is clearly capable of supporting a greatly augmented military program.

Intelligence estimates indicate that, again measured in purely economic terms, the USSR could mobilize without collapse as much as 40 percent of her total annual production for military outlays in a cold war setting, and perhaps as much as 60 percent under all-out war conditions.

If this appraisal is accurate, the USSR could support total military outlays of a $50 billion dimension without intolerable *economic* strains if the competitive pressure were deemed to demand it. That would mean a multiplication of her present military outlays by two and one-half times.

Upon the basis of existing U. S.-USSR expenditure ratios of something like 2 to 1, it would take a $60 billion dollar increase in total U. S. military outlays to invoke this Soviet competitive response. Since a U. S. expansion of anything like that dimension is far beyond the range of practical acceptance in the present domestic and Free World political context, the concept set forth for exploration in this paper appears definitely unpromising, at least if the challenge is offered through an *over-all military outlays* approach.

But the prospect of inducing strains in the Soviet economy appears less fanciful if the competition is visualized as one that focuses sharply upon selective military hard goods fields. If, for example, the United States were able to achieve a substantial developmental breakthrough in major weapons of offense, such as intercontinental guided missiles, and were willing to devote considerable additional sums to their production, there would assuredly be a considerable pressure upon the USSR to answer the challenge.

The same result might be obtained by a United States breakthrough in defensive weapons—particularly in weapons that assured us of substantial immunity from enemy bombs delivered by manned aircraft at a time when the USSR still was vulnerable to our delivery potential and had not yet developed a massive capacity for guided missile attack upon us. Obviously, any breakthrough that would give us precedence in establishing additionally effective protection against guided missile attack would be of even greater significance.

It is by no means clear that the USSR could expand its output of military hard goods by anything like 2½ times (to a $25 billion level) in a short period. A recent appraisal estimated that Russian military hard goods production at its $10 billion level mortgaged approximately one-third of her $30 billion per year metal working industry capacity. By contrast, the U. S. military hard goods production absorbed less than 15 percent of our capacity in the same field. The requirement of matching an additional $8 or $10 billion expansion of hard military output would probably cause consid-

erable internal readjustment of Soviet internal arrangements that might induce embarrassing if not untenable strain, if it were of a type that called for Russian expenditures somewhat comparable to ours.

The optimism of the preceding paragraph should be qualified, however, by a number of considerations.

It would take a developmental breakthrough of genuine strategic importance to offer substantial assurance of sufficient pressure to require a Soviet response in kind.

There are a number of visualizable developments of this nature that might logically call for a *diversion* of current expenditures on either side, the substitution of new weapon production for that of weapons currently manufactured, rather than a net addition to output or expenditures.

The speed with which the USSR would feel called upon to respond is problematical at best. In substance, she is in the enviable position of having control of the trigger. She can be reasonably certain that, unless she overtly forces the issue, we will not aggressively attack even though the advantage rests with us. We can have no such assurance. Therefore, although such a development as has been premised would undoubtedly evoke a response, the tempo of such response could be importantly of Russia's choosing. The pace could be timed to fall within the limits of accommodatable internal adjustment.

Unilateral action on the part of the United States to considerably step up its military expenditures would meet with formidable internal, allied, and neutralist opposition. The net political consequences of such repercussions, and their Communist exploitation, would have to be carefully weighed. However, it should be noted that increased U. S. military expenditures of the type outlined in section II above, could be rationalized as having a purely *defensive* connotation, even though in fact they could alter the entire balance of massive offensive potential as a deterrent force. Expenditures for "defense" could probably be increased with a minimum of political repercussions.

III. CONCLUSIONS

1. On balance, it does not appear that the concept put forth at the beginning of this paper holds sufficient promise at the present juncture to warrant high precedence in our current strategy.

2. Time and a change in political climate could radically alter the appraisal.

3. The potentials of the idea, particularly in its selected application as suggested, are worthy of intensive study against a time when the approach may have greater applicability than now.

4. Meanwhile, it is significant that our most hopeful means for inducing at least embarrassing strain in the Soviet economy would seem to lie in the area of radically increased expenditures for new weapons relating to delivery and defense against delivery of atomic and hydrogen bombs. A breakthrough in either of these fields would be of crucial importance upon solely strategic considerations. It has the added virtue of offering the type of production competition that is comparatively most costly for the USSR to match.

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Paper 15

Psychological and Pressure Aspects of Negotiations with the USSR

Originator: Henry A. Kissinger

Critic: Stefan Possony

I. THE PROBLEM

The series of negotiations which started with the Geneva summit conference are forcing the U. S. to examine again its diplomatic and psychological posture, to assess the nature of the process in which we are engaged, and to determine the means to deal with its pitfalls.

Perhaps the best way to approach an understanding of current negotiations is to compare them with their counterparts during the heyday of "secret diplomacy" in the nineteenth century. At that time negotiations played a determinate role: to delimit the area of attainable agreement and to find formulae to reconcile divergent points of view. Because no power considered the existence of another as a threat to its own survival the penalty of diplomatic defeat was the loss of a tactical position and not national catastrophe. And because the risks were smaller, no power felt it necessary to maintain force levels of a magnitude which required intensive preparations of public opinion, either domestic or allied. The flexibility of diplomacy was, therefore, much greater than in an era of imminent nuclear destruction. In framing his proposals, the diplomat was more independent of domestic support and for reasons which can be summarized in these propositions: (1) no government attacked the domestic structure of any other state; (2) the demands on the population either in peace or in war were relatively negligible.

Nothing could be more different from the situation today. We are confronted by a power which for over a generation has claimed for its nation both exclusiveness and universality of social justice; which has based its domestic control apparatus on the myth of a permanently hostile outside world; and which is building a nuclear capacity to inflict catastrophic blows on the U. S. In these circumstances the whole pattern of international relations is transformed. In the face of subversion by the Cominform the freedom of action of many governments is being circumscribed. In the face of the demands of the technological race the U. S. Government must fight a war on three fronts: domestically, to generate enough support to build the force-levels without which we cannot negotiate; toward our allies, in order not to trade whatever freedom of action remains to their governments; and toward the Soviet Bloc, to prevent its splitting the U. S. system of alliances or to expand its sphere even further. In this manner, "normal" diplomatic relations have changed their meaning. What is at issue is no longer the adjustment of local disputes between protagonists agreed on a basic framework, but the basic framework itself. Diplomatic conferences become sounding boards which attempt to harmonize conflicting considerations: the possibility of continuing a domestic consensus and the relationship of the U. S. to its allies while determining the area of possible agreement with the USSR.

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All this is another way of saying that the predominant aspect of the new diplomacy is its psychological dimension. If the U. S. in the process of attempting to establish a better atmosphere lulls its own people into a false sense of security it may paralyze itself in the next round of negotiations. If in order to hold allies in line the U. S. appeals to its most defeatist elements, it may gain a propaganda victory but erode the basis for any decisive action that may prove necessary. If a detente is achieved in Europe it may remove the only incentive of our European allies to support us in case of a crisis in Asia. The more the Soviets succeed in giving the impression that there exists a "third alternative" in the contest between the U. S. and the USSR the more difficult our coalition effort becomes.

And the psychological element is no less true vis-a-vis the USSR. Let us assume one of two motives behind recent Soviet maneuvers: (a) that the USSR sincerely desires an accommodation with the U. S. or (b) that it is simply playing for time until its nuclear capacity is more nearly commensurable with that of the U. S. and until the constellation of forces in the non-Communist world becomes more favorable. It is true that in case of eventuality (a) an intransigeant U. S. attitude may lead in turn to a hardening of the Soviet stand. (This is so only within limits as will be discussed below.) But is it no less true that a too rapid surrender to Soviet blandishments may give the USSR all the advantages of course (a) and still retain for the USSR the capabilities of course (b), i. e., it will still give the Soviets the option of executing an about-face when it serves their purpose. Everything therefore depends on projecting to the Soviet leaders a correct picture of U. S. determination: if they are sincere, in order not to mislead them into believing that a real accommodation can be purchased by a change of tone alone; and if they are playing for time, in order not to allow them to buy it cheaply. In short, it is to the U. S. interest to strengthen those forces in the USSR not willing to risk everything for the sake of expansion but to do so in a manner which neither disintegrates domestic U. S. support for a firm policy nor undermines allied relationships.

The real difficulty with the above observations arises from applying them to concrete situations, particularly if one inquires into the psychological potential available to achieve American objectives. There is no doubt that the desire for peace is the predominant trend in the public opinion of all the countries of the world including the Soviet Bloc. It is the attitude which must be used to legitimize any U. S. policy. The USSR has so far been most skillful in utilizing it in two ways: (a) By talking about peace, in general, it has given the impression that the outstanding disputes are minor and that the achievement of peace depends largely on a change of tone; (b) By focusing on security problems, such as German rearmament, the USSR has placed itself in the position of being threatened and has put the onus for reassuring it on the West.

Both tactics are eminently to the Soviet advantage. While the concept of peace is identified with the ease of international intercourse it will be relatively simple for the USSR to play for time and to prolong negotiations as long as it suits its purpose to negotiate. The more the Soviet Bloc is permitted to capitalize on gestures which cost it nothing, such as visits of Soviet farm delegations or releasing illegally imprisoned U. S. citizens, the more difficult it will prove to get popular support for the level of armament expenditure which brought the USSR to the conference table in the first place. The more prolonged the discussions about threats to Soviet security, the more difficult will it prove to return to the real security problem: the disproportion in conventional military strength and the presence of Soviet troops in the center of the European continent. In the process unless the U. S. is vigilant it may be forgotten that no peace is permanent which does not take into account the nature of power relationships. Stability is not achieved only by conciliatory words—at least no statesman

can gamble the survival of his charge on words alone particularly under conditions of modern nuclear capabilities. This is all the more true when confronted by a power priding itself on its assessment of "objective" factors to which professions of good faith unrelated to power factors will seem caused either by hypocrisy or stupidity.

If this is true, the U. S. has the following tasks in the present negotiations: (a) to maintain within the U. S. the domestic support for a continuation of a firm policy; (b) to reduce the Soviet peace offensive to concrete terms as quickly as possible; (c) to announce a program which captures the universal desire for peace while leaving no doubt that peace can only be achieved through a series of concrete adjustments; (d) to announce a program which appeals to the general desire for economic advancement in the underdeveloped countries; (e) not to permit the present negotiations to be conducted solely on a plane where the U. S. will be placed in the position of reassuring the USSR. In other words, the presence of Soviet troops in the center of the continent and the Soviet satellite orbit must be stressed as one of the causes of the present tension; (f) to generate symbols which will create pressures which the Soviets must include in their calculus of risks.

II. THE IMPLICATIONS OF THE GENEVA SUMMIT CONFERENCE

Against the background it may prove useful to reassess the Geneva conference. There is no doubt that it yielded some gains for the U. S.:

a. It demonstrated that U. S. relationships with its allies can be conducted only as an aspect of U. S.-Soviet relationships. No amount of patient discussion with our allies had the electrifying effect of the U. S. disarmament proposal to the USSR.

b. In limited fields and for the time being the U. S. has gained the diplomatic initiative.

c. For the time being the wind has been taken out of the sails of the neutralists.

d. If the USSR is really interested in an accommodation, Geneva has supplied the atmosphere in which it may occur.

e. It may have launched the USSR on a process it may find difficult to reverse. In the present atmosphere a return to a "hard" line may have deleterious effects on the USSR both domestically and abroad.

Many of the above gains are problematical, however; others are useful only for a limited time. It is not at all clear for example whether the USSR cannot reverse its present course at a moment's notice as it has so often in the past. On the contrary it may well be that if the USSR should decide to adopt a more intransigeant policy it would derive considerable benefit from its present line since the Soviet people at least would probably be convinced that only provocation on the part of the outside world could have led to the new reversal. Nor is our new-found popularity in the neutralist press likely to outlast our first attempt to implement our alliances for something else than generalities. Above all Geneva has confronted us with the following dangers:

a. Domestically, the "spirit of Geneva" may make it more difficult to obtain appropriations for defense or to continue a firm policy. The same problem may be faced by most of our allies.

b. Within NATO, we may have played into the hand of all the forces making for inaction. Public support for coalition policy concerned with anything but a direct threat to the survival of our European allies may be reduced.

c. To the extent that tension has been lowered in Europe we may have isolated ourselves in Asia for the only incentive for the support of our European allies in Asia is their fear of being left alone in Europe.

d. We may have given the USSR an atmosphere in which to gain time to catch up in its development of nuclear weapons

and thereby shift the strategic balance against us.

e. We have strengthened all the forces who advocate a third course both in Europe and in Asia.

f. The policy of the Bonn government has become more vulnerable domestically. (See Paper 16.)

III. OUTLINE OF A FUTURE STRATEGY

Whether Geneva was a success or failure therefore depends on the use we make of it. We have gained a measure of freedom of action but it will be of little avail if we do not exploit it. But what is meant by the term "action" in the context of a detente or at least a series of negotiations leading to a detente? What measures can utilize the psychological potential of a peace offensive while at the same time bringing pressure on the USSR? How can we keep the USSR from gaining time and disrupting our system of alliances without appearing bellicose? What pressures, in short, are available to the U. S. to bring the negotiations which started at Geneva to an issue favorable to us? The answer to these questions depends on an analysis of what brought the USSR to the conference table in the first place.

As already noted two interpretations are possible: (a) that the USSR is simply playing for time until the constellation of forces in the outside world is more nearly favorable to it and until it develops its nuclear capability more fully, (b) that the USSR has found its previous course too risky and that it sincerely desires an accommodation with the U. S. It must be stressed at the outset that these motivations are not mutually exclusive. In the short term, they can coincide or at least it is in the U. S. interest to make them coincide: i. e., the U. S. should not permit the USSR to gain time except on terms which the U. S. considers the basis for a real accommodation. Conversely, even if the USSR sincerely desires a settlement it will undoubtedly seek to buy it as cheaply as possible. Thus a period of relaxation of tension which is permitted to remain largely formal may have the paradoxical result of tempting the Soviets, whatever their present intentions, into a more intransigeant attitude later on if they get through this period with their power unimpaired.

To be sure, the U. S. should do everything in its power to strengthen the peaceful elements within the USSR by giving demonstratons of limited objectives and by meeting legitimate Soviet concerns for their security. But the U. S. cannot gamble its existence on the assumption of continued Soviet good faith. A "better atmosphere" is not an end in itself but only a condition in which U. S. objectives can be realized. In short, the U. S. while keeping the door open to a real accommodation must frame its policy on the assumption of the worst contingency, that is, that the Soviets are really playing for time. The most signal achievement of Geneva has been the emergence of the President as the most dominant figure on the world scene and the explosion of the myth of U. S. intransigeance. This is the platform from which the U. S. must move in charting its future strategy.

How then can pressure be brought on the USSR in the form of a peace offensive? If the USSR is interested in gaining time, then "time" itself is negotiable, then the U. S. must sell time as dearly as possible. This means that we must overcome the static concept of negotiations which looks at a conference as an isolated phenomenon the failure of which merely defines the subject for a future negotiation. Such an attitude is tailor-made for the Soviets to confuse the issues while prolonging the semblance of harmony. If on the other hand we realize that the failure of negotiation can be used as the basis for increasing the pressures on the Soviet Bloc and if no doubt is left that this will be the result of a failure, we will have created a motive for Soviet conciliation. For even if the Soviets are willing to make concessions, they will find it impossible for domestic reasons except insofar as the U. S. poses a calculus of risks that will make yielding appear as the lesser of two evils.

But how can time be negotiable? It can be used as a means of pressure if the U. S. announces objectives whose very existence will generate pressure on the USSR (i. e., the disarmament proposal). Although our tone should always be conciliatory, it should be made clear that unless negotiations show some progress toward these objectives the U. S. will see no further point in conferences and will await the time when discussions promise to be more fruitful. The announcement of these objectives would in itself force the Soviet hand in case they should wish a long-range settlement and it will make clear that peace is not equivalent to general statements of good will. By relating these objectives to definite timetable, we shall make clear that *negotiations cannot* be an end in themselves.

The U. S. therefore faces a threefold task: (a) to become clear about its own objectives: specifically, to clarify the extent to which the Soviet sphere is compatible with U. S. security and determine what U. S. policy can prevent further Soviet gains in the uncommitted areas. It is all the more necessary that the U. S. be clear about its objectives lest the USSR score psychological gains by means of concessions which do not affect the strategic balance (it will therefore be necessary to develop policies on the colonial issue, Southeast Asia and the Formosa Straits); (b) to make these objectives clear to the American people so that there will exist public support for a long-range program; (c) to make clear to the Soviet leadership that the failure of negotiation entails a penalty, at a minimum the refusal to continue to negotiate, at a maximum a stepped-up defense effort.

These goals can be achieved by the following steps:

(a) A fireside chat by the President explaining that while Geneva has created a better atmosphere it will still be necessary to test Soviet intentions by concrete measures; that while the U. S. is willing to negotiate as long as there exists a hope for concrete results, it will not be a party to misleading the people of the world if the negotiations should merely mask continued Soviet intransigeance. As a first test of the new atmosphere the President should propose that the Soviet leaders associate themselves with him in a declaration that the Big Four oppose the settlement of disputes by force and that they will refuse to support materially or otherwise any effort to settle disputes by force. As far as the U. S. is concerned such a declaration would merely formalize what has long been announced U. S. policy (i. e., the U. S. attitude toward South Korean threats to advance north) and it would further strengthen the image of the President as a man of peace. As for the USSR, such a declaration is fraught with the danger of a split with China and it would in any case make more difficult the strategy of using the detente in Europe to obtain freedom of action in Asia. If the USSR refuses this proposal we would have an unassailable basis to refuse further negotiations.

(b) The U. S. should announce a dynamic program for the underdeveloped areas to convince the USSR that time is not on its side and to demonstrate the superior viability of the Free World. This may involve an international Point IV agency or similar cooperative ventures and the measures outlined in Paper 16 and others.

(c) The U. S. must maintain its present force levels and if possible increase them, for, to the degree that the strategic balance shifts in favor of the Soviets, their readiness to make concessions will diminish.

(d) The U. S. should continue to push the Geneva inspection plan but announce at least partial realization of it as the condition for further negotiation.

(e) The U. S. should propose a conference to discuss concrete measures to lift the Iron Curtain, perhaps beginning with a proposal for free travel within Germany (See Paper 17).

All these proposals should be designed (a) to create by their very existence pressure on the USSR (b) to make Soviet concessions accept-

able domestically within the USSR; they should not be calls for surrender but at the same time they should make clear the penalties of rejection (c) to attempt to restore fluidity to the diplomatic situation by starting a process the Soviets may find it difficult to control (d) to make clear to the U. S. public and the rest of the Free World its dangers as well as its opportunities (e) *above all conciliation should stand at the end not at the beginning of this process; it is the price we can pay the Soviets for concrete concessions.* We can learn from Tito in this respect: he replied to every Soviet blandishment with a demand for deeds and not words, until Khrushchev appeared in Belgrade.

IV. NOTES ON THE ARMS RACE

A special word must be said in conclusion about the arms race. There can be little doubt that the existence of the arms race can in itself furnish a pressure on the Soviet Bloc. To be sure, the Soviets can hold their own in some fields but to the extent that they do so, they may impose a measure of stagnation on the Soviet economy and retard Soviet efforts to industrialize China. On the other hand, Soviet resources freed by disarmament may well emerge in a competitive effort in the underdeveloped areas. Finally in stressing disarmament plans based largely on the number of troops under arms, the USSR is seeking to shift the strategic balance in its favor: (a) because of its superiority in conventional weapons (b) because even if it should accept a limitation on the production of new weapons its stockpile of conventional weapons is presumably far superior to that of the Free World.

All these considerations will be dealt with in detail in other papers. It may be useful, however, to stress here the psychological aspect of the arms race which has two facets: (a) its impact on the USSR (b) its impact on our allies. Looking at the world through Soviet eyes, the continuation of a high level of U. S. defense expenditures, however conciliatory our professions, will be a source of concern and therefore an effective means of pressure. The U. S. defense effort can therefore under no circumstances be relaxed until we have obtained a transformation of the strategic situation. It may be argued that a continued high level of defense expenditure coupled with a refusal to negotiate unless the USSR makes concessions may lure the Soviets into an anticipatory strike. But it is more than doubtful that the USSR will launch a "preventive war" unless it considers its chances better than even, a situation which our force levels should always be adequate to prevent. In any case reassuring the USSR is the task of our diplomacy, not of our military policy.

The impact of the armaments race on our allies is more subtle: no matter how disquieted they may profess to be by American military preparation, they will be made infinitely more nervous by a relaxation of this effort. Their leaders have no illusions, even if their public has, that U. S. strength is the only obstacle to the immediate occupation of their country by Soviet troops. But while the size of the U. S. military establishment represents the basis for our diplomacy, the distribution of its force levels and the strategic concept behind them supply the basis for its flexibility. The strategic concept must be adequate to deal with any form of Soviet aggression for our ability to act will be largely determined by our planning before action becomes necessary; and our force levels must be able to implement this strategic concept. (It is significant that there has been increasing debate in the German press about the meaningfulness of German rearmament.) The real significance of thermonuclear weapons may well be that they place a premium on a strategy which shifts the risk of their use to the other side by means of an alternative weapons system. If we stake everything on an all-or-nothing military policy one of two consequences becomes inevitable: either our allies will feel that peace is preferable to war almost at any price; or they reduce their military expenditures on the assumption that events cannot be affected by their action. In short in order to

obtain indigenous support for local defense, we must make local defense meaningful.

Thus even the armaments race has a psychological component and one we can ignore only at our peril. The period ahead holds many opportunities for the U. S. but they will be no greater than our strength and if we fail to grasp them they will merely define the dangers which are inevitable if the USSR gets through this period without a major adjustment.

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Paper 16

The German Problem

Originator: Henry Kissinger

Critic: Philip E. Mosely

One of the most serious problems facing the United States is the increasing rigidity of the diplomatic situation in areas where the Soviet position is weakest. While on the surface this rigidity may seem to work in both ways and offer a measure of assurance for the maintenance of the status quo, actually the reverse is true: for the longer the Soviet bloc can freeze existing lines of division between it and the Free World, the more it will give rise to the idea that the fate of the nations now under Soviet rule and even more the fate of the nations now divided depends entirely on the good will of the USSR. To the extent that this notion gains ground the U. S. position automatically deteriorates: if the status quo comes to be generally accepted, the satellite orbit will require a smaller control apparatus and, more important, some of the nations now divided, Germany in particular, may find a direct deal with the USSR increasingly attractive.

The issue of German unity is ideally suited to restore a measure of fluidity to the diplomatic situation. For Germany is the area where we are diplomatically strongest; there our power and our moral position are in harmony. By contrast the USSR can only lose on the issue of German unity for in almost any form that will be acceptable to world public opinion German unity must lead to the collapse of a satellite regime; it will involve a withdrawal of the Soviet armies from the center of the continent; it almost necessarily will raise the issue of the Oder-Neisse line even if security guarantees against German aggression are given. One might add that even a neutral Germany, as long as it is rearmed, would be to the Soviet disadvantage; it would still constitute a barrier to a Soviet advance; it would still exercise considerable pressure on the satellites. Thus, on every issue, except the maintenance of the status quo, the USSR finds itself at a distinct disadvantage.

It is for this reason that the USSR took its stand at the November foreign ministers' conference on the security issue. For this is the one ground on which they can gain public support both in Western Germany and in Western Europe: in Western Germany because of the Socialist argument that only rearmament stands in the way of German unity, in Western Europe because of the fear of resurgent militarism in Germany. But while the Soviet strategy is understandable we cannot afford to let ourselves be lured into negotiating only on their ground and at their pace. European security is the most disadvantageous negotiating point for us, because it can be transformed into a technical problem which deprives it of any symbolic value, and because of the emotions aroused by the memories of German aggression. To be sure, we must be prepared to demonstrate the hollowness of even this Soviet tactic. But we need not rest on it; we must be prepared to show not only that the USSR is not willing to accept unity on *our* terms, but that it is unwilling to accept it on *any* terms.

And this is equally important in order to maintain Adenauer's domestic position. For already there are growing doubts in Germany about the efficacy of a rearmament in the face of new weapons' development and a protracted

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diplomatic stalemate may completely erode the psychological framework which alone can make German rearmament meaningful. It is no accident that however the Summit meeting was received elsewhere, in Germany it was considered a setback for Adenauer's policy. The longer negotiations between the USSR and the U. S. continue without any tangible progress or at least without a concrete U. S. proposal which demonstrates how unity may be approximated if not achieved, the weaker will Adenauer's position become. Until November the German opposition was restrained by the forthcoming meeting of foreign ministers at Geneva. Since this passed without result we can expect the pressures against the implementing legislation for rearmament to multiply. Color will then be lent to the Socialist argument that only rearmament stands in the way of German unity. Moreover not only may it prove difficult to obtain passage of the necessary implementing legislation, but pressures for direct Soviet-German negotiations will increase. Indeed Soviet strategy may well be designed to deal on German unity, if at all, directly with the West Germans, perhaps coupling it with offers for increased East-West trade.

For all these reasons we must develop an integrated program for German unity, any one of the proposals of which we can afford to have accepted while the acceptance in turn can only weaken the Soviet position in Eastern Germany. In drafting such a program we should focus on the most blatant weakness of the East German regime, that it cannot afford a free election. It should, therefore, be our aim to induce the Soviets to accept or to shoulder the onus for refusing free elections for some all-German organ however circumscribed its powers. The very fact that there exist two electoral mechanisms, one for an all-German body and one for the East German government coupled with the certainty that free elections in the Soviet zone would show results totally different from the controlled elections for the East German regime would shake the hold of the Pankov government. The U. S. strategy on Germany might then take the form of proposals phased in several stages and designed to shift the onus for the failure of negotiations on the USSR:

1. In Stage 1, we began by asking for political unity and all-German elections coupled with a number of security plans.

2. Now that the Soviets have refused these proposals, we should announce that since the USSR did not agree on political unity and since it would not accept our security proposal we should move the discussion on a plane which is divorced either from the issue of political unity or of rearmament. It should be stated that the German people should not be deprived of an approximation to its rightful aspirations by the inability of the Big Four to agree on the issue of over-all unity; instead we should realize German unity in the fields where it is attainable.

With this general statement the U. S. should then propose an Economic Parliament for all of Germany elected by free universal suffrage under international control. This parliament should have competence in specific fields such as finance, customs, or whatever other spheres may be agreed to by the Big Four. The U. S. should further propose that the central sector of Berlin be neutralized by the withdrawal of all four occupation forces on the model of Vienna, and be declared the seat of the all-German Economic Parliament. The U. S. should further invite the USSR to join in establishing a fund to assist in the economic equalization of the two zones. Such a series of proposals would have the following advantages:

(a) If the Soviets refuse it will take the wind out of the sails of the German opposition which claims that only rearmament stands in the way of German unity. In short, it would divorce the issue of German unity from that of German rearmament.

(b) If the Soviets accept we will have established the principle of all-German free elections. The disparity in results between the controlled and the free elections would

weaken the moral authority of the East German regime.

(c) The Economic Parliament can in any case be only temporary and will by its very existence add another weight for the achievement of political unity. Any educated German will remember that once before, in the nineteenth century, economic union preceded political union.

(d) It will be easier for the Soviets to accept an Economic Parliament than a proposal which is tantamount to a demand to dismantle the Pankov regime. By the same token, it will be more difficult for the USSR to refuse and will shift the onus for failure clearly on the USSR.

(e) By establishing a free zone in the center of Berlin we will have added to the attraction of Berlin as a center of a unified Germany.

It may be argued that by making such a proposal the U. S. admits the legal existence of the East German regime and its willingness to settle for something less than full political unity. But we can avoid this danger by making it clear that what is involved is not a parliament composed of delegations from the existing parliaments but growing out of free all-German elections. Moreover we would not be proposing the Economic Parliament as our last word on German unity but as the only attainable step in that direction.

3. For these reasons we should not accept a Soviet refusal of the Economic Parliament as final. Instead we should move to Stage 3 of our strategy and offer variations of the above plan, keeping the principle of free all-German elections in the forefront. One possible variation on the proposal would be the assembly of an Advisory Parliament based on the same election modus as the Economic Parliament to deliberate on certain areas where laws can be equalized between East and West Germany.

4. If the USSR refuses to accept the principle of free elections for *any* all-German body we should in Stage 4, upon consultation with the Bonn government, propose certain areas where laws between East and West Germany can be equalized. Specifically we should propose an immediate end to all restrictions on the movement of persons between the two zones. This should be coordinated with the Bonn government so that the Bonn government will be able to time its announcement of its readiness to abolish these restrictions with the proposal made at the foreign ministers' meeting or before.

It must be stressed that every stage of the above program should be advocated not as an end in itself but as a step toward full political unity. If we fail to emerge with an intermediary program we will surrender the pace of future negotiations to the USSR. They will not be satisfied with maintaining the status quo but dangle the carrot of German unity and East-West trade before the Federal Republic in return for leaving NATO. If on the other hand we announce a concrete program, Soviet concessions will appear as a result of U. S. pressure and any progress on the issue of German unity will strengthen the pro-Western orientation of the Federal Republic.

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Paper 17

Soviet Evolution

Originator: George Pettee

Critics: Philip E. Mosely
Stefan Possony

I. THE PROBLEM

What would be the character of a Soviet community which at some time in the future might play the role of a normal partner in a permanently peaceful world, without having had World War III?

II. SUBPROBLEMS

What would be the nature of the world political system?

What is the present condition of the Soviet political system:

a. As a state among states?

b. As a *partei-staat*?

c. What factors favor development in the right direction?

d. What factors favor development in the wrong direction?

e. What can the U. S. do about it?

The problem has been stated above so as to relate it to the issue of possible peace or probable war, rather than to formulate it as a purely predictive problem as to the actual evolution of Russia. It is assumed that only by defining a goal or a range of alternative goals, by considering the effect of all factors except U. S. actions, and by further considering the degree to which U. S. actions by all means available may affect the outcome, can the question be formulated as an action problem. The alternative would be to consider the Soviet community as a closed system, predict its probable course of evolution and prescribe courses of action for the U. S. consequent of rather than causative of Soviet developments. The choice of approach taken in this paper is not meant to imply rejection or exclusion of the other approach from consideration.

III. FACTS AND ASSUMPTIONS

The Soviet Union is politically organized as a sovereign state.

Although dominated by the Russian community, it is a very large state geographically and in population, and multilingual and multinational in origin rather than a typical nation-state type.

It is one of the two great powers which now possess the independent capability to wage major wars; whose interests are affected by developments in all parts of the world, and around which most other sovereign or quasi-sovereign states have coagulated in various forms of alliances.

The Soviet system has a general culture which does not share many of the most significant ingredients of western culture (including respect for the individual, humanitarianism, and the tradition of law) for the simple reason that the historical development of western culture was not shared to any significant degree by the people concerned.

The Soviet system is now politically organized as a doctrinaire or *partei-staat* of police and totalitarian type, but in the fourth decade of its existence, a state of this type may be

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subject to developments which do not occur in a shorter period.

It may be assumed that the United States can influence the course of social and political evolution in the USSR through the presentation of ideas and through the establishment of facts having meaning to the Soviet mind, as well as through actions presenting problems which the enemy cannot ignore.

IV. DISCUSSION

This discussion will be under the following heads:

a. The USSR in the present world political system.
b. The primary characteristics of the USSR as a community.
c. Factors tending toward a favorable development.
d. Factors tending toward an unfavorable development.
e. Alternative forms of struggle.
f. Possible U. S. courses of action.

The USSR in the Present World Political System

The present world political situation has evolved from that which existed before World War I. While world politics before World War I were in a constant state of dynamic evolution, the situation from the Peace of Westphalia in 1648 to the opening of World War I in 1914 may be characterized as the nation-state system. As implied by books on the nature of nations and nationalism written in the nineteenth century and the first quarter of the twentieth, the typical nation-state was a community having common language, a large degree of common traditions, a government enjoying full legal powers within definite territorial boundaries, and the capacity to conduct wars and to survive as an independent entity. The typical nation-state was France or Britain, taken in each case without their colonies or empires. Tendencies to rationalize and systematize the nation-state system had led to the unification of Germany and Italy in the nineteenth century and to the separation of Belgium from the Netherlands and Norway from Sweden. The predominance of European technology and power in comparison with the rest of the world had led to the growth of the colonial empires of the major European powers. The tendency to identify nations on such "natural" characteristics as language and tradition and the tendency to build larger and larger economic commonwealths with the growth of technology came into explosive conflict in World War I. Imperialism has rapidly declined in the west since that time with the liberation of Ireland, the establishment of free Arab states, and the division of India into two independent states. At the same time, however, it has continued as a major development on the Communist side with the elimination of several independent small states (Latvia, Lithuania, Estonia) and the extension of Russian hegemony over many others. The relatively small nation-state was militarily, and therefore politically, viable as an independent entity in the period when military technique was dominated by the long bow or the musket. Serbia and Greece became independent of Turkey when the political consciousness of their populations together with the military technique of the time and conditions made it too costly for the Turks to maintain their predominance. Other small states survived because of tacit agreement by large states that it was more convenient to keep the small ones independent as in the case of the Low Countries, but the critical fact setting the viability of a nation-state was its military viability under the prevailing conditions of military and logistic technology. In general, each such state had demonstrated its capacity to conduct war and to survive war with its neighbors, and the number of sovereign states in the world and their size and distribution reflected these general conditions.

World War II brought, or demonstrated, radical changes in the economic and techno-

logical basis of war. Only a very few states were able to participate in a fully self-governing sense because only a very few had the capability to produce the range and variety of weapons required for the conduct of war in the quantities essential for the maintenance of combat, and with the variety of trained military manpower required. The U. S. was, actually, the single power which conducted full scale war with all three types of forces: ground, sea, and air.

The U. S. and the USSR are today the only communities which can play the role of protagonist or antagonist in a truly major war. This is a reduction from approximately ten or a dozen states formerly regarded as "first-class powers" a generation ago. All others, including even Britian, can play a part in a major war only as the ally of one or the other of the two great powers. Other states which, like Belgium, could produce a complete weapons system for war as late as 1914 can independently produce only a small part of a weapons system today.

The reduction in the number of states with full power to make war and to survive it from approximately sixty in 1910 or 1920 to two today has in some ways modified the nature of sovereignty. This is obvious as a limitation on the sovereignty of all states which have lost such a degree of independence. Obviously the relationship of each of the two major powers to the other and to the rest of the world of "sovereign" states is very seriously modified, and can modify both the content and the conduct of all diplomacy. However, one major characteristic of the sovereign state remains. Both of the major powers are sociologically and politically independent decision-making entities of the old familiar type in that decisions on a course of action on problems which affect them both can be made only by agreement reached through processes of diplomacy or negotiation, or through independent actions likely to generate friction, or through war. The processes which ordinarily generate war between independent political communities are fully operative in the USSR. They are aggravated by the intensification of all elements of interdependence in the modern world, economic and social, and by cultural and ideological disparity between the two great powers. On the basis of past political history, without taking notice of modern changes in basic conditions, war between the two present great powers could be predicted as inevitable. The two great powers in the world today are concerned with any minor struggle which can arise in the world. They are both capable of major war, but it is highly unlikely that both would survive another major war. They may be compared to Athens and Sparta as the two polar powers of the Hellenic world before the Peloponnesian Wars, or Rome and Carthage as polar powers in the Central Mediterranean before the Punic Wars.

The Primary Characteristics of the USSR as a Community

The USSR is first of all a state in the traditional sense of the term. It should be noted that for a state in this sense, as for Germany, France, or Britain in the period 1648–1940, the occasional occurrence of war with its major neighbors is to be expected. The reduction of the political scale of the world until the USSR has only one major neighbor with whom to have a major war does not affect this. The polarity of the world between two great powers tends rather to aggravate it, since all minor tensions, as between the Arab States and Israel or between the Portuguese and India are of concern to the two major powers. On this ground it is important to recognize that the factors normally generative of war could be expected to operate even if Russia were not Communist.

In the second place, Russia is a state of doctrinal police-*partei-staat* type. As such its decision-making processes are dominated by the adherents of a single doctrinal party, adherents deeply and thoroughly trained in the classics of Leninism-Stalinism. To the degree

that they think alike, they are as a group correspondingly less vulnerable to the impact of ideas foreign to their own doctrine than would be a multi-party or two-party system.

Thirdly, the historical tradition of the communities which they govern is fundamentally non-European. The great evolution of western nationalism and of western humanitarianism based on Christian and Hellenic origins, which occurred in Western Europe and America in the last few centuries, did not occur simultaneously or in the same form in Russia or China or most of the other Communist-dominated areas. Whether we refer to the concept of the gentle knight originated in the troubadour period in the twelfth and thirteenth centuries in Western Europe, the origin of the Red Cross, the Society for the Prevention of Cruelty to Animals, or the movements against child labor, we find historical records in the West. We find such records in Russia only in the form of superficial transplants. Many of the peoples of the world fail to recognize an "atrocity" or to share the western reaction to "cruelty" just as, if we bothered to recall it, our own pre-humanitarian ancestors would have failed to share such reactions. In simple terms, this means that the typical inhabitant of the non-western part of the world has far less acculturated feeling for the dignity of the individual, or abhorrence of cruelty, or faith in the value of justice. In more complex terms, it is reflected in the wedding of eastern ruthlessness and philosophical doctrine analyzed by Shub as the essential characteristic in the evolution of Marxism into Leninism.

In summary, we have to deal with a state which on all ordinary considerations might be expected to become involved in war rather than permanent peace. In addition, the situation is aggravated by the fact that it is a *partei-staat*. Further, the social and cultural conditions of the community which it governs aggravate the problem. It is the evolution of a community from such a starting position which we have to consider.

There are some other important characteristics of the Soviet system. Although it does not share many elements of the western tradition, in philosophy and ethics particularly, the Soviet Union is fully receptive to modern science. Technological progress, especially in weapons, threatens not only to equal but to surpass the United States. At the same time, the general productivity is still low, and by the same token, the standard of living is low. Because of this the burden of full scale armaments is felt as acutely by them, in spite of totalitarian organization and police methods, as by the West, and the high costs of rapid replacement of weapons cannot be accepted by them any more agreeably than by us.

Factors Tending Toward a Favorable Development

The first favorable factor lies in the age of the Soviet state. By inevitable evolution, the former type of professional revolutionary which dominated the top cadres of the Communist Party in the Soviet Government during the first few decades of power has been rapidly replaced by personnel of administrative-executive type. The personality structure of such individuals cannot be the same as for the generation of Lenin and Stalin. The relation of intellectual doctrine to emotional motivation is not the same. Fanaticism of a hide-bound type may remain, but it is more the fanaticism of the one-track mind than the fanaticism of emotional drive. This does not imply that emotional drives towards power for its own sake may not be present, nor that such drive may not be as dangerous as doctrinaire fanaticism. However, the type of actions that will be taken and the type of judgment exercised may be considerably different in the one case from the other.

The economic austerity which has been imposed on the Russian people for four decades, since the Revolution promised them prosperity and plenty, is related to the second favorable factor. However low the present standard of living in Russia may be in housing, in consump-

tion goods, and in consumer's durable goods, the Russian people have had at least a taste and a smell of economic welfare. Judging by all human experience, the more they get the more they will want. Having never enjoyed the full prosperity of an economy free from heavy defense expenditures, the pressures for reduction of taxes or against increases of defense effort are doubtless far less vigorous than in the United States. However, many specific sectors of the Russian economy may demand a larger share in income in practical ways which the state cannot deny. The gradual replacement of slave labor by wage labor, simply because the former dies off, is a concrete case which they cannot avoid.

The impact of education, including scientific education, upon all those elements in the Soviet society which enjoy such education is a third factor. We know that it is quite possible, unfortunately, to be both a scientist and a Communist. However, the police state or *partei-staat* can hardly be compatible in the long run with the implied philosophic values of any scientific education. In the *very long* run, therefore, it may be expected that the educated elements in Russia will more and more pull in favor of the elements of democratic thought present in Marxist doctrine, and make it more and more difficult for the totalitarian system to continue its perversion of such elements. It remains, of course, quite uncertain as to how fast such a process will operate, and it would be only stupid optimism to expect demonstrable results in less than several decades on this alone.

Fourthly, the Soviet Union cannot be immune to knowledge of the evolution of the non-Soviet world. If the United States proves that it is no longer subject to economic crises, that it is able to maintain continuous technological advance, and that it is able to solve its own social and economic problems, the myth of capitalist collapse must itself collapse. If the free world is able to rearrange the political position of former colonial peoples, to develop systems both within such communities and between them and the rest of the free world so that they share in dynamically stable progress of the free world, the myth that capitalism is dependent on imperialism must also collapse. And if the free world is able to maintain a position of dynamically stable military strength, such that the Soviet Union never has an opportunity to attack with the expectation of success and without the threat of direct attack upon the Soviet Union, the myth of the eventual, inevitable conflict must also collapse.

Finally, Communism, even at its ruthless worst, is not a doctrine of uncalculating, emotional fanaticism. Communists never attack without expectation of success, and Marxism, with all its errors, is no bar to a reasonably realistic calculation of the chances in an immediate situation. They will not go out for war for its own sake, or seek martyrdom for its own sake, and it is a deeply established part of Communist doctrine not to do so.

Factors Tending Toward an Unfavorable Development

The normal tendencies to antagonism between sovereign states, where such states have substantial interrelations and, therefore, interfere with the conditions of calculability for each other, are not directly affected by any decline in the strength of Communism. The substitution of men of executive type for doctrinaires will not by itself assure that men of such type cannot be as nationalistic, and as inclined to war for national reasons, as the pre-Communist statesmen of any nation.

The most dangerous condition of all is the general complex of factors which may provide them with opportunities to gain in relative power during the coming years. All gains, whether in weapons technology, in political weakening of the free world, in colonial civil wars, in reduction of free world arms defense effort, or in economic recessions, will tend to confirm their confidence and stimulate their motives to continue their drive to win the whole world.

In the course of the last eight years of inten-

sive cold war they were forced by the tactics they used, and by the free world's reactions to those tactics, to abandon or foreclose against themselves many of the opportunities on which they would otherwise rely for a high and continuing yield of profit. The abandonment of the intensive cold war offers them the opportunity to turn loose many factors not under direct Communist control ranging from Moroccan nationalism to the demands for greater welfare in many other areas, and pressures for tax reduction in the leading free world powers, which can work greatly to Communist advantage and against which the free world has no present well-developed safeguards. The more they are encouraged by the results, the stronger their morale will be for continuing towards their major goals and the greater the likelihood of eventual war. This is a truism.

Alternative Forms of Struggle

Given that the time will certainly be long in years before evolutionary processes can change Russia into a genuine participant in an orderly and peaceful world, and assuming that it may, nevertheless, be possible to maintain a situation which will deter them from choosing major war throughout this period, the likelihood during most of this period is for alternative forms of struggle. The situation will be a more or less tense armed peace with more or less violence of limited character. The violence may be of no great military importance since it may include sporadic violence such as recent events in Morrocco, in which there is no such reinforcement of both sides as occurred in Korea and, therefore, no formal battles. The Communists may count upon a future economic depression in the free world to create such conditions that civil wars of various scale and intensity can become possible. They can count with assurance upon the fact that all cases of violence in which Communist initiative is absent or not apparent will cause severe strains in the system of alliance of the free world.

The elimination of formal Communist aims and the turning of Communist efforts support of movements of local or n character throughout the free world, manner of the Popular Front period of 1(is the appropriate Communist tactic greatest difficulty which it will place free world is the difficulty of maintain identification of the enemy and, there maintaining effort along all the lines r to maintain a position of deterrent stren

A resort to a Popular Front type of t fully compatible with the opening of R travel in a far greater degree than in years. It may be forgotten that Russia the first Five Year Plan, and again dur Popular Front period, was again open to travel and that Russians were able to international meetings of a cultural and fic type. There might be a very great of relaxation of present barriers without way exceeding the degree of relaxation such past periods.

Possible U. S. Courses of Action

The permanent avoidance of World V involves a maintenance of an effective d posture from now until the firm establi of such a degree of federalism in the wo recourse to war on any serious scale w become impossible. The principle has been established in the conduct of Wo II in charges of crimes against the pe in the charter of the United Natio resort to violence is a criminal breach o This by itself implies, but only implies the drastic abolition of sovereignty of When it has been fulfilled as an condition in the world community, t no longer be substantial national forces in most nations and the idea of to war will be as remote from the consid of the governments of states in the wo is from the consideration of state gove within the American union today. T not necessarily imply a world state, no necessarily imply any particular pa

federalism known to us today. It certainly does imply the acceptance of legal decision-making processes for the solution of all problems and the elimination of war as a means of decision. In order to conduct the world from its present condition to such a future condition, a very considerable degree of leadership will be involved and required. The United States has already informally, as in Korea and in connection with atomic energy for military purposes, accepted an assigned role as the nation primarily responsible for the conduct of world affairs toward such a goal. Thus far, however, the U. S. has done so rather tacitly than explicitly.

The concept of leadership toward such a goal is an essential one. The U. S. can accept the position of paying most of the bills and providing most of the armaments, and still have no clear answers to many of the problems of policy. The conduct of psychological warfare on the most serious scale offers many questions which remain unanswerable without some concept of the major goal. The grounds of policy cannot be simply to deter the enemy from war or from continued profit by aggression. There has to be an everlasting affirmation in action and in words to all the principles involved in the struggle.

On many specific issues, there will be matters on which a government, particularly the government of the United States, can deal only awkwardly partly because of differences in American opinion which make it impossible for the government to take a position, partly for sheer difficulties of decision-making in the government. There are many matters on which the government cannot speak with an affirmative voice in the world. A great part of the basic foundations of western civilization are involved in such matters. It is a fact that these foundations of western civilization were created by the efforts of non-governmental groups. The prevention of cruelty to animals, women's suffrage, universal education, and many other concrete illustrations of our system were founded upon the intellectual effort of private persons followed up by the promotional efforts of private organizations and persons. The great body of philosophical and ethical principles and the great body of acquired cultural practices which we regard as the treasures of our civilization have to be spread throughout the three-quarters of humanity which does not now share it before the social foundations of a firm world order will exist. These can be done far better in many of its aspects by private money and by private effort than by governmental agencies.

The maintenance of an effective deterrent defensive position can be rationalized only as the means to victory in war or as the means of safeguarding the world during a transition period which will not last forever. Clarity about this second condition will permit all psychological warfare to be oriented around the positive principles implied and criticism of everything in the enemy system which contradicts these principles and of every enemy action not in accordance with them.

The immediate and concrete measures which the United States should take in relation to the evolution of the enemy society are not separate or independent of those dealt with in connection with other specific issues. It is therefore felt appropriate to omit any such concrete suggestions from this paper other than the following:

1. The mobilization of a large-scale effort under private auspices for the promotion of the principles of western civilization throughout the world in applied form should be made a major instrument of American operations toward the winning of the cold war.

2. The maintenance of a fully effective military deterrent position is a prerequisite for all other American actions designed to affect the evolution of the enemy system and of the world system toward this stable order.

3. We must clearly formulate, analyze, and spell out the concept of a transition period, starting from the present situation, to create a permanently orderly and peaceful world by the close of this century. This should be most emphatically a magnificent

work project, requiring enormous effort, and in no way to be confused with Utopian gadgetry. It must be kept everlastingly clear that it will not promise relief from sacrifice for a long time to come. It must also be emphasized that the goal is in no way a superficial one, but involves the creation of a fundamentally new political system in the world to replace the nation-state system, and that the means are the realistic ones, creative work, not wishful thinking.

SECRET

Paper 18

Investigation of NATO

Originator: Stefan Possony

Critic: George Pettee

I. THE PROBLEM

The problem is to investigate methods by which the NATO structure would be maintained as a going concern and be stimulated to further growth and, perhaps, ultimately, to integration.

II. ASSUMPTIONS

It has been said that fear was the predominant motivation for the creation of NATO. This theory is only partly true: twenty years ago even a gigantic pressure of fear would have been inadequate to bring together the NATO nations in a venture of joint military security. NATO was possible because there are many ties outside military interests which unite the member nations. These ties, consciously felt only by the "elites" in the NATO nations, are as yet dimly understood. It is true, too, that these ties are still rather weak. All the same, they are developing, and in general the trend of the socio-political development points clearly toward ever greater mutuality and cooperation.

It is conceivable however, that a true and lasting "easing of tensions" would slow down this process of "confederalization." If this slowdown is to be avoided, there are only two solutions: either to stimulate new and threatening international crises or to stimulate numerous ventures in which the NATO nations join together for the double purpose of their own material self-interest and of bringing about a community of effort in a maximum number of fields. If it should prove feasible to set up "joint ventures aiming at great common goals," the NATO structure no longer could be dissolved and should be moving in the one and only general direction of confederalization or even integration.[1]

Naturally, it is uncertain to what extent this expectation will be fulfilled. It is equally doubtful whether fear will cease to be an integrating (as well as disintegrating) factor—in fact, this is entirely improbable. However, it can be assumed safely that common efforts among the NATO nations would:

a. Remove some of the consequences of a cooperation based exclusively on fear.

b. Create a larger area of truly common interests and therefore act as an additional means of improving cohesion.

In addition to the assumption that the stimulation of common ventures would help to cement and foster the emerging NATO community, it is assumed that:

a. The creation of joint ventures is useful in all fields of public interest;

b. These joint ventures must be well-prepared and be launched through a systematic, step-by-step procedure;

c. They must be of direct benefit to the populations of the NATO nations;

d. The joint venture program is long-range in nature and will require ten to twenty years before it is in full operation.

[1] Both of these terms evoke false notions. It is necessary to find other words to describe the getting together of the NATO nations.

SECRET

III. DISCUSSION

Security Problems

Before entering into a discussion of joint *peaceful* ventures, it is useful to stress that the military cooperation among the NATO nations also needs to become more intimate and more "natural." It is desirable to create various types of joint military organs through which further progress will be assured. Some ideas which could be considered are as follows:

1. The more nuclear technology becomes the basis of modern armaments, the more it will be necessary to associate the continental nations with atomic efforts. At the present moment there are many restrictions against closer atomic cooperation and it is undesirable to move too fast in this domain. Among other reasons, it is necessary to habituate the European military and civilians gradually to the new facts of life, and specifically to avoid paralyzing fears. It is recommended, however, that small weapons atomic tests be held in increasing numbers for the benefit of the NATO staffs and that some of these tests be set up outside of American territory, for example, in Atlantic waters or in certain areas of the continent. In particular, it is recommended that as soon as capabilities emerge, such tests be devoted to demonstrations of ground-to-air missiles with nuclear war-heads in order to show the potentialities of a truly modern air defense.

2. It has been pointed out before that the lack of a properly integrated and effective air defense system protecting the industries and major cities of the NATO nations is one of the greatest vulnerabilities of NATO. The Soviets will not fail to exploit this vulnerability through nuclear blackmail. It must be recognized that if the Soviets were successful in psychological warfare based on nuclear threats such a "non-military" attack could produce the *de facto* paralysis or even the disintegration of the NATO structure. On the other hand, there is no gainsaying the fact that an effective air defense system will require considerable investments which at the present time may be beyond available resources. It is this assumption concerning the financial and military "impracticability" of a NATO air defense system which has motivated the relative inaction in this field. However, it is self-evident that a military structure which cannot assure the security of its base will prove ineffective both as a deterrent and as a combat force. Moreover, there is some doubt about the validity of the assumptions underlying the present policy of inaction. For the time being—with missiles and atomic warheads not yet being available to the NATO nations—there is no reason to improvise a costly and perhaps inappropriate defense system. But it is believed that some progress could be made if the NATO nations were to set up a scientific body modeled after the American RAND or ORO organizations to study the air defense problem of NATO and make suitable recommendations.

3. The present strategy of the NATO nations, as well as the utilization of modern technology by NATO has been, and continues to be, a matter of controversy. Continental nations are not happy with present Anglo-American thinking on two counts. They note that the territorial defense of "forward areas" (which happen to be the habitats of some of the most important member nations) is not properly assured. Moreover, these nations are expected to make the major effort in ground battle, while Britain and the United States reserve for themselves the naval and air missions. Many continentals feel that the military "sacrifice" is unevenly distributed, with the Europeans expected to carry the main blood burden. The point is not that there is much choice in the present distribution of military roles. The point is rather that whatever strategy is finally adopted, it should be the result of the best *joint strategic thinking* which the NATO nations can produce. NATO strategy should be made *psychologically acceptable* to all member nations through the device

of having the best national specialists work out the most suitable solutions.

a. It would be useful to increase the number of Advanced Military Study Groups and in particular to create groups which develop various alternate NATO strategies for the long-range future. Some of these study groups should operate from the United States and preoccupy themselves with the question of how continental nations can contribute to the security of the most important NATO "arsenal," i. e. the U. S. It is necessary to destroy the notion that, militarily, NATO is a one-way street, with all the key strength flowing from the U. S. and none flowing back into this country.

b. It furthermore would be advisable to enlarge the structure of military NATO colleges in the double sense that additional colleges should be created and that the number of officers attending courses should be increased. As to the addition of new colleges it is proposed that consideration be given to a NATO Industrial College,[2] to a school dealing with the problems arising from multi-national and multi-lingual forces, to a school developing knowledge and procedures about the gradual adaptation of national military organizations, and to a tactical air defense school.

c. It is to be expected that these various schools will come up with new ideas. It is also to be expected that the validity of these ideas may not be determinable by merely theoretical or *a priori* considerations. Accordingly, it is suggested that there be formed several types of *experimental units* which, in collaboration with these schools, test the suggested solutions and moreover bring together in joint and future-oriented field ventures (as distinguished from joint staff planning) officers from all the member nations.

d. In addition to these new NATO schools, ever greater emphasis should be given to the potentialities of exchange officers. Large numbers of officers—including, most importantly, reserve officers—should be assigned for tours of duty with military units in other countries, partly as students *and instructors* in military schools, partly as liaison officers and observers, and partly (wherever practical) as integrated officers.

e. Similar efforts should be made with professional NCO's, including an enlargement of exchanges between N. C. schools.

f. Outside such regular duty assignments, a major effort should be made to encourage travel by military personnel and civilians in the military service throughout all NATO countries. Convenient transport and credit arrangements should be developed for this purpose, and clubs and other facilities for social intercourse should be formed.

g. To the extent that additional security systems such as SEATO come to life, contacts between these organizations should be intensified.

Peaceful Collaboration

Programs should be undertaken in four broad areas: joint studies, joint ventures, gradual and mutual adaptation, and reporting organs.

Joint Studies

While many joint ventures could be improvised without delay, it must be recognized that the concrete problems of the various NATO nations and more particularly of their interrelationships are as yet poorly understood. There is an urgent and overriding need for major efforts at fact finding and documentation as well as for joint training and

[2] A NATO Technological College would be a "natural" parallel institution. It would allow the highly desirable utilization of European technical manpower, the creation of additional technicians, and the recruitment of qualified personnel into the military and technical structure of NATO. The full utilization of technical manpower throughout NATO ultimately will be dependent upon the establishment of a NATO-wide security-clearance system. The development of such a system is recommended.

education. The following suggestions should be given consideration.

Research Institute on NATO Political Institutions. The function of this institute would be to identify and analyze pertinent facts concerning the political institutions in the various NATO countries, government procedures, and political problems, with a view to determining:

1. The best methods through which decisions can be made collectively by all member states.
2. The legal, institutional and political obstacles delaying or precluding joint actions.
3. In a broader sense, the compatibilities and incompatibilities of the various political systems and the possibilities for the "harmonization" of political institutions within the NATO area.
4. The need for the creation of new organs of joint decision making.

This Institute should have nationals of all NATO states among its working members, including first-class and creative scientists able to synthesize the information in order to propose novel solutions which would be beneficial *everywhere.* In other words, emphasis should not be placed on the mere modification of existing institutions, but on the stimulation of political and institutional *progress.*

An Institute for the Study of NATO Legal Problems. This institute would have to survey existing legal systems and economic legislation, their similarities and dissimilarities as well as their mutual compatibilities and imcompatibilities. It should evaluate the sufficiency of these systems, analyze the validity and pertinence of current laws, and determine the numerous laws which have become invalid but have not been repealed. On these studies, it should base recommendations concerning the joint and mutual reforms of the NATO legal systems.

A NATO Medical Institute. To survey existing health programs, health legislation, and medical education.

A NATO Resources Institute. This institute would make studies in the field of natural resources within the NATO area, analyze the technology of resource exploitation, and recommend the most advantageous and mutual exploitation of various types of natural wealth. Conservation within the NATO area would be one of the topics to be dealt with by this institute.

There are a number of other economic institutes which could and should be created, to deal with most of the significant economic problems such as wages, taxes, finances, internal and external trade, productivity, social legislation, manpower training and mobility, etc.

Closer economic cooperation cannot be achieved so long as there are major differences in wage levels, tax structure and systems, social legislation, etc. However, before these differences can be adjusted—and this is possible, if at all, only over the long pull—they and their causes must be identified and their effectiveness evaluated. A great deal of work needs to be done in this area.

Universities. The curricula of continental universities are in many respects out of date and do not reflect either the findings of political science or, more particularly, the specific problems of NATO. An effort should be made to establish throughout the NATO university structure, additional courses on pertinent subjects, including international relations, NATO economics, intra-NATO cooperation, etc., and to teach the political and social sciences in all the universities in a really up-to-date fashion. Moreover, a major exchange program should be undertaken in some of the more obvious fields, such as linguistics and history. As a general rule the history and language of a particular nation should be taught in all universities by natives from that country. In addition, there should be several mandatory courses which are to be taught in one or the other of the more important NATO languages. Seminars par-

ticipated in by students and professors from other NATO countries and a growing scope of international scientific conferences would be useful.

There should be an attempt to coordinate academic requirements and to cut many of the bureaucratic obstacles which at present militate against study in foreign countries, such as loss of credits, non-accreditation of academic titles, etc.

There are *many subject areas of great importance* to the NATO problem which should be approached through systematic study and instruction. Reference has been made above to the usefulness of an Industrial College within the NATO military structure. Within the civilian context, there would be an urgent need for an Administrative College, to be attended by public administrators from all member countries as well as by students who seek administrative careers. One by-product of such a college would be that the clearly objective administrative practices of the various countries will be analyzed properly, permitting the expectation that sooner or later administrative reforms will take place. Again, this Administrative College could be broken down into its various component parts such as municipal administration, inter-regional administration, the administration of finances, etc.

Consideration should be given to a NATO Teachers College, or a group of such colleges for *all levels of education*. The primary purposes of these colleges would not be to duplicate the work of national institutions of this type, but to impart NATO-pertinent knowledge and to advance the state of the pedagogic art—an advance which is highly necessary. Graduates of the colleges could do much through their teaching to strengthen public understanding of NATO.

There would be an advantage in having an Institute for the Joint Study of the Common History of the NATO Peoples; also institutes on NATO Geography, Sociology, etc.

The same approach, of course, can be applied in the natural sciences, especially insofar as practical problems are concerned. For example, there may be institutes on irrigation, isotope medicine, isotope agriculture, photosynthesis, etc., in addition to institutes on some of the basic sciences. The possibility may be envisaged that some of these institutes do not necessarily have to be restricted to NATO participation, but could be opened to attendance from neutral and even iron curtain countries. In some areas, for example, in the fields of meteorology, astronomy, space travel, the broadest international cooperation may seem to be indicated. A beginning could be made with the creation of an *International Institute for Cancer Research*, to which the U. S., the USSR, and the U. K. will donate the necessary isotopes.

As a corollary to the Cancer Institute, and as a symbol for the usefulness of world cooperation, it is recommended that all isotope-producing nations join together in an effort to equip all cancer hospitals in the world with the necessary isotopes, not in the form of free gifts but in the form of coordinated supply programs at reasonable prices.

Despite the overwhelming importance of influencing the up-and-coming generations, it should not be overlooked that the older generations who are politically active *today* can contribute to the success or failure of NATO. It would be unwise to abandon, even before trying, any attempts to predispose this group toward new ways of thinking or, in any event, neutralize some of their reservations which they have against modern solutions. Hence, consideration should be given to a program of adult education which would aim primarily at the groups who are moulding public opinion such as teachers, writers, professors, as well as at the directly influential persons within NATO societies such as industrialists, artists, newspapermen, etc. This adult education should take the triple form of full-sized courses which would be attended by anyone showing an interest in the subject; of individual lectures which—and this would be a novelty—would

reach down to the small town and village levels; and of a systematic effort to discuss NATO problems in the leading newspapers of the continent, with the specific purpose of breaking into the monopoly of old-fashioned and ignorant editorialists who constitute a predominant force influencing public opinion today, especially in countries like France.

In addition to these various institutes and universities, it would be useful if private foundations were to extent their operations throughout the entire NATO area. The point is not that American foundations should spend more of their money abroad but rather that European industrialists who to date have not yet reached the pinnacle of social consciousness, follow the American example and set up national foundations for the furtherance of arts and sciences.

For all practical purposes, and with the exception of Great Britain and of a recently established but not yet operating foundation (Gulbenkian), very little private European capital is available for scholarly pursuits. There are, to be sure, government stipends but the scope of these operations is limited. In addition to stimulating the establishment of European foundations, it would be useful, if American and future European foundations were to join forces in financing some of the efforts needed within this overall NATO program. Moreover, American foundations might perhaps take the lead in persuading European corporations that it might be useful to set up such organizations. (It should be noted that revisions of tax laws would be necessary for the success of this particular undertaking).

As a support operation to all this, it would be necessary to improve the library situation in most European countries. Not only is the average European library too small, but its holdings usually do not allow the thorough study of NATO problems. There is, moreover, a great need for the improvement of library techniques, especially in the cataloging field. In this connection, consideration should be given to the establishment of a *Central NATO Library* which would collect the entire documentation which is of bearing to the NATO problem. Lest this particular proposal be considered unimportant, it should be remembered that NATO will be made or destroyed by the future generation of European statesmen, i. e., by the younsters who will attend universities within the next few years or so. However, the effort should not be devoted exclusively to university libraries but embrace the specialized libraries of Chambers of Commerce, workers organizations, etc.

Within the NATO structure the various parliaments play a key role. Ultimately, it is up to them and their legislative decisions whether or not NATO is going to progress or to collapse. Yet, heretofore, very little attention has been paid to these crucial institutions. Many of the European parliamentarians are rural and provisional politicans who understand only vaguely what is at stake. They are ignorant of foreign countries and highly suspicious of institutions like NATO. Moreover, the opposition to overdue national and international reforms not only crystallizes but often originates in parliaments. It must be remembered too, that the average European parliamentarian has very little opportunity to orient himself about the issues of his own country, let alone procure documentation on internationally important issues. Hence, while he votes under pressure, he also acts from ignorance and he has no capability of educating his constitutents.

For all these reasons, it is believed that the parliamentary question should be faced squarely. This can be done by creating an *Institute for the Study of NATO Parliamentarism* which keeps close track of the practices within, and the current issues before, the various parliaments. Such an institute would reference for the use of *all* parliaments the particular legislative solutions arrived at in some countries, and provide useful and factual documentation. And it would more specifically study the legislative problems of NATO cooperation. This Parliamentary Institute should have ample and expert staffs and adequate financial resources,

and be attended by active as well as retired parliamentarians from the various countries.

It might also be useful if each parliament assigned observers to other parliaments. These observers should be non-political experts who are essentially entrusted with tasks of informational liaison. (For a further elaboration of the parliamentary problem, see below.)

The ministries, departments, and agencies, etc. within the various NATO countries should gradually develop an intra-NATO liaison structure. For example, the U. S. Treasury should have liaison officers in all NATO finance departments and in turn receive foreign liaison officers. In this context, the mission of these liaison officers should be in the fields of observation and study. In due time, of course, these liaison officers could assume operational duties in the field of coordination. (For a further elaboration of this concept, see below.)

Joint Ventures

At the present moment the NATO security effort obviously is the most important joint venture. There is, in addition, the Coal and Steel Community, the Productivity Agency, the European Payments Union, etc., some of which undertakings transgress beyond the NATO framework. The usefulness of these efforts is beyond argument and there are naturally many areas where additional coordinated programs could be set up. An example is in the field of agriculture, where autarchic practices still rule supreme, to the detriment of all, including the peasant.

These undertakings, however, deal by and large with basic economic structures. Their results, while indispensable and beneficial are mostly ignored by the consumer who does not feel their impact directly and dramatically. Obviously, production precedes consumption. But it also can be argued that consumption stimulates production. Most economic reforms have aimed at the productive apparatus as their primary target, but the visible consumption of the average European citizen has not received adequate attention and in fact has not grown very much. To put it in oversimplified terms: Stimulation of economic growth through stimulation of consumption rather than of production has been one of the basic differences between the American and European economy. The dynamic satisfaction of consumers' needs is an outstanding element of American stability. There is no reason why a major effort should not be made to transplant this greatest blessing of the American economy to the NATO scene.

For more than fifty years, Marxist propaganda of all shades has opposed the concept of private ownership and has conditioned very broad publics to favor legislation which is detrimental to all types of property. Moreover, a quarter-century of Stalinist propaganda deriving from Soviet economic planning held that improvement in welfare of the masses must follow massive, long-range investment programs in capital goods industries. In the meantime the public was expected to accept "temporary" shortages in consumers goods. The Free World never yet has met these two concepts squarely. In fact, in many instances it has consciously or unconsciously emulated the Marxian program of expropriation and over-investment in capital goods industries.

Actually the American example—as well as the example of both Nazi and democratic Germany—shows that increases in consumption and production can go hand in hand, and that consumers needs can be satisfied even while the production base is being enlarged. There is no reason, therefore, why the European consumer can not benefit soon and visibly from NATO economic cooperation.

One of the main reasons why the average European, while not necessarily accepting the Marxian creed, nevertheless is predisposed to support any anti-property policy, is that he sees very little likelihood of acquiring property for himself. The average European owns very little. He barely possesses a small savings account. He has very little chance of acquiring more substantial holdings which, for that matter, could not be easily passed on to his children.

And he does not even own many durable consumers goods except furniture and table silver. To put this differently: The average European will not become a staunch supporter of a dynamic free enterprise system unless and until he acquires property himself or at least, sees a chance of becoming an "owner." The revolutionary spirit will not disappear unless and until the average European in addition acquires a true stake in the existing system.

Naturally, the end of what could be called "economic alienation" should not be expected to solve by itself all moral, cultural, political, etc. problems. But it will go a long way toward making NATO a reality, simply by substituting positive for negative expectations. Furthermore, the introduction of a dynamic element into the European economy, a dynamism that would be based upon the urge of the average European to become a property owner in the true sense of the word, should bid fair to transform NATO into what it ought to be, namely a growing concern. Accordingly, it is suggested that the United States take the lead in setting up a NATO-wide and ultimately a worldwide *ownership program*.

Disregarding the intellectual preparations for such a program (which will be discussed in a different paper),[3] such a program may include the following elements: the establishment of a NATO-wide system of consumers and mortgage banks which will make available credit to suitable applicants at low interest rates.[4] The main purpose of the credit system would be to allow the consumer to acquire many elements of wealth including housing and consumers' durables. The granting of these credits, of course, may be combined with an up-to-date system of private health, life and property insurance. This banking system should operate, as far as practical, through existing institutions but the main financial forces within NATO should join together to underwrite the operation, and in particular secure for it the necessary size, so that it can be profitable despite low interest rates. In addition, the consumer banks should issue stock and see to it that this stock be traded freely on all European markets, and not be subject to nationality and movement restrictions.

The United States should take the lead in furthering the establishment, on a broad base, of trust funds as well as of a suitable system of dependable brokerage firms, concurrent with the development of facilities for the massive buying of stock. Studies should be undertaken to determine the workings of the European stock exchanges with a view toward introducing proper laws and regulations of protection and honest reporting. Moreover, there must be an effort to acquaint the broad population with the advantages of ownership in well-regulated stock, as well as in the possibilities even for the small investor to improve his situation.

The NATO nations should launch a major effort in *housing*, particularly in small one-family structures. It would lead not only to the decentralization of urban agglomerations, but also to suitable mortgage arrangements. A modernized mortgage system would place better and more independent living within the reach of the average European and allow him

[3] Be it mentioned here merely that there should be NATO-wide exhibits demonstrating the potentialities of the ownership program.

[4] It should be emphasized that the ownership program can, and probably should be enlarged to cover the under-developed areas, especially those connected with NATO. For this purpose, the NATO nations should join in a combined effort at economic development, one advantage of which would be to eliminate the monopoly positions of the old colonial powers in given areas. Such an effort, probably, would have to *follow* initial successes of the ownership program within NATO proper. Hence this problem is merely mentioned at this point, yet this cursory reference must not be construed as a judgment about its urgency. The problem is urgent enough. At the present time, however, it is necessary to develop the capabilities for its solution; i. e. the capital surplus which would be available for overseas export. Within the underdeveloped areas themselves there is a need for better understanding of the problems of economic development. This is partly a matter of education, some aspects of which are discussed in another paper.

to acquire wealth in the form of real estate and perhaps arable land.

Closely connected with housing is the need for additional *electrification*. The acquisition of electrical home appliances will lighten the burden on the housewives and ultimately lead to the highly desirable elimination of the servant class. Furthermore, electrification will allow a general reduction in living expenses, while providing additional comforts. It also will be useful for the establishment of all kinds of work and repair shops, home industries, agricultural machinery, etc. The housing and electrification programs by themselves should enhance the economic security of the common man. This program of electrification, of course, should be tied in with the atoms-for-peace undertaking (on which more in another paper).

To the extent that the housing and the electrification programs will lead to decentralization and sub-urbanization, the NATO countries must undergo or accelerate the process of *motorization*. It may be pointed out that the possession of a motor-scooter, motorcycle or an automobile, anyway, is the dream of a European youth and certainly is considered as a hallmark of success. The motor still confers "status." The program of providing cheap motor transportation is well under way in some European countries at the present time. However, it should be possible to reduce car prices and above all to allow lower interest rates and longer installment periods. Moreover, it is not entirely necessary that the effort be concentrated on automobiles. Depending on local conditions it may be preferable to put greater emphasis on small motorcycles or weather-proofed family motor-scooters, recently put on the market by Messerschmidt, which show some signs of becoming popular.

It may just be mentioned that the potential NATO market is larger than the U. S. automobile market, and that the dynamism of the U. S. economy is, in no small measure, due to motorization. As every American knows, the size of this market is not dependent merely upon the size of the population, but more significantly on the effectiveness and generosity of the credit system, and its availability even to the poorer strata of the population.

As another corollary to the decentralization of the European economy, a great effort must be made in the field of *retail trade*. The American chain food store is one of the marvels of economic ingenuity and it should be a terrific success in Europe, especially in the countries which like to eat well. Some timid beginnings have been made along this line but only in a few countries. The proper organization of retail trade will not fail to make life far more pleasant, to enlarge agricultural markets, but also to allow a more widespread distribution of NATO products throughout the entire area. It will break down many barriers of nationalistic consciousness.

Consumers satisfaction will be derived from two additional sources: *travel and entertainment*. Travel will result automatically from motorization and higher income levels. No specific efforts will be necessary to stimulate it, except by enlarging the system of installment-ticket buying, removing restrictions which shall hamper the growth of aviation, especially on short hauls, and holding ready capital for the enlargement of hotel facilities. Entertainment will be covered below in the discussions of cultural activities, television, and books.

It should be pointed out that these various programs, if implemented, would lead to a considerable and possibly enduring economic boom. Moreover, the creation of additional installations such as gasoline stations and repair facilities for automobiles and electrical appliances, as well as the need for additional roads, and the development of a healthy housing industry, etc. will increase employment levels considerably and probably put an end to the present one-family, one-bread-earner structure. When jobs are more plentiful than applicants, there will be several earners per family, and naturally the elimination of the "industrial reserve army," to quote Marx, would increase the level of European wages very rapidly.

A great deal of thought ought to be given to combining the large-scale purchasing activities envisaged under these programs with the *regular purchase of stock*. The ownership program should aim, not only at increasing the living standards of the average consumer, but also at making him into a part-time "capitalist"—a person who "profits" from the economic system. If, in addition, it were possible to diversify stockholdings from the national point of view—for example, a Frenchman owning some German stock or an Italian owning stock in an electric power trust fund which holds stock from power companies in all NATO nations—then economic interests no longer would be conceived of narrowly within a nationalistic frame of reference.

The problem, naturally, is how the European consumer can be induced to buy stock. He would be suspicious of the operation, although economic dynamism, adequate capitalization of suitable corporations, and reforms of trading regulations and practices should allay some of his suspicions. In emulation of some insurance programs which involve the payment of dividends to the holder of the policy, it may be possible to find ways by which the consumer through combined goods and stock purchases might acquire stock property. The increase of power consumption will require a continuous influx of new capital. It should be possible to acquire some of this capital by adding small amounts to each electric bill and in the manner of trust funds prorate these payments for stock or bond holdings; or to create electric power "cooperatives" with easily accessible membership. It should also be possible to have a permanent stock issue at prices which stay fixed throughout a few months or perhaps a year, and to give the purchaser of consumers durables *rights* to buy this stock. Normal acquisition of dividend-paying stock could be used to reduce installments. House buyers should be encouraged to hold stock in their mortgage bank, some of which, perhaps, could be set up in the form of cooperative banks.

There are undoubtedly many additional and far more ingenious methods. The objective would be to make a maximum number of persons over into recipients of dividend checks. It can be anticipated that the first dividend payment would change the political outlook of many presently "alienated" Europeans. Incidentally, the program could be made psychologically palatable by describing it as the modern and most efficient way of "profit sharing."

Since NATO is based on cultural affinity, among other things, major efforts must be made in the *cultural* (and entertainment) field. Some of this has been covered in the discussion about universities and academic institutions. In this particular connection there would be a need for the establishment of cultural magazines—literature, graphic arts, music—to make all NATO nations share in the cultural achievements of each. The major works of literature should be translated into all NATO languages. An elaborate system of exhibits, expositions and visits by theater companies should be built up and combined with suitable exchange programs. Naturally, the new instrumentalities of radio and television must be fully impressed into this effort (see below).

Another matter should be given consideration: NATO is going to be built by the rising generation, not by its parents. Hence, activities should be launched which will strengthen the commitment of *youth* to NATO. Perhaps the Boy Scout movement can be enlarged within the NATO framework. Exchange programs can be initiated on the high school level. Existing sports and youth organizations can be spurred on to undertake travels throughout the NATO area, to learn NATO languages and to hold more frequent "jamborees" and other meetings. Youth also should be given a prominent place on television programs (see below).

Adaptations

The ultimate purpose of the activities described above should be to bring together and

mutually adjust the social structures within the NATO area, despite the permanence of regional and cultural differences. Whether or not a NATO "community" will emerge, many activities could be undertaken jointly and many facets of life as well as interests are going to be similar as a result. If this expectation were to come true, many organizational and political structures and decisions of the NATO countries would have to become "joint" in character, partly to render these common activities more fruitful, partly to respond to new situations.

It is naturally premature at this point to talk about the many steps of this process of adaptation and harmonization. Suffice it to say merely that the adaptation process at its most crucial junctures will have to pass through the legislative machinery and that sooner or later it will become necessary for the various NATO nations to enact parallel laws and eliminate incompatible provisions. In turn, before legislative action can be coordinated, a more intimate collaboration between the respective parliaments must be instituted. It is therefore recommended that steps be taken to establish an *intra-NATO Parliamentary Steering Committee.*

In order to dramatize the significance of this proposal (which is susceptible to being overlooked) and facilitate the workings of this committee, it is recommended that, within the next year or so, the United States invite *all* the parliamentarians of *all* the NATO countries, including the Communist parliamentarians, on a two-week *visit* to this country.

The legislators should be flown into the United States through a collective effort of the NATO civilian airlines, and in a large auditorium, preferably in Washington, be addressed by the President in a welcoming speech. Subsequently, the various parliamentary delegations should split up according to committees and hold international committee meetings. For example, the foreign relations committees of the various parliaments should be constituted as one group and should meet at one particular locality and discuss NATO problems.

Similarly, the military, economic, educational, etc., committees of the various countries should get acquainted with the personalities and problems of their foreign counterparts. The formal exercise, with speeches by members of all parliaments and discussions, should last one week and should be followed by another week of travel throughout the United States and possibly Canada. The purposes of such a meeting would include:

a. Get some of the legislators to travel;

b. Acquaint them with the U. S., which is particularly important insofar as Communist deputies are concerned;

c. Make them see the other fellow's problems and points;

d. Show them that their local preoccupations are not the only things that matter;

e. Indicate to them the usefulness of international contacts;

f. Establish, ceremoniously, the Intra-NATO Parliamentary Steering Committee.

Another device of mutual adaptation would be the establishment in each member country of a special NATO ministry through which all NATO operations of the particular nation would have to be coordinated. In due time, the heads of the ministries could meet in monthly session, and gradually establish themselves as a NATO executive organ. Like the office of the Swiss President, the chairmanship over this council could rotate yearly among member nations; if it could be established, there would emerge, ultimately, something like a NATO president.

Reporting Organs

In order to make these various programs politically effective, a very large effort at reporting will have to be undertaken. It is believed that one of the great informational gaps existing at the present time is the ignorance of national decision makers with respect

to political issues and realities in other countries. Equally important is their ignorance concerning the practical solutions of problems, similar to their own, which were found abroad. The French politician, to put it in more concrete terms, is blissfully unaware of the political problems in Britian and even more so in the United States. Very frequently he wrestles with problems which were solved satisfactorily abroad, but which he cannot solve because he knows nothing about those pertinent experiences. There has been no effort to establish a system of cross-reporting on decision making, a failure which suits many legislators and bureaucrats because it allows them to operate in the dark and make their decisions without fear that they ever would be properly analyzed and brought to the attention of public opinion.

The following solutions should be considered:

a. A *NATO Parliamentary Gazette* modeled, to a certain extent, after the Congressional Record of the United States, should be established. This Gazette, which should be made available to all NATO parliamentarians, should print accurate summaries of parliamentary debates in all NATO nations, maintain records of the votes of the various parliamentarians—this should go a long way toward eliminating some undesirable legislators—and, in emulation of the Appendix to the Congressional Record, reproduce articles and studies which are pertinent to current legislative problems. In addition, the Gazette should provide documentation and bibliographies on subjects which are of timely interest to the legislators. The general idea is that the Gazette should not only be of informative value to the parliamentarians, but also should become an indispensable tool for their practical work as well as a generally accessible record of activities of individual legislators. The Gazette should draw extensively on the work by the various academic institutions proposed above.

b. There should be created various *Ministerial Gazettes*, for example, a Gazette of the finance ministries within NATO countries. The purpose of this type of gazette would be to cross report upon administrative decisions, regulations, and practices, and upon the activities and problems of the various ministries and agencies.

A great deal of the information necessary for the accomplishment of joint ventures is at present lacking. This is due, among other reasons, to the insufficiency of the statistical services in most of the NATO countries. It is recommended, therefore, that there be established a *NATO Statistical Office* which will produce and publish the pertinent statistical information and gradually enlarge the scope and the pertinence of statistical reporting everywhere. In particular, it is recommended that the NATO statistical office issue a series of Bulletins to report periodically on significant NATO activities, including joint ventures such as the ownership program suggested above.

As a reporting organ and as a means of improving comprehension, television possesses great potentialities. Since it is a new medium, it is to be anticipated that people will go out of their way to view television programs and that as a result there will emerge an extraordinary opportunity to reach the attention of NATO audiences. It is recommended therefore that there be established a *NATO Television Network*, with the following prominent features:

a. The entire NATO area, including its rural sections, is to be covered by this network.

b. The network will be devoted to informational, educational and cultural programs without, however, eliminating entertainment and sports.

c. So far as suitable, television programs will be exchanged between countries, especially programs of a cultural type and they will be used to create mutual familiarity within NATO.

d. The television effort will be supported by a large scale effort at producing documentary film materials. These materials should deal, among other things, with the concrete and timely problems which must be solved by the

NATO nations, as well as produce knowledge about workable solutions and general knowledge of important topics.

e. A major effort should be made to put on discussion programs dealing with political issues, such as the American "Meet the Press," "Capitol Cloakroom," "Youth Wants to Know," programs. The participants in such discussions should be nationals of different countries analyzing their mutual problems.

f. The NATO television network should produce numerous newscasts and develop new informational procedures to enhance the effectiveness of the NATO mutual effort.

g. Efforts should be made to bring about an ever larger audience participation and to bring together on the television screen not only professionals and politicans but also youth and common people from the different countries.

Paralleling the development of the television program, similar efforts should be made in the area of *radio broadcasting*.

The problem of *book production* will be discussed in another paper.

IV. CONCLUSIONS

Many programs, methods and devices can be developed to maintain NATO as a going and establish it as a growing concern.

Most important of the programs suggested above is the *ownership program* which could be developed as the key to the NATO future.

V. RECOMMENDATION

That those proposals which are considered practical be adopted and their implementation be initiated.

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SECRET

Paper 19

The Atoms for Peace Program

Originator: Stefan Possony

Critic: William Webster

After many delays and misinterpretations there is now emerging a growing support for and a gradually better understanding of the Atoms for Peace Program. Contrary to the expectations of the sceptics, the psychological response to this program has been good.

In its reliance on nuclear strategy the United States inevitably must pay a considerable penalty in the psychological and political fields. The Atoms for Peace Program has reduced the extent of this penalty and has detracted popular attention away from the image of a United States bent on nuclear holocaust. A position has been reached in which the Atoms for Peace Program has begun to serve as a counterpart to the American strategy of nuclear deterrence. We are beginning to create an image of America as the guardian of peace and the foremost promoter of progress. Thanks to the program, the impression is spreading that, like in its previous history, the United States is anxious to advance the cause of technology and humanity. The launching of the Atoms for Peace Program has led many nations to worry somewhat less about the destructive atom and to preoccupy themselves increasingly both with technological progress and international cooperation needed to bring this progress about. This program is beginning to produce a climate of opinion which should prove beneficial to many other American ventures, including defense measures. The program also has shown some signs of being able to "smoke out" the Russians in the atomic field.

Without minimizing these considerable advantages, it must be pointed out that the significance of the Atoms for Peace Program is much more profound. The program inevitably plays a truly central role in the long-range American strategy. Occasional hesitations in supporting the Atoms for Peace Program are due, in part, to an underestimation of this program's key importance.

So far, the greatest attention within the Atoms for Peace Program has centered on electric power. However, the program has implications for transportation, industrial production, medicine, agriculture, and above all, basic research. Nuclear techniques of all kinds will lead to a very far reaching overhaul of technology and to a true industrial revolution, the nature of which cannot yet be grasped. This aspect of the program is really the crucial one, but since developments are as yet unpredictable, nothing more will be said on this point other than that it may be useful to bring these other possibilities into sharper focus.

The rest of this paper will concentrate on the electric power phase of the program.

I. ELECTRIC POWER PROGRAM

Over the last 50 to 80 years, consumption and production of all types of energy throughout the world have been increasing very rapidly. The increase in the consumption of *electric* energy has been particularly fast since 1900, but since the end of the second World War this already astonishing rate of increase has been accelerated further. Given the continuous growth of population, the strong pressures for industrialization, and the world-wide expectations for a continual improvement of living standards, energy production inevitably will grow, at least at the present rate of progress.

It is unnecessary to labor this point with detailed statistical estimates, especially since practically all statisticians seem to agree that this growth is not only unavoidable, but will be considerable in scope. At a minimum, then, electric power production will increase at least three to four times within the next forty-five years. A ten to twentyfold increase is by no means excluded. As a general "ball park" guess, it may be assumed that by 2000 A. D. world production will have risen from 1,400 kwh to 5,000 or 10,000 billion kwh, installed capacity from 320 million kw to 1 or 2 billion kw, and per capita consumption from 500 kwh to 1,000 or 2,000 kwh per year.

By comparison, a rise to the present levels of the U. S., Sweden, and Switzerland would require a world production of approximately 15,000 billion kwh in 2000 A. D.

Index of World Industrial Production, 1870–1952

1870	100
1900	310
1913	530
1920	500
1929	800
1932	540
1937	950
1946	1,000
1952	1,710

Annual Rate of Growth of Industrial World Production

	Percent
1870–1900	4
1900–1913	4
1920–1929	5.5
1932–1937	12
1946–1952	9.5

TOTAL WORLD DEMAND FOR PRIMARY FUEL ON CERTAIN ASSUMED COMPOUND RATES OF GROWTH

(Billion tons of coal equivalent per annum)

	2 percent per annum	2½ percent per annum	3 percent per annum
1950	2.8	2.8	2.8
1975	4.5	5.1	5.8
2000	7.4	9.5	12.1
2025	12.1	17.5	25.2
2050	19.9	32.5	52.9

This growth in power production poses many difficult problems. For many years now, coal prices have shown a gradual increase, due to the combined impact of the unwillingness of modern labor to work in coal mines and to the exhaustion of the best seams in some foremost producing countries. There are still plenty of good deposits, but not many are situated close to suitable transportation. Consequently, coal production has risen only slowly. If the increase in energy production were to be supported from coal, output would have to be tripled. It is likely, however, that raw material shortages and transportation deficiencies would arise and press prices upward, with the result that the cost of energy would be increasing. In fact, it is very doubtful whether the expected increase in energy production could be based on coal at all, especially since coal is becoming an ever more important raw material for the chemical industry.

FIVE YEAR AVERAGES OF RELATIVE PRICES OF MINERAL FUELS AND ELECTRIC POWER IN THE UNITED STATES, 1900–1954.

Period	All mineral fuels	Bituminous and lignite coal	Anthracite coal	Crude petroleum	Natural gas	Electric power
1950–54	112.1	125.9	111.7	113.1	72.9	36.7
1945–49	108.5	130.5	107.5	102.1	64.7	46.6
1940–44	96.4	113.6	102.1	92.1	81.4	69.4
1935–39	100.0	100.0	100.0	100.0	100.0	100.0
1930–34	94.7	93.2	120.6	89.4	141.2	132.5
1925–29	94.0	88.3	111.7	109.2	141.0	96.5
1920–24	107.4	119.7	96.8	123.3	159.1	92.7
1915–19	66.1	78.9	56.1	97.4	------	88.2
1910–14	60.8	74.6	61.3	81.3	------	152.6
1905–09	60.7	77.3	60.5	82.4	------	184.4
1900–04	68.1	85.3	63.6	123.5	------	286.0

In contrast to coal, the price of oil has been declining. However, it is unlikely that the growth of energy production can be based on oil, what with the expected increase in motorization plus the greater geological stringency. The same doubt applies with respect to natural gas which, although it is the cheapest form of

energy presently available, is in short supply and requires costly investments in transportation systems. Finally, there is not enough potential hydro-electric energy available for the anticipated power expansion; and in this case, too, transport difficulties are quite severe.

Accordingly, if the production of energy is to rise as expected, it will have to be based to a large extent on nuclear fuels. It has been said rightly that the discovery of nuclear fission has come none too soon and that without it, the economic progress of mankind would have been stymied.

WORLD CONSUMPTION OF PRIMARY FUEL, 1929–1950

(Million metric tons of coal equivalent)

	Solid fuel	Oil	Natural gas	Hydro-electricity	Total
1929	1,410	270	80	100	1,860
1950	1,580	700	270	200	2,750
Average compound rate of increase[1]	0.5	4.7	6.8	3.8	1.9

[1] Percent per annum.

It is not implied that nuclear fuels will be substituted for all mineral fuels, nor necessarily that they will, by 2000 A. D. or so, account for most of the world's energy. This may or may not be the case. In the meantime, it is to be anticipated that areas which can be served by hydro-electric power or natural gas will want to develop these minimum cost resources to the utmost. Whether in other areas it will be economical to stay with coal or oil or to replace these fuels partly or entirely with fissile materials depends on a multitude of factors, including comparative costs, depreciation rates, the particular types and quantities of power required, the efficiency and availability of various types of nuclear reactors, the possibility of compound industries, the size of the plutonium and isotope market, etc., etc. All of this is as yet unpredictable. It is logical to assume, however, the nuclear power will blend into the older forms of energy production and that the ultimate balance between the various forms of energy will vary according to time and place. So long as the excessive demands of power expansion can be met by fissile materials and so long, therefore, as production of coal and oil need not be increased drastically, the older fuels will continue to be economical and attractive in many areas.

Many warnings have been issued against the faulty assumption that the cost of nuclear power ultimately will become "negligible." Estimates made by various experts at the Geneva Conference show a remarkable degree of unanimity, despite the fact that these experts from different nations did not coordinate their views. Experiences in the U. S., U. K., Russia and France seem to indicate that a cost price of about five to six mills per kwh at the bus bar can be expected. Such a cost price would mean that nuclear power production would be about as expensive as power production based on coal and somewhat more expensive than that based on oil and natural gas, and that in general terms it would be about as expensive as the present average cost in the U. S.

However, it must be remembered that coal prices probably will increase, especially in the case of continued expansion. Moreover, the price of power varies in each country and between countries. As of today, nuclear power would be cheaper than conventional power produced in the New England States, but more expensive than hydro, oil, and natural gaspower produced in Texas and in the American West. Nuclear power also would be cheaper than most of the power produced at present in Great Britain and in many other countries which do not have the rich and plentiful coal deposits of the United States, or where coal deposits have been depleted and oil must be imported. While, therefore, nuclear power will not necessarily lead to a cheapening of power, it will in due time eliminate all expensive producers, forestall increases in power costs, and in a general way equalize power costs all over the world.

It has been pointed out that in order to enlarge power production on the basis of conven-

tional fuels, very heavy investments in transportation would have to be made. This is particularly true of areas which at present are not served by adequate rail or waterways. The vast continental expanses of Asia and Latin America, for example, cannot be developed power-wise before surface transportation is installed, but there is no economic reason to do this so long as these areas are uninhabited and remain empty because there are no local power resources. A vicious circle. Nuclear power, however, can be installed in any out-of-the-way place, simply by establishing an airfield and flying in the generating equipment and the fuel. The utilization of nuclear power therefore will allow huge economies with respect to the opening up of new territories. The possibility of placing large power stations at remote mining sites and carrying out processing and perhaps primary refining on the spot will lead to an amelioration of world mineral's supply both as to quantity and cost, and also will make it possible for underdeveloped countries to initiate a reasonable form of industrialization. Fundamentally, the greatest economic advantage of nuclear power is that it can be employed at any point which can be served by aircraft, and therefore the requirements of surface transportation can be cut to the minimum.

The importance of the Atoms for Peace Program often is being minimized with a statement to the effect that electric power accounts for only a few percent of the cost and the "value added" of industrial production. This is true but not very meaningful. Quite possibly nuclear power will not affect production costs directly. However, it is not the percentile cost which is of importance here, but the fact that practically all industrial processes do require electric power in substantial quantities. Moreover, as new metals such as aluminum and above all, titanium, come into greater use, power requirements increase very considerably. Even many of the older industries tend to employ electric power more and more, both in the form of labor saving devices for auxiliary activities and in the form of primary energy. The industrial trend is to use more and not le electric power. However, it is true that th specifically industrial uses of electric energ are not the most telling argument in favor of th program. The very extensive other uses c electric power constitute the strongest argumen for electrification.

Power Requirements for Selected Electro-Process Materia

	Approximate kw required per ton of product
Titanium Metal	40, 00
Aluminum Metal	18, 00
95 percent Silicon Metal	17, 50
Electrolytic Magnesium	16, 00
35 percent Hydrogen Peroxide (100 percent basis)	16, 00
Electrolytic Manganese	10, 20
Silicon Carbide	8, 60
70 percent Ferrotungsten	7, 60
Sodium Chlorate	5, 20
Rayon	5, 20
Phosphoric Acid (via electric furnace)	3, 90
Electrolytic Zinc	3, 40
Chlorine	3, 00

COST OF ENERGY CONSUMED BY THE U. S. ECONOM

	From national product	Energy cost a percent of GNP
	Billion dollars	
1899	18	4.
1909	33. 1	5.
1919	87. 1	6.
1929	104. 4	7.
1939	91. 1	7.
1947	282. 2	6.
1950	285. 1	6.
1952	346. 1	6.

The growth of population and the increasing requirements for a diversified and sufficient die call for an enlargement of agricultural pro ductivity. This is on the one hand a matter o increasing yields and of putting new lands unde cultivation, activities on which electric powe and isotopes only have indirect bearing, excep insofar as poultry and dairy farming is con cerned. On the other hand, this is a matter o food preservation, pest and disease control

storage, and transportation. It is estimated that even in advanced agricultural countries about one-fifth of the food produced is spoiled while, for lack of storage and transportation capabilities, another high percentage of the output has to be consumed by the peasants and their animals. Electric power is indispensable for refrigeration which is the key to storage and transportation. Moreover, it is hoped that isotopes will become useful for controlling pests and as food sterilizers. Electric power also is becoming indispensable for many supporting farm operations such as heating, cleaning, hot water production, improving the utilization of labor (including that of older people), altering the timing of production, improving the quality of farm products, increasing the dependability of farm operations, and increasing per capita output. Naturally, power also reduces human toil. Suffice it to say that in U. S. farms use of electricity is rising very rapidly. Moreover, the food processing industry requires power.

Electric power also is becoming the key to water supplies. (NOTE: the availability of relatively cheap power in rural areas probably would lead to a lesser use of wood for fuel purposes. Power thus may be one of the conditions of re-forestation so urgently needed in some areas.) In addition to well-pumps, there is an ever increasing need for irrigation. It has been determined that agricultural yields even in well watered areas can be increased considerably through proper irrigation methods. It is not always realized that U. S. agriculture uses about 100 billion gallons a day from surface and ground water sources and that particularly the ground water use is increasing. Naturally, many of the semi-arid areas in the world can be put under cultivation only to the extent that irrigation becomes feasible. The cultivation of these areas may or may not become necessary due to world-wide food requirements. However, improvements in the social situation of such areas, for example, the Middle East, depend on the practicability of developing cheap methods of irrigation. It should be pointed out that most of these areas do have large underground water resources. Therefore, as proved by the example of Israel, their development should be entirely practical.

It must be stressed that the water needs of modern industry and urban settlements are insatiable. There are many signs that the increase of industrialization and population is leading to stringent water shortages in many areas. Among the "thirsty" industries, the following may be mentioned: oil refining, paper manufacturing, metallurgy, chemistry, various types of food processing, refrigeration, and the electric power industry itself, not to mention the nuclear industry. Water no longer will be available "for the asking," at least in many areas and certainly not in urban and industrial agglomerations. Whether the water deficit will be covered by diversion of surface water, elaborate long distance pipeline systems, or use of ground or sea water, electricity will be required for each solution. It should be pointed out that while at present sea water treatment for agriculture cannot possibly be profitable, such a treatment becomes more economical if it is a question of industrial uses and urban needs.

Space heating and cooling are other great consumers of electric power. Whether or not it will be profitable to continue current heating practices is questionable, especially in areas with little coal and oil. To the extent that countries such as India become industrialized, air conditioning must be considered as one of the main prerequisites of industrial productivity. Naturally, heating and cooling also are matters of living standards. It is anticipated that sooner or later space heating and cooling will be combined in one operation through the employment of "heat pumps." This equipment will be highly economical in comparison with present methods, and also reduce the pressure on coal and oil. However, while economical, heat pumps will require enormous quantities of electric power.

The raising of living standards is dependent not only on industrial production and higher incomes but also on distribution and local services. Without a large system of retail and

particularly food stores and repair shops, increases in production would remain relatively meaningless. The model of the American chain food and drug store is very pertinent. Naturally, such stores can operate only if they are liberally supplied with electric power, especially for refrigeration and air conditioning. An average American drug store consumes about 50,000 kwh per year. Insofar as repair shops are concerned, be it sufficient to point to the electrical needs of garages and gasoline stations. The increasing use of power tools in homes will not lead to a large increase in power consumption, but the availability of power will improve maintenance all around and thus lead to many savings.

Electric power is the key to improved standards of living in the home. It is the foremost labor saving device for practically all domestic chores and in addition it provides many of the "necessities" of modern life, including lighting, radio, phonograph, television, etc. Insofar as the underdeveloped areas of the world are concerned, it should be remembered that the installation of electric light not only lengthens the useful hours of the day but is correlated with an increase in literacy, improvement in health standards, and a decrease in birth rates. The advantages of electricity for the home are so great that most households, within the limits of their finances, aim to make maximum use of this utility.

U. N. Estimate on Rates of Growth in Energy Requirements

	Percent
Agriculture	2
Industry	5
Transport	5
Households, heat	2
Power	6
Population	[1] 1.5

[1] I. e., 3.5 billion people in 1975 and 5 billion in 2000.

The great advantages of electrification naturally could be spelled out in more detail. Electricity is a commodity which has so much become an element of modern life that people take it for granted. Hence they have some difficulty visualizing what it has done, and still could do, to all of our lives.

However, while the advantages of electrification appear to be clear, the question is: Why is it in the U. S. interest to push the program? Is this simply another "do-good" type of a venture? It need not be, although in the wrong hands it could develop into a "boondoggle." Briefly, the main advantages are:

1. The program should contribute to the raw materials supply of the U. S. and specifically facilitate the mining of foreign mineral deposits.

2. The program should create a huge foreign market for American generating equipment and electric appliances. This should be a matter of *private* foreign trade. The scope of this trade can be gleaned from a few figures: One dollar invested in generating equipment requires approximately the investment of 8 to 10 dollars in appliances (disregarding repair and replacement). Hence, if the world would install 800 million kw of generating equipment, it would be undertaking a total investment of about 1,000 billion dollars. This figure is neither a forecast nor a proposal to plan in this order of magnitude, but simply an indicator of the size of this potential market.

3. Naturally, in order to set up international trade in such a way that the electrification program could be implemented, many other beneficial developments would have to take place; of which only the development of a proper international credit structure, immune against "nationalizations," may be mentioned here.

4. The undertaking should be combined with the ownership program. Specifically, it should not be exploited to encourage socialist ventures in electricity which seem to be so attractive to many foreign nations. If so, it would contribute to the emergence of a new style of politics all over the world. This venture is one of the few capabilities at our disposal which we might try in order to see whether or not most countries in the world can be induced

to model their politics after those of Switzerland.

II. DIFFICULTIES

There are really no convincing arguments against the usefulness of the Atoms for Peace Program, and none have been formulated. However, there are some very great practical difficulties which tend not only to slow down the program but also to arouse some scepticism among policy makers. In the first place, the time requirements of the program are measured in decades. At the present moment the technology of nuclear power still is very uncertain and, for that matter, not one large nuclear plant is as yet in operation. If the program were hurried up, the chances are that most of the early plants would be obsolescent within a short time. Therefore, economic prudence seems to dictate that the program be developed systematically, even deliberately, without undue concern about psycho-political factors. Actually, if the psychological pressures are disregarded, there is really no great urgency about nuclear power as such, since the conventional fuels will be adequate to maintain the momentum of electrification for many years to come. However, pre-occupation with nuclear power may be useful in giving this momentum to electrification. In addition, there is a great need to allow for adequate experimentation, training and learning with nuclear reactors and to avoid delays in these preparatory phases.

The second difficulty is that rapid progress in nuclear power production is still hampered by various types of shortages, including fissile materials, technical and scientific manpower, and new metals. It will take many years before these shortages can be overcome, although, of course, proper planning may cut some of these lead times.

Third, there are many difficulties in the area of industrial safety which are as yet unsolved. It is not so much a question of a capability of keeping nuclear power production safe—this capability exists—but rather of how much of the present safety measures can be eliminated in order to reduce costs and of how a proper safety discipline can be enforced in some of the underdeveloped areas. This question also has some bearing on the problem of reprocessing. Moreover, there is the question of what to do in case an accident should happen.

Fourth, there is grave doubt as to whether in the present world situation it is to the interest of the United States to spread fissile materials all around the globe. There is a danger that some of these materials could be absconded and be used for military, revolutionary, or even criminal purposes. This problem indeed poses great difficulties. It is connected with the need for the establishment of an effective accounting, inspection, and control scheme designed to prevent misuse of the materials. It is linked up with the question of what types of fissile materials should be used for power production; specifically, would those materials which are most desirable from the security point of view allow low cost power production? If not, do we have to sacrifice economy or security? It is tied up, lastly, with the question of reprocessing, plants for which, if American interests were paramount, should all be located in the United States.

While the first three difficulties will be overcome as time goes by, the security problem of course, will remain. There is no point in minimizing this difficulty even though it is true that despite the utter necessity for security, the United States ultimately will have no choice but to encourage nuclear power production abroad or else be forced to discourage further economic growth and thereby run the double risk of creating additional political hazards and of allowing other powers of carrying out the Atoms for Peace Program to their interest. Such a development, naturally, would be most undesirable.

The point simply is that the next few years must be used to develop a proper security system designed to take care of the dangers inherent in this program. Consideration should be given to the possibility of linking the security aspects of this program to strictly

military control schemes. Nations might be psychologically more disposed to accept thorough inspection of power stations and once having accepted such a type of outside interference, they may find it easier to acquiesce in military controls which would deprive them, to a large extent, of their sovereignty.

III. CONCLUSION

The conclusion therefore is that while the Atoms for Peace Program is an utter and inescapable necessity of American foreign and economic policy, it cannot become effective before many years have elapsed. In the meantime, the requirement exists to carry on in order to keep the momentum and enlist on our side foreign nations anxious to go into nuclear power. The obvious solution from the quandary seems to be to lend all support to the electrification of the world and to consider the Atoms for Peace Program as merely one of the key elements within this overall undertaking. In turn, the electrification program should be only one of the implementing phases of the larger American programs aimed at raising living standards and in particular of a hypothetical U. S. program designed to stimulate private ownership.

Thus, the Atoms for Peace Program, historically, can be described as the first phase of an overall U. S. peace program. In its economic phases, this peace program aims to solve the "social question." Electrification is one phase of this sub-program; and the Atoms for Peace plan, in its power aspect, is a phase of electrification.

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Paper 20

The Purpose, Requirements, and Structure of an American Ideological Program

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I. INTRODUCTION

Before proceeding even one step with the discussion of the ideological problem, it is necessary to point to the ambiguous character of the term "ideological." An "ideology" is essentially false thinking. Very frequently the term denotes dogmatism in political argumentation or "visionary speculation," to quote the Oxford Dictionary. The ideologist has a pat interpretation and proposes inflexible solutions to changing political problems. His is a firm and immutable program, "often with an implication of factitious propagandizing," according to Webster. In Marxian nomenclature, an ideology is a mental construction designed to conceal social realities in order to make it possible for the ruling class to continue in power. It is "the manner of thinking characteristic of a class or individual," according to Oxford.

In addition to those usages the term often is employed to describe "ideas at the basis of some economic or political theory or system" (Oxford), or an entire "system" of political thinking, especially those ending in "ism," such as socialism, liberalism, conservatism, etc. The term may be used to denote "the intellectual pattern of any widespread culture or movement" (Webster). Surprisingly, Oxford defines ideology also as "science of ideas."

It is perfectly plain that the term is so messy that its usage best be discarded. However, no substitute has been found. It is therefore necessary to stress from the outset that it is not recommended for an American "ideological program" to construct synthetically a western ideology, nor to combat hostile ideologies with artificially created falsehoods or with a collection of freeworld clichés thickly painted over-with some new verbal veneer to provide them with greater appeal.

At this point let it be said merely that, among other things, the program should address itself to two eminently practical problems:

a. What is the United States going to do about the difficulties posed to U. S. security by the widespread acceptance of hostile ideologies?

b. What is the United States going to do about the requirement of projecting our own political thinking abroad and of getting foreign peoples to adopt objective approaches to their problems?

In other words, the ideological program concerns itself with political thinking in all its ramifications. Surely, it would be redundant to argue about the importance of thinking and, once this importance is admitted, about the need to define a clear U. S. policy in such an important area.

II. DISCUSSION

With some of the necessary caveats out of the way, we now may proceed to a discussion of what should be, but cannot be called, the "intellectual or thought program." The United

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States has undertaken many programs in the economic and security fields in order to improve the social health of foreign nations and to halt Communist aggression. Judging by statistics, these programs, to varying degrees, have been successful. None of them seems to have been entirely unsuccessful and taken as a whole, these programs have stabilized the world situation. At the same time, however, understanding of the meaning and effectiveness of the American efforts has not been achieved. While some of the results are self-evident, the American programs have left no lasting imprint on the minds of overseas people. In fact, in some ways there has sprung up a great deal of misunderstanding about American purposes and about our capabilities to do something really useful about current problems. More deplorably, American programs so far have not taught overseas peoples how current problems can be solved, either by example or by intellectual demonstration. There is a general impression that American programs have been palliative in character, stopgaps, and that they were needed, in part at least, to keep America going. The significance of the two facts that:

a. The U. S. was able to help on such a lavish scale;

b. The U. S. was willing to help;

has not sunk in at all. The question, how is it possible for the U. S. to be so protective and so helpful, rarely, if ever, is being asked, let alone answered. The facile assumption that "deeds will speak for themselves" has proved to be untenable.

Hence, while the intensity of revolutionary or radical-reactionary thinking has been reduced greatly as a result of U. S. programs, even in countries which superficially may give a contrary impression, wide audiences in Europe as well as Asia have retained false notions in their minds, if they did not add to them (for example, by concerning themselves about American "imperialism"). These notions extend to practically all political problems and make the application of problem solving techniques, including the establishment of mutually beneficial international cooperation—and trade, difficult, if not impossible.

To put it in different terms: The effectiveness of the various "material" American programs has been limited because, with the exception of more or less superficial informational programs, few efforts were undertaken to create a basic understanding, not only of the programs and their techniques themselves, but also of the spiritual and moral values and intentions behind them.

Naturally, this intellectual gap in American efforts overseas has been recognized many times. There have been policy decisions to institute an ideological program designed to fill those gaps, and a few actions have been taken in implementation of those decisions. Nevertheless, to date this program has been ineffective and confused. Many difficulties were encountered which have not yet been overcome. These difficulties include the vexing problem of funding.

Among the topical, as distinguished from the budgetary, difficulties, the following have gained some prominence:

American policy makers and their staffs have a pragmatic approach to problems. The term "ideological" evokes in them an automatically negative response. They are afraid that a process of theorizing is proposed which would have little practical meaning. They see very little utility in an endeavor, which, as they see it, would do little more than teach political philosophy abroad. Instead, they are inclined to place their bets on informational programs.

This type of an objection is based on a misreading of what the ideological program should properly be. Briefly, if it is useful to teach foreigners about industrial and agricultural practices, it also should be useful to teach them about the very basis of all socio-economic activities: thinking in general and political thinking in particular. If it is desired to persuade people not to accept Communism but instead to adopt democratic methods, a con-

vincing line of reasoning, the "buttoning up" and the propagation of the argument must be desirable, too. How can we really be anti-Communist and pro-freedom without presenting proper reasons for our attitude? How can we expect to be taken seriously so long as we are unwilling to explain and justify our beliefs about which we talk so much but seem to think so little? How can we really believe in our system if we do not advance it by creative discussions but instead appear to be satisfied with public relations interpretations on the cliché level?

These are nasty questions which tend to raise American blood pressures; but they are not entirely without justification. Outwardly, American culture has been characterized, to a certain extent, by "anti-intellectualism," at least since the end of the Civil War. However, this is more appearance than reality. But why allow the appearance to continue when the reality is sufficiently different so that, in time, a more satisfactory impression can be created? Political world leadership has been "thrust" upon the U. S., as the phrase goes. Such leadership, let us be frank, cannot long be exercised in an intellectual vacuum. Intellectual world leadership would be a most noble goal, a goal which would be in harmony with the best traditions of American history and the greatest capabilities of the American people.

In many aspects the intellectual climate of the United States is divorced from the thinking habits of foreign nations. Moreover, the intellectual development in the United States is not entirely in step with that of Europe or Asia. Overseas countries often throw up new political concepts which become known in the United States only after a time lag of many years (this applies not only to "ideologies" but to the political sciences as a whole), while the specifically American thoughts and solutions are very hard to project onto non-American conditions. The concrete experiences of the "old" and the "new" worlds are vastly different, yet it is those experiences which give to concepts their true meaning and their applicability. Hence, politically, the U. S. speaks a special language which is hard to translate and to understand. To mention just one of the key differences: American political outlooks are optimistic and trusting, while those of the "older nations" (including Russia) are pessimistic and suspicious. This difference alone renders American thinking almost incomprehensible overseas.

A large percentage of American books are not suitable for foreign markets. Conversely, overseas books rarely find their way into the United States; foreign best sellers or academic prestige books seldom make a hit here although, fortunately, the obverse is not quite so true.

The situation is made even more difficult by the two additional factors that book publishing is among the most slowly moving American industries and that furthermore the American intellectual public relies on books to a much lesser extent than their European and Asian counterparts.

Yet despite these difficulties, the following wrong impressions persist among American policy-makers:

a. There are enough and pertinent U. S. books; hence foreign book needs are being satisfied, at least to a reasonable extent;

b. These good American books are easily and accurately understood by foreign readers; hence foreign nations, at least those of Western Europe, are united with the U. S. in a common intellectual venture in which the major participants understand each other, Western civilization being a concrete, intellectual reality;

c. The American book industry is doing the best they can; and

d. Books are not that important, anyhow.

In order to be effective, a book program cannot be entirely directed by a government agency. On the other hand, a book program which would be satisfactory from the requirements point of

view, cannot be left entirely in the hands of private enterprise because:

a. Large markets for suitable books must yet be created;

b. Many of the high quality books which should be circulated will not sell enough copies to allow the publisher to break even;

c. Most publishers are unaware of the requirements as posed by this program, and have no know-how in foreign markets.

The ideological program therefore poses many organizational difficulties which, while entirely solvable, nevertheless so far have not been solved. It is necessary to stress, however, that some progress has recently been made.

A peculiar difficulty of the ideological program is that in many aspects, it must have a world-wide character. At the same time, however, a highly localized approach is needed. At a first glance it would seem as though the Communist issue were identical in character everywhere. A closer analysis shows that there are vast differences, for example, between Russian and Chinese Communism, and the social context of the Communist movement in both countries, and between the Communist problem in France, Yugoslavia, and Jordan. Some books dealing with Communism may be useful everywhere, albeit in varying degrees, but many specific problems of Communism require a localized treatment. Audience breakdowns within one area also are required from time to time; for example, a discussion of "historical materialism" should be adapted not only to geography (Christianity, Islam, etc.), but also to ideological groups, e. g. free-thinkers, theists, positivists, etc. The property issue presents itself differently to a worker than to a businessman. And so on. Organizationally, the difficulty is not only to acquire a capability through which to produce the required texts both for general and special audiences, but also to establish adequate translation and distribution facilities so that *each* important audience can be reached with the required impact.

An ideological program by necessity must address itself to actual and potential leadership groups. It is based on the theory that to the extent that leaders can be persuaded, followers will be influenced. This theory usually is true, but not always. Often "followers" influence "leaders," especially in democracies like the U. S. and the U. K. American policy makers have been impressed by the need to reach *large* rather than "elite" audiences, because they tend to assume that their experiences with public opinion pressures and elections are valid in most foreign countries. On the other hand, they are also impressed by the undisputable fact that illiteracy is as yet rampant in many areas and that accordingly, the written word is a less suitable means of reaching foreign audiences than audible and visual media. The question of how the "mass" audiences have been pre-conditioned to react to appeals from mass communication media and how they have arrived at certain ideas which, in part at least, motivate their behavior is broached but rarely. Naturally, the ideological program should not be content with making an impression on leadership groups alone. It also should influence the ideas of the "crowd."

There exists, actually, a very simple solution to this problem. The medical literature, for example, consists of advanced scientific treatises and highly specialized scientific journals, textbooks, popularizations in the style of Paul de Kruif, indoctrination booklets, and posters. Similarly, any political problem would have to be explained at different levels of complexity and understanding.

Obviously, the value and pertinence of the popular literature and the action posters depend on the quality and productivity of the scientific inputs. Up to now American programs have concentrated mostly on the broad masses and have neglected both the leadership groups and intellectual creativity. Therefore, in this writer's opinion, they have failed to make a lasting impact. Health indoctrination (aiming for example at mass vaccinations) without (a) a pertinent medical theory, (b) proper vaccines,

and (c) trained and cooperative physicians would make little sense. But this is precisely what we have been trying to do in the political field. Surely, we would not make a deliberate decision to exclude leadership groups from our audiences. But, if so, what have we done to reach them effectively?

There have been subsidiary objections to the ideological program. For example, it is occasionally feared that if the United States were to set forth its political thoughts, it would come into conflict with many socialist movements and governments or with governments of a neutral or semi-fascist type which, however undesirable they may be from the "intellectual" point of view, nevertheless have joined us in the fight against Communism. It has been argued even that socialist movements are needed on our side, if only to give mental and perhaps intermediate refuge to Communist defectors who, intellectually, remain convinced Marxists. Thus, it is suggested that possibly the ideological undermining of such regimes and movements might in the end lead to a weakening of the free world position and, for that matter, open doors to Communist infiltration.

This objection certainly highlights one of the practical limitations of any ideological program. It is true that in some instances it may be inadvisable to "rock the boat." Yet it is also true that due to their ideological blinders, such intellectually unfriendly allies often act in a half-hearted and confused manner, and that failure to change their political concepts gradually may, at a later date, lead to dangerous crises, of which the issues of colonialism and residual feudalism already have offered telling demonstrations. Granted that it would be unwise to antagonize allies, it is entirely unnecessary in such cases to run the ideological effort in a provocative and hostile manner. Fortunately, these "in-between" regimes are not so dogmatic that they are unwilling to listen to useful arguments. Such arguments do not have to come from the U. S. government but might originate from their own nationals. Fortunately, too, most of these regimes and movements—and this specifically includes European socialism—are *groping* for new solutions. Hence the chances for a careful, and tactful, ideological approach would seem to be good, precisely with this type of a labile audience. This is essentially a matter of adaptation to local conditions. The intellectual appeals can be phrased positively in such a way that local regimes and movements will be helped in their current problems in a pragmatical manner. The ideological past can be bypassed by turning the discussion toward the future and toward concrete issues.

Another objection, raised so far only implicitly, is that the ideological program is incompatible with the principle of non-interference. Without arguing whether this is or is not the case, or whether the objection would carry much weight even if it were the case, it should be remembered that loans, food shipments, and even normal trade, constitute some kind of interference *into* internal affairs. The ideological program should be conceived of as a sort of export of knowledge and technical assistance in problem solving. Whether or not the importers of the intellectual commodity put the new treasure to use, and in what manner, is essentially up to them. It is interesting to note that suggestions concerning the imparting of technical knowledge or the export of any commodity usually are received kindly. But this sympathetic attitude does not extend to technical knowledge in thinking, nor to the export of books.

One of the most frequent objections has been the contention that the west in general, and the United States in particular, "have no ideology." Consequently, it is implied, they have no intellectual equipment with which to oppose the false ideologies which may be rampant in foreign nations, and they should really not engage in this sort of skullduggery. The other implication, of course, is that the U. S. can teach and lead only by example.

But how will this example become known

and understood? Are the motivations and concepts of the U. S. not part and parcel of the examples we are setting? Is the "Why?" and the "How?" of an activity less important than the "What?," the "When?" and the "How Much?" It is true that, in a certain sense, the Free World has no binding, let alone dogmatic, ideology. It is precisely the purpose of the ideological program (a purpose confused by that unfortunate term) to disassociate foreign peoples from their ideological habits and their stereotypes in thinking. In another sense, however, the western world is committed to many basic ideals and values such as freedom and human rights; to fundamental organizational principles such as constitutional government and private ownership; as well as to the prescription that decisions should be made objectively, impersonally, and legally by applying problem solving techniques and determining the proper solution through discussion and persuasion rather than force. These concepts constitute not only the main unifying traditions of the free world, but also the fundamental rationale of why the United States is engaged in its present struggle.

These concepts are not held dogmatically. Their implementation is possible in multiple forms. Practical difficulties justify exceptions. Western governments do not adhere to these concepts arbitrarily and capriciously. They adhere to them because, at this time, they seem to constitute the most satisfactory summation of political experience. As of today, they offer the optimal solutions. If better solutions can be devised, the free world probably will adopt them—this is precisely one of the meanings of freedom.

Surely, it is inevitable that we explain to the world what the very good and convincing reasons are why we do not believe that Communism (or any other "ism," for that matter) would be a beneficial solution to political, social, and economic problems anywhere. Even on the basis of a radical relativism which would assert that truth is a function of geography, it would be in our national interest to explain our particular "brand of truth" and to terminate a situation in which the other side is the only one which expounds its philosophy, especially so, since the Communist "truth" does not stand up under objective analysis. So far, we have failed to give this explanation. It is, therefore, not particularly surprising that foreign peoples are confused about the motives of the United States and about their stakes in the world conflict. The galling aspect of this state of affairs is that we have allowed the bad thoughts to push the good ones into the background. Intellectually we are on the defensive, although the opponent does not have one single valid point.

The Current Situation

Regardless of the merits and shortcomings of the above arguments pro and con the ideological program, the United States is confronted by a practical situation which in some way or other requires positive solutions.

In many European countries (although not yet in Asia), ideologies have lost much of their lustre. People have begun to realize that the old, stereotyped solutions do not work. Still, they hang on to the old creeds because nothing has come to hand which could serve as a substitute. Many have looked to the U. S. for guidance, but have been disappointed. Leadership must assert itself, above all, intellectually. So far, the U. S. has not satisfied this requirement of leadership.

No one doubts the material accomplishments of the U. S., but rightly or wrongly, there is a great deal of doubt about American cultural capabilities. Fundamentally, the pretended lack of cultural creativity is the one, and certainly the most telling, argument of the "anti-Americans." The successes of this type of propaganda are due to our almost intentional default in the cultural field.[1]

For more than thirty years Russia has flooded the world book markets with Com-

[1] To the writer's knowledge, very few, if any, U. S. foundations are giving financial assistance to the arts. Moreover, while foundations finance "research," they

munist literature, translated in a maximum number of languages and available at cheap prices. There is, in addition, a very large output of books which are not properly labelled Communist or socialist but which propagate the Marxian creed. Readers in many countries have easy access to this type of literature—innumerable book stores handle leftist literature and no other—and they are therefore heavily influenced by it, especially since they find it extremely difficult and in some cases impossible to procure, let alone buy, literature which would set forth the objective point of view.

During the past few years literacy has grown rapidly in many countries. As people learn how to read, they desire to use the newly acquired skill. Being anxious to peruse books and magazines and finding no suitable western literature, they have no choice but to turn to Communist literature which is offered to them so liberally. One of the fundamental reasons why the Communists are making progress in the so-called underdeveloped areas is precisely that they were far-sighted enough to do advance planning in the field of international book publishing.

Concurrent with the growth in literacy, there has been a great deal of progress in higher education. Universities have expanded everywhere and the number of graduate students is increasing even in countries with "mature civilizations." Unfortunately, the textbook situation in many countries is deplorable. Texts usually are out of date by as much as thirty to forty years and quite often they are not available in suitable languages; even worse, there are no textbooks for many pertinent fields. There is not much of an accessible scientific literature which the student can utilize instead, especially if he is restricted to work in small libraries.[2] Again, the Communist book is most easily accessible and while not all of their texts are convincing, nevertheless they perform a job of mental preconditioning, especially among students who are politically interested and who may choose a political career. If education is one of the keys to a more satisfactory long-range development of the world situation, then obviously there is a need to supply suitable books to foreign students. Must not the U. S. do its utmost to precondition foreign thinking to become sympathetic to this country?

There is an overriding need to explain to foreign leadership groups and their supporters modern ways of solving political, social, and economic problems. This need derives not only from the requirement of clarifying for them the various American programs and politics which, in the last analysis, they do not quite understand, but also from the necessity of having countries work out their own solutions and participate intelligently in cooperative efforts. So long as American aid programs were restricted to humanitarian purposes, there may not have been much use in such explanations. However, with more complex programs aiming at long range results, education must go hand in hand with strictly economic and military activities. It is a fact that overseas leadership groups, to a large extent, still are thinking in an intellectual framework which at

usually do not finance books. The products of U. S. intellectual endeavor and, often, leadership remain locked up in safes and rarely go beyond a mimeographed manuscript. In view of the millions of dollars available, this is an utterly ridiculous situation. Even American musical comedies, many of which are of high quality, do not reach the European market for a few practical reasons. Hence, the European theater-goer lives on a diet of the last century, i. e. the cultural export of Austria still lingers on, and a great American capability remains unused.

[2] Even the British Museum in London, one of the world's outstanding libraries, is years behind in cataloguing; hence the English reader encounters great difficulty in obtaining American books which, in addition, are too expensive for him to purchase. And yet, in this case, there are no language barriers. The situation in France and Germany is far worse, and it is unnecessary to comment on the situation in the more retarded countries. Be it mentioned merely that, in 1953, the University of Panama (!) did not have a set of the Encyclopedia Britannica; the Panamanian student was forced to rely on the Spanish Encyclopedia of 1926.

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best is out of date and at worst is shot through with false notions. It is this unsatisfactory frame of reference which prevents them from comprehending what their problems really are and from devising the proper solutions to their troubles. American programs indeed often were like an effort to fill up a bottomless pit. But the holes which we did not succeed in filling were in peoples' heads. Fortunately, this situation can be corrected.

The many public information programs undertaken by the United States have not come to grips with the real difficulty. The mere purveying of factual information, the distribution of booklets intentionally written in a simplified style, and even the presenting of an occasional serious book do not undermine conventional and entrenched thought patterns. On the contrary, such efforts at dissemination often lose much of their effectiveness because the propagated messages are evaluated on the basis of pre-existing convictions and therefore are discounted and disbelieved. Thinking can be developed only by serious, profound and even difficult discussion; it can be stimulated only by the exercise of the brain. Popularizations are necessary, but not enough; and even popularizations must appear in the form of books in order to hit the target effectively. So far, despite all the great advantages of the modern media of mass communications, none of them has shown any particular potentiality in the field of study and thought development. There is no learning without books, and hence no thinking. In the intellectual field, the book still rules supreme, even in this country. Be it remembered that the American student acquires his basic knowledge and his thinking techniques mostly from books and other scientific publications. Additional inputs from other media, at best perform ancillary duties. The reason for this is simple: The written word is a permanent record; the spoken word and the visual image give only fleeting impressions.

Within the requirement of imparting technical knowledge, there exists the need to provide a frame of ideas, ideals, and values. Such "higher" concepts are necessary to evaluate technical solutions and make the proper choices from among the various technically feasible alternatives. A solution may be technically perfect but it may violate the fundamental criteria of ethics. For example, a country may suffer from overpopulation. Technically speaking, this problem can be solved, easily enough, through partial extermination. The question is: why is this technically "perfect" solution not acceptable? Naturally, this problem of choices from alternate solutions usually presents itself in a less drastic manner. But since people are very hazy about what their criteria are, or, in their own judgment, ought to be, or how to determine and define criteria in an orderly manner, they frequently make the wrong choices, even from their own point of view. To be sure, this is an area beyond factual science and which, therefore, is exposed to value judgments or mere opinions. Hence, discussions of topics of this kind may be found objectionable. The point, however, is not to persuade the audience to accept one or the other value judgment, but to acquaint them with the nature of and the reasons for a particular value judgment and still more important, with the nature of and the reasons for competing value judgments. The choice is up to the audience, inevitably so, but an effort should be undertaken to make them understand between which alternatives they are choosing and how such a choice can be made through the application of objective methods. It is quite difficult to explain this type of a problem in any medium other than books, although no effort should be spared to render other media more useful for such an endeavor. Unfortunately, current literature neglects this key issue (unless we assume that the gap has been filled by some sporadic European writings), thus giving the Communists the advantage of making their "solutions" appear far more acceptable than they really are.

It is possible that the present negotiations about increasing contacts between East and West will lead to an influx of Russian travelers

into western countries. This presents a practical situation in the most literal sense of the word: Should there not be an effort to provide these Russian tourists with reading materials? It is known that Soviet personnel when traveling in foreign countries make efforts to obtain Russian language books printed outside of the USSR. Put in different terms: we will receive these tourists in order to show them the "sights" of the free world. What else must be done in order to reach, in addition to the eyes, the minds of those travelers? The "sights" by themselves will not tell the story. On the contrary, "showing the sights" may lead to false impressions unless proper explanations are provided.

It must be expected that Russian tourists, both before leaving and after returning, will be subjected to some kind of Communist indoctrination in order to neutralize the effects of the trip. In this case, East-West contacts may play into Soviet hands. In order to benefit from these contacts, the U. S. must attempt to reach the tourists' minds, and reach it by genuinely intellectual means. But how? Radio and television transmitting to Western audiences will teach the transient tourists very little. Refugee newspapers may not be acceptable to them. Western language literature may be accessible only in part. It is quite apparent therefore that these travelers can be reached effectively only through Russian language books and magazines.

The difficult problem of the peaceful evolution of the Soviet system has a considerable bearing on the ideological program. We must remember that Soviet leaders have been living in intellectual isolation and therefore may not be able, by their own efforts, to determine the proper solutions for their predicament. Similarly, the Russian bureaucrats and the dynamic elements of the Russian society, while realizing perfectly well that they are confronted by many quandaries, are not entirely able to understand the nature of their troubles, let alone to discover solutions suitable enough to improve the situation and at the same time save their heads. Russian intellectual life, at least insofar as socio-political and economic problems are concerned, is shot through with false and antiquated ideas, ideological dogmas, erroneous assumptions, and falsified historical images. Mentally, the Russians are living in a political dream world. This cannot be otherwise, not only because the "iron curtain" aims at precisely this result—even granting that there may be leaks in that curtain—but also because *intellectual production necessarily takes place in print.* This particular type of production is highly "underdeveloped" in the Soviet Union.

Socially effective thinking takes neither the form of solitary contemplation, nor of verbal discussion, although both are necessary; it manifests itself in writing, and it becomes effective in the form of books and essays. The commodity called "thinking" is a product of two processes: free discussion, interchange of ideas, and objective and frank mutual criticism on the one hand, and printing, binding, distributing, and reading of books on the other. We are dealing here not with elusive matters of the "Spirit," but with particular types of an industry. The growth of this industry in Russia has been thwarted. Despite a huge book publishing effort within and outside the Soviet Union, there is little output of the one commodity which is most urgently needed for the evolution of Russia: creative political thinking.

It is therefore necessary to provide the Russian intelligentsia (in the broadest meaning of the term, which includes political leaders, industrialists, officers, etc.) with the necessary wherewithal in this field, i. e. *do the thinking for them or at least work up the required documentation.* This situation is not at all new in Russian history. During the nineteenth century and prior to the revolution, a great deal of Russian thinking was done abroad, both by political exiles and by non-Russians. It was this thinking "from afar" which had been produced in Western Europe and which was distributed only with great difficulty within Russia which changed the course of Russian history. Like the British who must import

their meat and bacon, so the Russians must import their thinking, and similarly as the British may buy from a British firm incorporated abroad, so this imported thinking may be produced by Russian nationals living in foreign parts.

To approach this same problem from a different point of view, it could be said that perhaps foreign nations cannot do much about the evolution within the Soviet Union (which certainly would be an oversimplified assumption). Certainly, the evolution would be the primary business of the Russians themselves. Yet the requirement remains for the free world to see to it that this evolution goes in an acceptable direction. One way to do this is to supply the Russian society with the necessary concepts and reform ideas, e. g. redemocratization; to get a genuine discussion about Russian problems going; and to make sure that this discussion will take place in full public view in a maximum number of countries. While the fundamental ideas needed to make this discussion attractive and self-propelled must come from books, there is of course no need to restrict the distribution of pertinent knowledge and argument to this medium. On the contrary, every effort should be made to harness all means of communication to the dissemination of ideas, and to rely heavily on all those media which can reach back into the Soviet Union (this, of course, includes speeches by western statesmen and diplomatic negotiations).

One concluding thought. Some of the most important difficulties of the American posture arise from the fact that European and Asian intellectuals, by and large, do not side with the United States. Some of those forgers of formulas and makers of opinion may give this country lukewarm support because they like Communism even less than "Americanism," but most intellectuals are "alienated" from the American system and from free world institutions in general. Hence these institutions are not supported by the energy derived from a steady flow of creative ideas, and the political climate is uninspired, fear-ridden, confused, and even boring. If history is any guide, such a situation bodes ill for the future. Now, we can philosophize about the causes of this negativism by the intellectuals and in bombastic style discover the symptoms of irresistible decay: "the rise and fall of Western civilization." Rather than rely on the useless apocalyptic testimony of Taine, Spengler, Toynbee, et al. in this matter, we should follow the practical advice of Frederick the Great, who is reported to have said that cooks, ladies of easy virtue, and professors can be bought at every streetcorner. We need not think about "buying," but the fact is that some of this alienation can be explained rather effortlessly by the insecure professional status, low income, poor career chances, intense personal rivalries, and mutual jealousies of the intellectuals. By giving them a real chance and by integrating them into the system through enlisting the better thinkers in the ideological program, this so-called alienation probably would disappear in a hurry and the west would then be in a position to draw upon proper intellectual support which, let us face it, in the long run is indispensible to our security.

III. SUMMARY

It is easy to see that an unfocused ideological program designed to spread knowledge "in general," easily could get out of hand and would be difficult to organize. By contrast, if the American ideological effort were geared closely to current western programs such as the inspection scheme, the strengthening of NATO, technical assistance, and if adopted, the ownership program, the operation would become feasible. In this case, the ideological debate would not have to be restricted to questions of abstract theory, but would deal with concrete issues and would have a bearing on current activities and decisions-in-the-making. It should be added that the time requirements of the ideological program are rather considerable. Hence, an early beginning is imperative.

The *primary* task of the ideological program, therefore, should be to provide the foreign world, including the "iron curtain" countries, with suitable interpretations of American programs and developments. *Second*, this program should sensitize foreign audiences to the scientific approach to problem solving in the socio-political fields, and in general make possible the objective study of the political sciences.

Third, it should acquaint them with the principles and criteria by which technical solutions can be selected from the point of view of their human, social, and economic *costs*.[3]

Fourth, the ideological program must make an effort to refute the Communist ideology in all its aspects. While the western posture in this area has improved considerably over the past few years, the entire documentation is available, it is not accessible in most countries, including, to a certain extent, in the United States. Non-accessibility is due to three factors:

a) The documentation is spread out over many languages with many of the language groups, particularly in the underdeveloped areas having barely any literature at all;

b) The literature is quite voluminous but the various pertinent facts are dispersed over innumerable publications so that a casual reader is entirely unable to get the complete story;

c) To the extent that the facts have been worked up, the acquisition of a relatively complete set of documentary volumes requires an investment of several hundred dollars. Very few of the overseas libraries, not to mention private individuals, have made this investment.

It should be mentioned that a purely negative criticism of Communism probably would not be satisfactory. The points which should be driven home are rather:

a. Sovietism has moved a long way from Marx;

b. Sovietism and Communism are really antiquated and unsatisfactory;

c. Dogmatic thinking is unscientific, yet Marxism claims to be objective and scientific;

d. Better solutions have become available, etc.

In other words, a positive approach should be taken, discussing the future rather than the past.

Fifth, the ideological program should come to grips with many of the non-Communist ideologies, such as economic nationalism and socialism. Those are less erroneous and obnoxious systems than Communism, but both exert world-wide influence and hamper progress in many countries. There are also ideologies of local character which require refutation. In all these cases it should be demonstrated that these ideologies are antiquated and unimaginative, and do not address themselves to the problems as they are solvable in reality.

IV. CONCLUSIONS

1. The United States has been hurt by neglecting the ideological aspects of its policies.

2. The objections raised against the ideological program are generally invalid, although

[3] Assume, for argument's sake, that Communism constitutes a technically perfect solution to the economic problem. It is certainly a fact that people have espoused the Communist solution because they believe Communism to be economically superior to capitalism. If, however, it were made clear that the cost of installing Communism is very heavy in human suffering and blood and that to maintain a Communist system many freedoms would have to be sacrificed in perpetuity, then it is reasonable to anticipate that this solution would lose much of its glamour. In addition, it would be made clear that the logic on which the whole economic argument is based is shaky, and even assuming the best conceivable performance for Communism and a bad performance for the free enterprise system, the statistical differences in the accomplishments of both systems would be quite insignificant. For example, a capitalist economy might grow by one or two percent per year as distinguished from a hypothetical and well functioning Communist economy with a growth rate of three to four percent. The audiences will have no difficulty grasping that (a) this difference of a few percent is not worth the immense sacrifice, (b) the free enterprise system might be able to compete with Communism after all; and (c) it is not a choice between black and white or zero versus one-hundred.

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it is true that, in many instances, the program must be adjusted to local conditions.

3. The United States is confronted by many concrete situations which urgently require various efforts in the fields of ideology and education.

4. The books and magazines must necessarily be the prime, though by no means the unique, media of the ideological program.

5. The book program falls into the following parts:

a. Re-issue of pertinent old texts;
b. Writing of new texts and books;
c. Translation of such books;
d. Dissemination.

6. Moreover, the book programs should embrace the following sub-programs:

a. Efforts within the "developed" free world, including NATO.
b. Efforts within the underdeveloped areas.
c. Efforts against Communism in general, and in particular against Communist movements:
   (1) Outside the Iron Curtain.
   (2) Inside the Iron Curtain.
d. Efforts to foster the evolution of the Soviet regime.

7. The ideological program to be effective, must be properly organized and funded.

V. RECOMMENDATION

That on the basis of policy decisions made previously, a decision be made to start this program forthwith on a large scale that for this purpose the necessary organization be created within the government,[4] and that the operation be adequately funded.

APPENDIX

To show that the ideological program does not necessarily have to take the form of a pedantic exercise in the writing of learned tomes, the following idea is suggested for consideration.

The United States Government should develop an exhibition to demonstrate to foreign audiences the workings of the American economic system. This exhibit should be divided into the following parts:

1. A division of living standards showing how the standards of the average American have risen since 1848, the time when Marx wrote the Communist Manifesto. It should show the various facilities, including machinery and electric appliances in the possession of the average American, include explanations concerning the utility of that equipment and its money saving propensities, and also deal with food, clothing, entertainment, travel, etc.

2. A division dealing with the financial asset in the possession of the average American; his bank account, house ownership, bond holdings, insurance policies, and stocks, and of course, also with the various obligations which he has contracted. It would be useful to show how over the last hundred years the average "wealth" of the American citizen has increased, how furthermore the financial status of a family which is saving regularly can grow, and lastly, how the financial position of the average American is improving in the course of his professional life.

3. A division showing the manner in which an American earns money. There should be represented the various methods employed by American corporations to share profits with workers, to enlarge the participation of white and blue collar workers in management, as well as the more standard practices of all American industries of continual pay raises, collective bargaining, paid vacations, etc. The point would not necessarily be to paint an unrealistic picture by glossing over difficulties, but rather to indicate that there has been steady progress and that a large number of methods have been invented and are being experimented with, which will not only increase the satisfaction of the worker, but equally as important, constantly improve the worker's

[4] American foundations could be of great help in this endeavor. Their cooperation should be requested.

status and augment the productivity of the industry as a whole.

4. Another division should portray parallel developments in the field of agriculture.

5. Again another division should describe the various American economic institutions on which all this progress is dependent, such as retail trade organizations, fair trading and employment practices, banking, credit institutions, highway systems, advertising, anti-trust legislation, etc. In this division there also should be materials showing the true character of the American economy, that is, not a "capitalist" economy of Communist mythology but one in which *all* forms of ownership and management are being applied simultaneously, according to common sense, economic suitability, and efficiency.

6. A sixth division should show the political conditions in which such developments were possible, including the indispensable role which has been paid by private property, freedom of speech and assembly, by the constitutional and election systems, and by the American judiciary.

7. It might be useful to include a last division of overall statistical information. The exhibition, to gain maximum of credence, should indicate "soft spots" in the American picture. For example, after showing the financial status of the average American worker, it should indicate the status both of the poorest and the richest groups and also show the distribution of the various income groups. The same objective approach can be used throughout. At the same time, the impression should be created that progress gradually eliminates the areas of poverty and dissatisfaction, and that this progress continues unabated in the U. S.

In order to make the material exhibits more comprehensible, it would be necessary to have ready at such an exposition suitable literature, on all levels ranging from simplified descriptions to complicated analyses. This literature should be sufficiently detailed to deal with many of the subsidiary problems which might be of interest to the visitors, but at the same time there must be texts dealing with the American systems as a whole. Naturally, it would be very useful if, within the framework of the exhibition, lectures, and perhaps seminars could be held frequently.

It is recommended that several such exhibitions be prepared to be shown in various countries in Asia, Europe, Latin America, and Africa. These exhibitions of course, should not be uniform, but should be adjusted to the cultural and intellectual levels of the prospective audiences.

It is furthermore recommended that such an exhibition be prepared for showing in the Soviet Union and in other Communist countries and that the American Government, within the framework of the negotiations about increased contacts between east and west, invite the Soviet government to prepare on its own an exhibition about the working of the Communist economic system to be shown in the United States, provided, of course, the American exhibition would be admitted to the Soviet Union. This particular American exhibition should include a legal section describing the safeguards of the law which the American citizen enjoys.

SECRET

LETTER INVITING PANEL PARTICIPATION

August 16, 1955

Dear _____:

The recent conference of heads of government of the Big Four at Geneva opened up new possibilities and requirements for U. S. action for both the immediate future and for the longer pull.

In carrying out my responsibilities to furnish advice on the psychological aspects of policies followed by the United States, I am particularly anxious to enlist the help of outside-of-government experts like yourself. The contribution made by such people has proven extremely valuable in the recent past. I desire to continue it in the future.

I would therefore like to invite your participation in a group study and review of the psychological aspects of future U. S. strategy. This study should develop the means and methods best calculated to achieve U. S. objectives, taking into consideration the necessity for an integrated national program within which long-term military, economic, technological, and ideological programs can be developed and financed.

Enclosed you will find information relating to the administrative plans for these discussions. I hope you will be able to join in this effort. I look forward with pleasure to seeing you.

Sincerely,

/s/ NELSON A. ROCKEFELLER

Nelson A. Rockefeller,
Special Assistant to the President

Enclosure:
Objectives of the Panel

SECRET

OBJECTIVES OF THE PANEL

A Study of the Psychological Aspects of Future U. S. Strategy

I. Problem

1. To study the psychological aspects of possible U. S. strategy in the light of developments at Geneva in order to discover an optimum, integrated national program within which specific long-term military, economic, technological, and ideological programs can be developed and financed.

II. Discussion

2. A central problem of psychological significance facing the U. S. is what means and methods it should utilize to maintain the unity and strength of the Free World in the face of a Soviet peace offensive designed to dissipate the fear and moral superiority which have thus far kept it together. The U. S. must not permit the new international atmosphere to eliminate the moral issue of freedom vs. the spiritual oppression of communism; otherwise, Free World strength and purpose may be eroded away. In addition the U. S. must find some other motivation than fear with which to inspire the efforts of free men for the long pull.

3. It is now a long-range objective of the U. S. to assist the orderly democratic development of those nations outside the Communist bloc. It would seem that perhaps this objective affords the most promising basis for free world unity, particularly if it is built through a common effort to achieve the hopes and aspirations of the peoples. To achieve this objective requires careful long-term planning, financing, and integration of economic programs with other programs. Exclusive reliance on economic aid is not enough. The social, political, military and ideological factors must be integrated with the economic. The U. S. could concurrently exert far more dynamic, evolutionary "idea" leadership which would give the uncommitted peoples of the world the understanding that democratic solutions to their economic and social, as well as political, problems can be found and that these solutions will be effective.

4. The U. S. has the capability, through technological development, to block the Soviet military threat in every field. The real strength of the United States lies in the dynamic social structure from which its industrial and technological superiority flows. If this strength is effectively mobilized, the United States can overcome the Free World's markedly increased indifference which results from the new Soviet diplomacy and approaching parity in thermonuclear capabilities.

5. To take these steps, national strategic coordination of all pertinent U. S. actions is required. As the President has stated: ". . . we must bring the dozen of agencies and bureaus to concentrated action under an over-all scheme

of strategy." (San Francisco speech, 1952) Such an "over-all scheme of strategy" should:

a. Establish a basis for Free World cooperation which does not depend on the fear of naked Communist aggression but which rests on the moral ascendency of human freedom.

b. Achieve actual U. S. and allied military superiority.

c. Assure a rate of economic growth in the Free World superior to that attained in the Communist bloc.

d. Assist free socieities to be more effective and more responsive to basic human aspirations than Communist-dominated societies.

e. Create the long-term political, economic and military unity of the U. S.-led alliances, with due understanding of the realities of a nuclear military posture as a basis for achieving a practical armament agreement.

III. Conclusions

6. Current National Security Policy calls for "a flexible combination of military, political, economic, propaganda and other actions . . . so coordinated as to reinforce one another." As a result of the new developments in international affairs a greater need exists for psychological strategy which will provide more specific guidance for departmental and agency programs and which will enable the U. S. to gain maximum psychological advantage from all its actions. To help fulfill this need, it has been agreed to augment regular governmental procedures by forming a study panel. The study panel will be composed of outstanding experts in significant areas. In addition, selected governmental officials should participate as appropriate.

7. A fresh outside look at many of the complex problems confronting the Government can make a major contribution to the development of our evolving national strategy. This contribution can be enhanced if made by outsiders who have had some association with the Government and who are also generally familiar with current procedures and capabilities. Certain official background papers and other necessary information will therefore be given to the study panel.

IV. Terms of Reference

8. The terms of reference of the study panel are implicit in the world situation. An initial survey of the psychological aspects of the political, economic, social and military factors affecting U. S. security will doubtless result in the panel focusing attention on certain crucial areas of government activity as well as on the major regional problems.

9. ***Background areas of investigation***

a. Major political trends

(1) Assess the likely emerging foreign policies of the USSR and other major nations or groups of nations for the foreseeable future.

(2) Assess the cohesiveness of the Soviet bloc vs. the Free World alliance system, the impact and evolution of neutralism and the forces influencing the uncommitted nations and peoples.

b. The military balance

(1) Assess the scale and character of the likely Soviet effort in the arms race over the next five to ten years.

(2) Consider the possible uses, military, political, and psychological to which Moscow might put arms parity or superiority, if they achieved it.

c. Asia, Middle East, Africa, and Latin America

(1) Assess the scale and character of the likely Communist challenge over the next five to ten years.

(2) Consider the possible uses, military, political and psychological which Moscow (and/or Peking) might make of a position of relative strength.

10. *Psychological Aspects of Implementing Programs*

a. Consider the kind of U. S. and Free World policy, from the present forward, which would take advantage of the new developments and frustrate Communist purposes and lead to an internal modification of policy within the bloc and result in an accommodation with the Free World on terms acceptable to the U. S.

b. Consider the scale and character of the U. S. and Free World effort required to counter the Communist effort in Europe, Asia, Africa, Near East and Latin America. Estimate the cost to the U. S. and Free World of making the requisite economic, social and ideological effort, and the psychological basis for demonstrating the all important long term self interest of such a program.

c. Consider the scale and character of the U. S. and Free World effort required to counter the Soviet military effort and intentions. Estimate the cost of the economic outlay to the U. S. and Free World of making the requisite effort and its psychological and political implications.

d. Consider the size and nature of the information program required to maximize sustained public support for the U. S. and allied effort.

e. Consider the creation of new methods whereby U. S. private and governmental actions might better promote regional cooperation.

f. Develop more effective programs for training U. S. officials in the discharge of the U. S. role of cooperative world leadership.

11. *Integration*

After the foregoing separate elements are explored, the study panel should consider how best to integrate its findings in order to provide governmental departments with useful, definitive psychological guidance. To this end, it should consider:

a. What potential resources, political actions, and strategic possibilities are suggested as offering the greatest promise for attaining a greater degree of peaceful initiative by the U. S.