

**FOREIGN  
RELATIONS  
OF THE  
UNITED  
STATES**

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**1961-1963**

**VOLUMES VII, VIII, IX**

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**ARMS CONTROL;  
NATIONAL SECURITY  
POLICY; FOREIGN  
ECONOMIC POLICY**

**MICROFICHE  
SUPPLEMENT**

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**DEPARTMENT  
OF  
STATE**

**Washington**





Foreign Relations of the  
United States, 1961–1963

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Volumes VII, VIII, IX

**Arms Control;  
National Security  
Policy; Foreign  
Economic Policy**

**Microfiche  
Supplement**

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## Preface

The *Foreign Relations of the United States* series presents the official documentary historical record of major foreign policy decisions and significant diplomatic activity of the United States Government. The series documents the facts and events that contributed to the formulation of policies and includes evidence of supporting and alternative views to the policy positions ultimately adopted.

The Historian of the Department of State is charged with the responsibility for the preparation of the *Foreign Relations* series. The staff of the Office of the Historian, Bureau of Public Affairs, plans, researches, compiles, and edits the volumes in the series. This documentary editing proceeds in full accord with the generally accepted standards of historical scholarship. Official regulations codifying specific standards for the selection and editing of documents for the series were first promulgated by Secretary of State Frank B. Kellogg on March 26, 1925. These regulations, with minor modifications, guided the series through 1991.

The statutory charter for the preparation of the series is prescribed by Title IV to the Department of State's Basic Authorities Act of 1956 (22 USC 4351, *et seq.*). The statute requires that the *Foreign Relations* series be a thorough, accurate, and reliable record of major United States foreign policy decisions and significant United States diplomatic activity. The volumes of the series should include all records needed to provide comprehensive documentation of major foreign policy decisions and actions of the United States Government, including facts that contributed to the formulation of policies and records that provided supporting and alternative views to the policy positions ultimately adopted.

The statute confirms the editing principles established by Secretary Kellogg: the *Foreign Relations* series is guided by the principles of historical objectivity and accuracy; records should not be altered or deletions made without indicating in the published text that a deletion has been made; the published record should omit no facts that were of major

#### IV Preface

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importance in reaching a decision; and nothing should be omitted for the purposes of concealing a defect in policy. The statute also requires that the *Foreign Relations* series be published not more than 30 years after the events recorded. The editors of this supplement are convinced that it meets all regulatory, statutory, and scholarly standards of selection and editing.

##### *Structure and Scope of the Foreign Relations Series*

This supplement is part of a subseries of the *Foreign Relations* series for the years 1961–1963. The subseries presents in 25 print volumes and 5 microfiche supplements a documentary record of major foreign policy decisions and actions of the administration of President John F. Kennedy. The record of U.S. policy on arms control and disarmament, national security issues, and foreign economic matters during 1961–1963 has been compiled in three separate print volumes and this microfiche supplement.

##### *Sources for the Foreign Relations Series*

The *Foreign Relations* statute requires that the published record in the *Foreign Relations* series include all records needed to provide comprehensive documentation on major foreign policy decisions and actions of the U.S. Government. It further requires that government agencies, departments, and other entities of the U.S. Government cooperate with the Department of State Historian by providing full and complete access to records pertinent to foreign policy decisions and actions and by providing copies of selected records. The editor believes that in terms of access this volume was prepared in accordance with the standards and mandates of the statute, although access to some records was restricted, as noted below.

The editors had complete access to all the retired records and papers in the Department of State except for certain intelligence-related files maintained in the Bureau of Intelligence and Research, which had not been retired and became available to the Department historians only after this microfiche supplement was compiled. Arrangements have been made for Department historians to have access to these records for future volumes.

The editors of the *Foreign Relations* series also have access to the papers of President Kennedy and other White House foreign policy records at the John F. Kennedy Library. The records maintained and preserved there include some of the most significant foreign affairs-related documentation from other federal agencies. Department of State historians also have full access to records of the Department of Defense, particularly the records of the Joint Chiefs of Staff and the Secretary of Defense and his major assistants.

The Central Intelligence Agency provides access for Department historians to high-level intelligence documents from those records still in the custody of that Agency. Department historians' access is arranged by the History Staff of the Center for the Study of Intelligence, Central Intelligence Agency. The development of this access arrangement coincided with the research of volumes for the 1961–1963 triennium. As Department of State and CIA historians have continued to work out the procedural and scholarly aspects of this access, the variety and quantity of documentation made available and selected for publication in the volumes have expanded. Those volumes whose research was conducted later were the beneficiaries of the expanding access.

The List of Sources (pp. 1–15) lists the files consulted both in government repositories and in private collections for the print volumes and the microfiche supplement.

*Principles of Document Selection for the Foreign Relations Series*

In preparing each volume of the *Foreign Relations* series, the editors are guided by some general principles for the selection of documents. Each editor, in consultation with the General Editor and other senior editors, determines the particular issues and topics to be documented either in detail, in brief, or in summary. Some general decisions are also made regarding issues that cannot be documented in the volume but will be addressed in a microfiche supplement or in bibliographical notes.

The following general selection criteria are used in preparing volumes in the *Foreign Relations* series. Individual compiler-editors vary these criteria in accordance with the particular issues and the available documentation. The compiler-editors also tend to apply these selection criteria in

accordance with their own interpretation of the generally accepted standards of scholarship. In selecting documentation for publications, the editors gave priority to unpublished classified records, rather than previously published records (which are accounted for in appropriate bibliographical notes).

*Selection Criteria (in general order of priority):*

1. Major foreign affairs commitments made on behalf of the United States to other governments, including those that define or identify the principal foreign affairs interests of the United States;

2. Major foreign affairs issues, commitments, negotiations, and activities, whether or not major decisions were made, and including dissenting or alternative opinions to the process ultimately adopted;

3. The decisions, discussions, actions, and considerations of the President, as the official constitutionally responsible for the direction of foreign policy;

4. The discussions and actions of the National Security Council, the Cabinet, and special Presidential policy groups, including the policy options brought before these bodies or their individual members;

5. The policy options adopted by or considered by the Secretary of State and the most important actions taken to implement Presidential decisions or policies;

6. Diplomatic negotiations and conferences, official correspondence, and other exchanges between U.S. representatives and those of other governments that demonstrate the main lines of policy implementation on major issues;

7. Important elements of information that attended Presidential decisions and policy recommendations of the Secretary of State;

8. Major foreign affairs decisions, negotiations, and commitments undertaken on behalf of the United States by government officials and representatives in other agencies in the foreign affairs community or other branches of government made without the involvement (or even knowledge) of the White House or the Department of State;

9. The role of the Congress in the preparation and execution of particular foreign policies or foreign affairs actions;

10. Economic aspects of foreign policy;



11. The main policy lines of U.S. military and economic assistance as well as other types of assistance;

12. The political-military recommendations, decisions, and activities of the military establishment and major regional military commands as they bear upon the formulation or execution of major U.S. foreign policies;

13. The main policy lines of intelligence activities if they constituted major aspects of U.S. foreign policy toward a nation or region or if they provided key information in the formulation of major U.S. policies;

14. Diplomatic appointments that reflect major policies or affect policy changes.

*Scope and Focus of Documents Researched and Selected for the Microfiche Supplement to Foreign Relations, 1961–1963, Volumes VII, VIII, and IX*

The research for the print volumes and for this microfiche supplement was completed in 1991 and 1992. The principles of selection followed by the editors for the print volumes are described in the prefaces of those volumes. The volumes may be used without this supplement, but the supplement should be used in conjunction with the printed volumes.

The documents selected for this microfiche publication by the editors of volumes VII, VIII, and IX provide additional details on the major issues covered, as well as some lengthy documents and attachments which could not be printed because of lack of space, such as the full texts of the National Intelligence Estimates and Special National Intelligence Estimates.

*Editorial Methodology*

The documents in this microfiche supplement are arranged in three main parts: arms control, national security policy, and foreign economic policy. The last is subdivided into four sections. Within each of these sections, the documents are presented chronologically according to Washington time or in the order of individual meetings. Incoming telegrams from U.S. Missions are placed according to time of receipt in the Department of State or other receiving agency, rather than the time of transmission; memoranda of conversation are placed according to the time and date of the con-

version, rather than the date the memorandum was drafted.

The documents are numbered at the top of the first page of the document. The List of Documents is ordered according to these numbers. The documents are not annotated nor is there any other editorial apparatus. Material not declassified has been blacked out; for each document not declassified, a page has been inserted that shows a title, date, classification, number of pages, and source citation.

The List of Documents, which includes for each document the title, date, participants (for memoranda of conversation), from/to information, classification, number of pages, and source citation, as well as a brief summary, is part of this printed guide and appears on the first two microfiche cards. The printed guide also includes Lists of Sources, Abbreviations, and Persons.

#### *Advisory Committee on Historical Diplomatic Documentation*

The Advisory Committee on Historical Diplomatic Documentation, established under the *Foreign Relations* statute, reviews records, advises, and makes recommendations concerning the *Foreign Relations* series. The Advisory Committee monitors the overall compilation and editorial process of the series and advises on all aspects of the preparation and declassification of the series. Although the Advisory Committee does not attempt to review the contents of individual volumes in the series, it does monitor the overall process and makes recommendations on particular problems that come to its attention.

The Advisory Committee has not reviewed this microfiche supplement.

#### *Declassification Review*

The declassification review of this microfiche supplement resulted in the decision to withhold 5 percent of the documentation originally selected: 5 percent of arms control documentation, 3.5 percent of national security documentation, and .1 percent of foreign economic documentation. The remaining documents, together with the documents in the published volumes, provide an accurate account of the major foreign policy issues confronting, and the policies under-

taken by, the U.S. Government concerning these issues during this period.

The Division of Historical Documents Review of the Office of Freedom of Information, Privacy, and Classification Review, Bureau of Administration, Department of State, conducted the declassification review of the documents published in this volume. The review was conducted in accordance with the standards set forth in Executive Order 12356 on National Security Information, which was superseded by Executive Order 12958 on April 20, 1995, and applicable laws.

Under Executive Order 12356, information that concerns one or more of the following categories, and the disclosure of which reasonably could be expected to cause damage to the national security, requires classification:

- 1) military plans, weapons, or operations;
- 2) the vulnerabilities or capabilities of systems, installations, projects, or plans relating to the national security;
- 3) foreign government information;
- 4) intelligence activities (including special activities), or intelligence sources or methods;
- 5) foreign relations or foreign activities of the United States;
- 6) scientific, technological, or economic matters relating to national security;
- 7) U.S. Government programs for safeguarding nuclear materials or facilities;
- 8) cryptology; or
- 9) a confidential source.

The principle guiding declassification review is to release all information, subject only to the current requirements of national security and law. Declassification decisions entailed concurrence of the appropriate geographic and functional bureaus in the Department of State, other concerned agencies of the U.S. Government, and the appropriate foreign governments regarding specific documents of those governments.

#### *Acknowledgments*

The editors wish to acknowledge the assistance of the federal agencies, particularly the National Archives and Rec-

ords Administration, for their cooperation in granting access to their records. They also thank officials at the John F. Kennedy Library, in particular Suzanne Forbes, who assisted in the collection of documents for this volume. Mary McAuliffe of the Central Intelligence Agency History Staff assisted in arranging access to that agency's materials. Officials at the Department of Defense, especially Sandra Meagher, and officials at the National Defense University also deserve special thanks.

Evans Gerakas, David W. Mabon, David S. Patterson, William F. Sanford, Jr., and Carolyn B. Yee compiled the documents in this supplement, under the supervision of former General Editor Glenn W. LaFantasie. Deb Godfrey prepared the List of Documents.

**William Z. Slany**  
*The Historian*  
*Bureau of Public Affairs*

**June 1997**

## Contents

<b>Preface.....</b>	<b>III</b>
<b>List of Sources .....</b>	<b>1</b>
<b>List of Abbreviations .....</b>	<b>15</b>
<b>List of Persons .....</b>	<b>26</b>
<b>Summary of Print Volume VII.....</b>	<b>38</b>
<b>Summary of Print Volume VIII.....</b>	<b>47</b>
<b>Summary of Print Volume IX.....</b>	<b>60</b>
<b>List of Documents.....</b>	<b>70</b>

## List of Sources

### Unpublished Sources

#### Department of State

*Central Files.* A major source of documentation for this volume was the indexed central files of the Department of State. Many of the documents were selected from the following files:

- 100.4: Interagency boards and committees
- 102.7: Department of Commerce
- 110.11: Secretary of State
- 110.12BA: Under Secretary of State Ball
- 374.800: Organization for Economic Cooperation and Development
- 394.41: General Agreement on Tariffs and Trade
- 396.1-PA: International conferences at Paris
- 396.12: Conferences on international political relations
- 397.5611: Conferences on atomic weapons
- 398.00: Conferences on economic, industrial and social affairs
- 398.051: U.N. Special Fund
- 398.10: International financial conferences
- 398.13: International Monetary Fund
- 398.14: International Bank for Reconstruction and Development
- 400.0041: Trade relations
- 400.11: Export trade of the U.S.
- 400.116: Other administrative measures affecting import trade
- 400.119: U.S. export controls
- 411.004: U.S. import tariffs
- 411.0041: U.S. trade relations
- 411.006: Other U.S. administrative matters affecting import trade
- 411.414: U.S. import tariff on the United Kingdom
- 411.9441: U.S. trade relations with Japan
- 460.119: U.S. export controls on trade with Eastern Europe and the Soviet Union
- 460.509: COCOM restrictions on trade with Eastern Europe and the Soviet Union

**611.0012:** U.S. arms control agreements  
**611.0041:** U.S. trade agreements, treaties, and conventions  
**611.00431:** U.S. economic treaties and agreements, double taxation  
**611.3722:** U.S. blockade of Cuba  
**611.61:** Political relations between the U.S. and the U.S.S.R.  
**611.6112:** Arms limitation between the U.S. and the U.S.S.R.  
**611.62A:** Political relations between the United States and West Germany  
**611.9441:** U.S. trade agreements, treaties, and conventions with Japan  
**700.5-MSP:** Mutual defense  
**700.5611:** Atomic weapons in the world  
**711.5:** U.S. national defense  
**711.5611:** Atomic weapons in the U.S.  
**740.5-MSP:** Mutual defense of Europe  
**762.00:** Political affairs and conditions in Germany  
**800.0000:** General economic matters  
**800.03:** Food conditions; Food for Peace  
**800.235:** Sugar  
**800.2553:** Petroleum  
**811.00:** U.S. general economic matters  
**811.0000:** General world economic matters  
**811.0040:** U.S. economic relations with Europe  
**811.10:** U.S. financial and monetary matters  
**811.11:** U.S. taxation  
**811.112:** U.S. taxation income  
**AID 1:** General aid policy, plans, and coordination  
**AID (IBRD) 1:** Aid, International Bank for Reconstruction and Development  
**AID (IDA):** Aid, International Development Association  
**AID (US) 1:** General U.S. aid policy, plans, and coordination  
**DEF 1 US:** Defense affairs, U.S. policy, plans, readiness  
**DEF 12:** Defense affairs, armaments  
**DEF 12-5:** Defense affairs, procurement, sales  
**DEF 18:** Defense affairs, arms control and disarmament  
**DEF 18-3 SWITZ (GE):** Defense affairs, arms control and disarmament, organizations, and conferences relating to Geneva, Switzerland  
**DEF 18-3 USSR (MO):** Defense affairs, arms control and disarmament, organizations and conferences relating to Moscow

- DEF 18–4:** Defense affairs, arms control and disarmament, agreements and treaties
- DEF 18–6:** Defense affairs, arms control and disarmament, control measures
- DEF 18–9:** Defense affairs, arms control and disarmament, de-militarized, and nuclear-free zones
- DEF 19–3:** Military assistance
- DEF 6–8 US/NATO:** Defense affairs between United States and NATO, mobilization of armed forces
- FN 1 US:** General U.S. finance policy
- FN 12:** Balance of payments
- FN 12 US:** U.S. balance of payments
- FN 16 US:** U.S. revenue, taxation
- FT (EX) US:** U.S. foreign trade, export
- FT 4 US/TEA:** U.S. foreign trade agreements, Trade Expansion Act
- FT 7:** Tariff negotiations
- FT 7 GATT:** Tariff negotiations, GATT
- INCO–COTTON:** Cotton industry and commodities
- INCO–POULTRY US:** U.S. poultry industry and commodities
- INCO–WOOL 4:** Wool trade agreements
- INCO–WOOL IT:** Wool industry and commodities of Italy
- INCO–WOOL US:** Wool industry and commodities of United States
- ORG 7 S:** Organization and administration, visits
- POL UK–US:** Political affairs and relations between the U.K. and the U.S.
- POL UK–USSR:** Political affairs and relations between the U.K. and the U.S.S.R.
- POL US–USSR:** Political affairs and relations between the U.S. and the U.S.S.R.
- POL 7 US/Harriman:** Visits and meetings of W. Averell Harriman
- POL 7 US/Kennedy:** Visits and meetings of John F. Kennedy
- POL 7 US/UK:** Political affairs and relations, visits, and meetings between United States and United Kingdom
- POL 15–1 USSR:** Political affairs and relations between the heads of state of the U.S. and the U.S.S.R.

*Lot Files.* Documents from the central files are supplemented by lot files of the Department, which are decentral-



ized files created by bureaus, offices, divisions, and the Executive Secretariat. A list of the lot files cited or consulted in this volume follows:

Ball Files: Lot 74 D 272

Files of Under Secretary of State George W. Ball, 1961–1963.

Conference Files: Lot 65 D 366

Documentation on official visits to the United States by heads of government and foreign ministers and on international conferences attended by the President, Secretary of State, and Under Secretary of State for 1961.

Conference Files: Lot 65 D 533

Documentation on official visits to the United States by heads of state and foreign ministers and on international conferences attended by the President, Secretary of State, and Under Secretary of State for 1962.

Conference Files: Lot 66 D 110

Documentation on international conferences attended by the President, Secretary of State, and other U.S. officials, May 1961–December 1964.

E Files: Lot 64 D 452

Files of Assistant Secretary for Economic Affairs, 1962–1963, covering economic policy.

INR/EAP Files: Lot 90 D 110

NIEs and SNIEs on East Asia and the Pacific, 1952–1985, maintained by the Bureau of Intelligence and Research

INR Historical Files

Records of 5412 Special Group, 1954–1964, as maintained by the Bureau of Intelligence and Research

INR–NIE Files

Files retained by the Bureau of Intelligence and Research containing copies of National Intelligence Estimates and Special National Intelligence Estimates

Presidential Correspondence: Lot 66 D 204

Presidential exchanges of correspondence with heads of government for 1953–1964, maintained by the Executive Secretariat.

Presidential Correspondence: Lot 72 D 204

Exchanges of correspondence between President Kennedy and British Prime Minister Macmillan for 1960–1962.

Presidential Correspondence: Lot 76 D 435

Exchanges of correspondence between President Kennedy and Chairman Khrushchev for 1961–1963.

Presidential Correspondence: Lot 77 D 163

Correspondence between Presidents Kennedy and Johnson and the Chairman of the Soviet Union, Prime Minister of the United Kingdom, and President of France, 1961–1964.

Presidential Memoranda of Conversation: Lot 66 D 149

Complete chronological record of cleared memoranda of conversation with foreign visitors for 1956–1964, maintained by the Executive Secretariat.

Rusk Files: Lot 72 D 192

Files of Secretary of State Dean Rusk, 1961–1969, including his memoranda of telephone conversations.

Secretary's Memoranda of Conversation: Lot 65 D 330

Memoranda of conversation of the Secretary of State and the Under Secretary of State, 1961–1964.

S/P Files: Lot 67 D 548

Files of the Policy Planning Staff for 1961–1964

S/P Files: Lot 69 D 121

Files of the Policy Planning Staff for 1961–1964.

S/P Files: Lot 70 D 199

Files of the Policy Planning Council for 1963–1964.

S/P–NSC Files: Lot 62 D 1

Serial and subject master file of National Security Council documents and correspondence for the years 1948–1961, as maintained by the Policy Planning Staff.

Special Group (CI) Files: Lot 68 D 451

Minutes and memoranda of the Special Group, Counterinsurgency, January 1962–December 1963.

Special Group (CI) Files: Lot 70 D 258

Master file of counterinsurgency plans, including memoranda, airgrams, cables, and correspondence on various countries.

S/S Briefing Books: Lot 66 D 219

Various policy briefing books and situation chronologies used by the Secretary and Under Secretaries of State, 1962–1966.

S/S Files: Lot 66 D 147

Records of the Secretary of State's Staff Meetings, 1961–1964.

S/S Files: Lot 70 D 328

Records of State–JCS meetings, 1959–1963.

S/S–NSC Files: Lot 70 D 265

Master set of papers pertaining to National Security Council meetings, including policy papers, positions papers, and administrative documents, 1961–1966, maintained by the Executive Secretariat.

S/S–NSC Files: Lot 72 D 316

Master file of National Security Action Memoranda (NSAMs), 1961–1968, maintained by the Executive Secretariat.

S/S–NSC (Miscellaneous) Files: Lot 66 D 95

Administrative and miscellaneous National Security Council documentation, including NSC Records of Action, 1947–1963, maintained by the Executive Secretariat.

S/S–RD Files: Lot 71 D 171

Restricted data file maintained by the Executive Secretariat for 1957–1967.

Vietnam Working Group Files: Lot 66 D 193

Files of the Vietnam Working Group, 1960–1962.

**National Archives and Records Administration**

**Record Group 218, Records of the Joint Staff and the Chairman of the Joint Chiefs of Staff**

JCS Records

**Washington National Records Center, Suitland, Maryland**

**Record Group 40, Records of the Department of Commerce**

Office of the Secretary of Commerce Files: FRC 69 A 6828

Executive Secretariat files for 1963–1964.

Under Secretary of Commerce Files: FRC 66 A 1971

Files of the Office of Edward Gudeman, Under Secretary of Commerce, 1961–1963.

**Record Group 59, Records of the Department of State**

E Files: FRC 71 A 6682, Item 53

Lot 65 D 68: Files containing origins, deliberations, and termination of the Interdepartmental Committee of Under Secretaries for Foreign Economic Policy (ICFEP), 1961–1963.

E/CBA/REP Files: FRC 72 A 6248

Lot 70 D 467: Master set of the Department of State classified internal publication *Current Economic Developments* for 1945–1969, maintained in the Bureau of Economic Affairs.

**Record Group 286, Records of the Agency for International Development**

AID Administrator Files: FRC 65 A 481

Executive Secretariat files for 1961–1962.

AID Administrator Files: FRC 67 A 1530

Executive Secretariat files for 1962–1964.

**Record Group 330, Records of the Office of the Secretary of Defense**

OASD/ISA Files: FRC 64 A 2382

Decimal files of the Office of the Assistant Secretary of Defense for International Security Affairs for 1961.

OASD/ISA Files: FRC 65 A 3501

Files of the Assistant Secretary of Defense for International Security Affairs for 1962.

OASD/ISA Files: FRC 65 B 3501

Decimal files of the Office of the Assistant Secretary of Defense for International Security Affairs for 1962.

OASD/ISA Files: FRC 69 A 926

Files of the Assistant Secretary of Defense for International Security Affairs for 1963–1964.

OSD Files: FRC 65 A 2464

Subject decimal files of the Office of the Secretary of Defense for 1961.

OSD Files: FRC 65 A 3463

Subject decimal files of the Office of the Secretary of Defense for 1961.

OSD Files: FRC 65 A 3464

Subject decimal files of the Office of the Secretary of Defense for 1961.

OSD Files: FRC 66 A 3542

Subject decimal files of the Office of the Secretary of Defense for 1962.

OSD Files: FRC 66 A 3543

Subject decimal files of the Office of the Secretary of Defense for 1962.

OSD Files: FRC 71 A 3470

Files of Secretary of Defense Robert S. McNamara for 1961–1968.

OSD/AE Files: FRC 68 A 6453

Subject files of the Assistant to the Secretary of Defense for Atomic Energy for 1950–1966.

OSD/AE Files: FRC 69 A 2243

Subject files of the Assistant to the Secretary of Defense for Atomic Energy for 1961–1969.

**Record Group 383, Records of the Arms Control and Disarmament Agency**

ACDA/CSRC Files: FRC 77 A 59

Miscellaneous policy and position papers for 1953–1968.

ACDA/D Files: FRC 77 A 23

Files of Director William C. Foster for 1959–1966.

ACDA/D Files: FRC 77 A 80

Files of Director William C. Foster for 1958–1969.

ACDA/DD Files: FRC 77 A 17

Files of Deputy Director Adrian S. Fisher for 1961–1969.

ACDA/EX/C&R Files: FRC 77 A 8

Subject files for 1962–1963.

ACDA/EX/RIC/R Files: FRC 77 A 10

Subject files for 1963.

**Central Intelligence Agency**

DCI (McCone) Files: Job 80–B01285A

Files of Director John A. McCone, 1962–1965.

Job 79–R01012A, ODDI Registry

Files containing copies of National Intelligence Estimates and Special National Intelligence Estimates.

DCI, ER Subject Files

DCI Memoranda

DCI Memos for Record

EA/DCI Chron

McCone Files

Meetings with President

Special Group (5412)(1963)

**National Defense University, Fort McNair, Washington, D.C.**

Taylor Papers

Papers of General Maxwell D. Taylor, Chief of Staff of the Army, 1955–1959; the President's Military Representative, 1961–1962; and Chairman of the Joint Chiefs of Staff, 1962–1964.

Lemnitzer Papers

Papers of Lyman Lemnitzer, Chief of Staff of the Army, 1959–1960, and Chairman of the Joint Chiefs of Staff, 1960–1962.

**Dwight D. Eisenhower Library, Abilene, Kansas**

Office of the Special Assistant to the President for National Security Affairs Records

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Bromley Smith Papers

Christian A. Herter Papers

George W. Ball Papers

Transcripts of telephone conversations, 1961–1963.

C. Douglas Dillon Papers

Myer Feldman Papers

Howard C. Petersen Papers

National Security Files

Bethe Report

Brubeck Series

Carl Kaysen Series

Chester V. Clifton Series

Countries Series

Departments and Agencies Series  
Meetings and Memoranda Series  
Subjects Series

President's Appointment Books

President's Office Files

Roger Hilsman Papers

Official papers of Director of Intelligence and Research  
and then Assistant Secretary of State for Far Eastern  
Affairs, 1961–1964.

Sorensen Papers

**Lyndon B. Johnson Library, Austin, Texas**

National Security File

Agency File  
Memos to the President  
National Intelligence Estimates  
National Security Council Meetings File  
Subject File

Vice Presidential Security File

**Library of Congress, Manuscript Division, Washington,  
D.C.**

Harriman Papers

Special files of W. Averell Harriman, Public Service,  
Kennedy and Johnson administrations.

**Naval Historical Center, Washington, D.C.**

Burke Papers

Papers of Arleigh A. Burke, Chief of Naval Operations,  
1955–1961.

**Yale University, New Haven, Connecticut**

Chester B. Bowles Papers



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- . *Further Documents Relating to the Conference of the 18-Nation Committee on Disarmament (Session March 14, 1962 to June 15, 1962)*, Miscellaneous No. 22 (1962), Cmnd. 1792 (London: Her Majesty's Stationery Office, July 1962)
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*Note:* The Department of State takes no responsibility for the accuracy of these publications nor does it endorse their interpretations.

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## List of Abbreviations

**A**, airgram  
**ABC**, American Broadcasting Company  
**ABM**, anti-ballistic missile  
**ABNCP**, airborne command posts  
**ACDA**, Arms Control and Disarmament Agency  
**ACDA/D**, Office of the Director, Arms Control and Disarmament Agency  
**ACDA/DD**, Office of the Deputy Director, Arms Control and Disarmament Agency  
**ACDA/IR**, International Relations Bureau, Arms Control and Disarmament Agency  
**ACDA/ST**, Science and Technology Bureau, Arms Control and Disarmament Agency  
**ACE**, Allied Command, Europe  
**ACEP**, Advisory Committee on Export Policy  
**ADM**, atomic demolition munitions  
**AEC**, Atomic Energy Commission  
**AEDS**, Atomic Energy Detection System  
**AF**, Air Force  
**AF**, Bureau of African Affairs, Department of State  
**AFTAC**, Air Force Technical Applications Center  
**AICBM**, anti-intercontinental ballistic missile  
**AID**, Agency for International Development  
**ALBM**, air-launched ballistic missile  
**ANZUS**, Australia-New Zealand-United States (treaty organization)  
**AP**, Associated Press  
**ARA**, Bureau of Inter-American Affairs, Department of State  
**ASW**, anti-submarine warfare

**B**, Office of the Under Secretary of State for Economic Affairs  
**BAOR**, British Army on the Rhine  
**BBC**, British Broadcasting Corporation  
**BDSA**, Business and Defense Services Administration, Department of Commerce  
**BIP**, Bureau of International Programs, Department of Commerce  
**BMEWS**, Ballistic Missile Early Warning System

**BNA**, Office of British Commonwealth and Northern European Affairs, Bureau of European Affairs, Department of State  
**BNSP**, basic national security policy  
**BOB**, Bureau of the Budget  
**BOMARC**, Boeing-Michigan Aeronautical Test Center missile  
**Busec**, series indicator for telegrams from the Department of State to the Mission to the European Communities

**C**, Office of the Counselor, Department of State  
**CA**, circular airgram  
**CAP**, series indicator for telegrams from the White House; Common Agricultural Policy  
**CBR**, chemical, biological, and radiological warfare  
**CEA**, Council of Economic Advisers  
**Cedto**, series indicator for telegrams from Paris to the Department of State relating to OECD matters  
**CENTO**, Central Treaty Organization  
**CEP**, circular error probable  
**CF**, Central Files  
**CG**, circular airgram; Consultative Group  
**ChiCom**, Chinese Communist  
**CI**, Counter-Insurgency (Special Group)  
**CIA**, Central Intelligence Agency  
**CINCNORAD**, Commander in Chief, North American Air Defense Command  
**CINCPAC**, Commander in Chief, Pacific  
**CINCSAC**, Commander in Chief, Strategic Air Command  
**CJCS**, Chairman, Joint Chiefs of Staff  
**CIA**, Central intelligence Agency  
**CINCEUR**, Commander in Chief, Europe  
**CM**, Chairman's Memorandum  
**CNO**, Chief of Naval Operations  
**COCOM**, Coordinating Committee of the Paris Consultative Group (CG)  
**COMIBOL**, **CMB**, Corporacion Minera de Bolivia (Mining Corporation of Bolivia)  
**CONUS**, Continental United States  
**CP**, Contracting Party or Parties  
**CPR**, Chinese People's Republic

**CSAF**, Chief of Staff, U.S. Air Force  
**CSD**, Commodities Division, Office of International Resources, Bureau of Economic Affairs, Department of State  
**CST**, Central Standard Time  
**CU**, Office of the Assistant Secretary of State for Educational and Cultural Affairs  
**CW**, chemical warhead; chemical warfare  
**CY**, calendar year

**D**, Democrat; Office of the Deputy Administrator, Agency for International Development  
**DAC**, Development Assistance Committee  
**DAG**, Development Assistance Group  
**DASA**, Defense Atomic Support Agency  
**DC**, Disarmament Commission (United Nations)  
**DCI**, Director of Central Intelligence  
**Depcirtel**, Department of State circular telegram  
**DEW**, distant early warning  
**DGZ**, Designated Ground Zero  
**DIA**, Defense Intelligence Agency  
**Disto**, series indicator for telegrams from the United States Delegation to the Eighteen-Nation Disarmament Committee in Geneva to the Department of State  
**DLF**, Development Loan Fund  
**DM**, **D mark**, Deutschemark  
**DOD**, Department of Defense  
**DOS**, Department of State  
**DPM**, draft Presidential memoranda  
**DSTP**, Director of Strategic Target Planning

**E**, Bureau of Economic Affairs, Department of State  
**EA**, Office of East Asian Affairs, Bureau of Far Eastern Affairs, Department of State  
**Ecbus**, series indicator for telegrams from the Mission to the European Communities to the Department of State  
**ECD**, Economic Defense Division, Office of International Resources, Bureau of Economic Affairs, Department of State  
**ECM**, electronic countermeasures  
**ECONAD**, Committee of Economic Advisers (NATO)

- ECOSOC**, United Nations Economic and Social Council  
**ECRB**, Export Control Review Board  
**ED**, Economic Development Division, Office of International Financial and Development Affairs, Bureau of Economic Affairs, Department of State  
**EE**, East European; Office of Eastern European Affairs, Bureau of European Affairs, Department of State  
**EEC**, European Economic Community  
**EFTA**, European Free Trade Association  
**EMA**, European Monetary Agreement  
**ENDC**, Eighteen-Nation Disarmament Committee  
**E.O.**, Executive Order  
**EPC**, European Political Community  
**EUR**, Bureau of European Affairs, Department of State  
**EXIM**, **Eximbank**, Export-Import Bank  
**EXSEC**, Executive Secretariat
- FAC**, Office of the Deputy Coordinator for Foreign Assistance, Office of the Under Secretary of State for Economic Affairs  
**FAO**, Food and Agriculture Organization, United Nations  
**FAZ**, *Frankfurter Allgemeine Zeitung*  
**FBI**, Federal Bureau of Investigation  
**FBM**, forward-based missile  
**FE**, Bureau of Far Eastern Affairs, Department of State  
**FN**, International Finance Division, Office of International Financial and Development Affairs, Bureau of Economic Affairs, Department of State  
**FODAG**, Food and Agriculture Organization, United Nations  
**FonMin**, Foreign Minister  
**FonOff**, Foreign Office  
**FRB**, Federal Reserve Board  
**FRC**, Federal Records Center (Washington National Records Center)  
**FRG**, Federal Republic of Germany  
**FSD**, Fuels Division, Office of International Resources, Bureau of Economic Affairs, Department of State  
**FSE**, Fuels and Energy Division, Office of International Resources, Bureau of Economic Affairs, Department of State

**FY**, fiscal year

**FYI**, for your information

**G**, Office of the Deputy Under Secretary of State for Political Affairs

**GA**, United Nations General Assembly

**GATT**, General Agreement on Tariffs and Trade

**GCD**, general and comprehensive disarmament

**GCI**, ground controlled interception

**GDR**, German Democratic Republic

**GER**, Office of German Affairs, Bureau of European Affairs, Department of State

**GNP**, gross national product

**GOI**, Government of Iran

**GOJ**, Government of Japan

**G/PM**, Office of the Deputy Assistant Secretary of State for Politico-Military Affairs

**GRC**, Government of the Republic of China

**GSA**, General Services Administration

**H. Rept.**, House of Representatives Report

**H. Res.**, House of Representatives Resolution

**H.R.**, House of Representatives

**HEW**, Department of Health, Education, and Welfare

**HMG**, Her Majesty's Government

**IAC**, Intelligence Advisory Committee

**IAEA**, International Atomic Energy Agency

**IAIAS**, Inter-American Institute of Agricultural Sciences (Costa Rica)

**IBRD**, International Bank for Reconstruction and Development

**ICA**, International Cooperation Administration

**ICAC**, International Cotton Advisory Committee

**ICBM**, Intercontinental ballistic missile

**ICE**, Index of Combat Effectiveness

**ICF**, Index of Comparative Firepower

**ICFEP**, Interdepartmental Committee of Under Secretaries on Foreign Economic Policy

**IDA**, International Development Association

**IDB**, Inter-American Development Bank

**IDD**, International Development Decade



**IDY**, International Development Year  
**IL**, International List (of embargoed goods)  
**ILO**, International Labor Organization, United Nations  
**IMF**, International Monetary Fund  
**INR**, Bureau of Intelligence and Research, Department of State  
**IO**, Bureau of International Organization Affairs, Department of State  
**IR**, intermediate-range  
**IRBM**, intermediate-range ballistic missile  
**ISA**, Office of International Security Affairs, Department of Defense

**JCAE**, Joint Committee on Atomic Energy  
**JCS**, Joint Chiefs of Staff  
**JCSM**, Joint Chiefs of Staff Memorandum  
**JSCAP**, Joint Strategic Capabilities Plan  
**JSOP**, Joint Strategic Operations Plan  
**JSTPS**, Joint Strategic Target Planning Staff

**KT**, kiloton

**LA**, Bureau for Latin America, Agency for International Development  
**LAS**, long-range assistance strategy  
**LDC**, less developed country  
**LOC**, line of communication

**M**, Office of the Under Secretary of State for Political Affairs  
**MAAG**, Military Assistance Advisory Group  
**MAP**, Military Assistance Program  
**MATS**, Military Air Transport Service  
**MC**, memorandum of conversation  
**MDC**, Mutual Defense Control Staff, Bureau of Economic Affairs, Department of State  
**MFN**, most favored nation  
**MITI**, Ministry of International Trade and Industry, Japan  
**MLF**, Multilateral Force  
**MM**, Minuteman  
**MMT**, Military Mobile Training Team  
**MOD**, Ministry of Defense  
**MRBM**, medium-range ballistic missile

**MSA**, Mutual Security Assistance

**MSP**, Mutual Security Program

**MSTS**, Military Sea Transportation Service

**MT**, megaton

**NAC**, National Advisory Council on International Monetary  
and Financial Problems

**NAP**, non-aggression pact

**NASA**, National Aeronautics and Space Administration

**NATO**, North Atlantic Treaty Organization

**NE**, Office of Near Eastern Affairs, Bureau of Near Eastern  
and South Asian Affairs, Department of State

**NEA**, Bureau of Near Eastern and South Asian Affairs,  
Department of State

**NESA**, Bureau for Near East and South Asia, Agency for  
International Development

**NESC**, Net Evaluation Subcommittee

**NIE**, National Intelligence Estimate

**NM**, nautical mile

**NMCC**, National Military Command Center

**NOA**, new obligatory authority

**NORAD**, North American Air Defense Command

**NSA**, National Security Agency

**NSAM**, National Security Action Memorandum

**NSC**, National Security Council

**NSTL**, National Strategic Target List

**Nusup**, telegram indicator from the Department of State to  
the Delegation to the Geneva Conference on the Discon-  
tinuance of Nuclear Weapon Tests

**O**, Office of the Deputy Under Secretary of State for  
Administration

**OAS**, Organization of American States

**OASD**, Office of the Assistant Secretary of Defense

**OC**, Office of Communications, Department of State; Operat-  
ing Committee of the Advisory Committee on Export  
Policy (ACEP)

**OCB**, Operations Coordinating Board

**OCDM**, Office of Civil and Defense Mobilization

**OECD**, Organization for Economic Cooperation and  
Development

**OEEC**, Organization for European Economic Cooperation  
**OEP**, Office of Emergency Planning  
**OES**, Office of International Economic and Social Affairs,  
Bureau of International Organization Affairs, Department of State  
**OFD**, Office of International Financial and Development  
Affairs, Bureau of Economic Affairs, Department of State  
**OFE**, Office of International Finance and Economic Analysis,  
Bureau of Economic Affairs, Department of State  
**OIA**, Office of International Affairs, Department of the  
Treasury  
**OIF**, Office of International Finance, Department of the  
Treasury  
**OPEC**, Organization of Petroleum Exporting Countries  
**OPNAV**, Office of the Chief of Naval Operations  
**OR**, Office of International Resources Bureau of Economic  
Affairs, Department of State  
**OSD**, Office of the Secretary of Defense  
**OT**, Office of International Trade, Bureau of Economic  
Affairs, Department of State  
**OTC**, Organization for Trade Cooperation

**P.L.**, Public Law  
**PACCS**, Post-Attack Command and Control System  
**Polto**, series indicator for telegrams from the Mission to  
the North Atlantic Treaty Organization and European  
Regional Organizations to the Department of State  
**PPC**, Policy Planning Council, Department of State  
**PPS**, Policy Planning Staff, Department of State  
**PRC**, People's Republic of China  
**PSI**, pounds per square inch

**R&D**, research and development  
**RA**, Office of European Regional Affairs, Bureau of European  
Affairs, Department of State  
**RAF**, Royal Air Force  
**RCT**, Regimental Combat Team  
**RD**, Restricted Data  
**RDT&E**, Research, Development, Test, and Evaluation  
**REA**, Office of Inter-American Regional Economic Affairs,  
Bureau of Inter-American Affairs, Department of State

**ResDel**, resident delegation

**RG**, Record Group

**RO**, Regional Office

**ROAD**, Reorganization Objective, Army Division

**ROK**, Republic of Korea

**ROW**, risk of war

**RPE**, Office of Political-Economic Affairs, Bureau of European Affairs, Department of State

**RPM**, Office of NATO and Atlantic Political-Military Affairs, Bureau of European Affairs, Department of State

**S**, Office of the Secretary of State

**SAC**, Strategic Air Command

**SACEUR**, Supreme Allied Commander, Europe

**SAGE**, semi-automatic ground environment system

**SAM**, surface-to-air missile

**SEATO**, Southeast Asia Treaty Organization

**Secto**, series indicator for telegrams from the Secretary of State or his delegation to the Department of State

**SG**, Standing Group

**SHAPE**, Supreme Headquarters, Allied Powers, Europe

**SIOP**, Single Integrated Operational Plan

**SLAM**, Supersonic Low Altitude Missile

**SLBM**, submarine-launched ballistic missile

**SNIE**, Special National Intelligence Estimate

**SONJ**, Standard Oil of New Jersey

**SOSUS**, Sound Surveillance Undersea System

**SOV**, Office of Soviet Union Affairs, Bureau of European Affairs, Department of State

**SovDel**, Soviet delegation

**S/P**, Policy Planning Council, Department of State

**SRG**, Strategic Resources Group

**S/S**, Executive Secretariat, Department of State

**SSBN**, ballistic missile nuclear submarine

**SSN**, nuclear attack submarine

**STP**, Strategic Target Planning

**STRAC**, U.S. Strategic Air Command

**SUNFED**, Special United Nations Fund for Economic Development

**Supnu**, telegram indicator from the Delegation to the Geneva Conference on the Discontinuance of Nuclear Weapon Tests to the Department of State

**SYG**, United Nations Secretary-General

**TA**, Trade Agreements Division, Office of International Trade, Bureau of Economic Affairs, Department of State

**TAC**, Tactical Air Command

**Tanto**, series indicator for telegrams from the United States delegation to the GATT conference in Geneva to the Department of State

**TB**, Test Ban

**Todis**, series indicator for telegrams from the Department of State to the U.S. Delegation to the Eighteen-Nation Disarmament Committee in Geneva

**Topol**, series indicator for telegrams from the Department of State to the Mission to the North Atlantic Treaty Organization and European Regional Organizations

**Tosec**, series indicator for telegrams from the Department of State to the Secretary of State or his delegation

**Totan**, series indicator for telegrams from the Department of State to the United States delegation to the GATT conference in Geneva

**TPC**, Trade Policy Committee

**U**, Office of the Under Secretary of State; unclassified; uranium

**UAR**, United Arab Republic

**UK**, United Kingdom

**UKDel**, United Kingdom Delegation

**UN**, United Nations

**UNCTAD**, United Nations Conference on Trade and Development

**UNDA**, United Nations Development Authority

**UNDC**, United Nations Disarmament Commission

**UNDD**, United Nations Development Decade

**UNGA**, United Nations General Assembly

**UNP**, Office of United Nations Political Affairs, Bureau of International Organization Affairs, Department of State

**UNSC**, United Nations Security Council

**UNTA**, United Nations Technical Assistance Program

**UPI**, United Press International

**USA**, United States Army

**USAF**, United States Air Force

**USDA**, United States Department of Agriculture

**USDel**, United States Delegation

**USG**, United States Government

**USIA**, United States Information Agency

**USIB**, United States Intelligence Board

**USMC**, United States Marine Corps

**USOM**, United States Operations Mission

**USSR**, Union of Soviet Socialist Republics

**UST**, *United States Treaties and Other International Agreements*

**USUN**, United States Mission to the United Nations

**VOA**, Voice of America

**VTOL**, vertical takeoff and landing

**WH**, White House

**WHO**, World Health Organization

**WP**, Working Party

**WSEG**, Weapons Systems Evaluation Group

**WST**, Office of West Coast Affairs, Bureau of Inter-American  
Affairs, Department of State

## List of Persons

**Acheson, Dean**, former Secretary of State; adviser to Presidents Kennedy and Johnson

**Adenauer, Konrad**, Chancellor of the Federal Republic of Germany until October 17, 1963

**Akalovsky, Alexander**, Department of State interpreter

**Alphand, Hervé**, French Ambassador to the United States

**Amini, Ali**, Prime Minister of Iran, May 5, 1961–July 17, 1962

**Anderson, Clinton P.**, Democratic Senator from New Mexico

**Anderson, Admiral George W., Jr.**, Chief of Naval Operations, August 1, 1961–August 1, 1963

**Asakai, Koichiro**, Japanese Ambassador to the United States until April 1963

**Ball, George W.**, Under Secretary of State for Economic Affairs, January 30–December 3, 1961; thereafter Under Secretary of State

**Barber, Arthur W.**, Deputy Assistant Secretary of Defense for International Security Affairs (Arms and Trade Control)

**Behrman, Jack N.**, Deputy Assistant Secretary of Commerce for International Affairs, March 24–November 4, 1961; Assistant Secretary of Commerce for International Affairs, November 5, 1961–October 1962; thereafter Assistant Secretary of Commerce for Domestic and International Business

**Bell, David E.**, Director of the Bureau of the Budget, January 1961–December 1962; Administrator of the Agency for International Development from December 21, 1962

**Bissell, Richard M., Jr.**, Deputy Director (Plans), Central Intelligence Agency and Chairman of the NSC Counter-Guerrilla Warfare Task Force until February 17, 1962

**Black, Eugene**, President of the International Bank for Reconstruction and Development until December 31, 1962

**Blumenthal, W. Michael**, Deputy Assistant Secretary of State for Economic Affairs, April 3, 1961–July 31, 1963; thereafter Deputy Special Representative for Trade Negotiations

**Bohlen, Charles E.**, Special Assistant to the Secretary of State until September 4, 1962; Ambassador to France from October 27, 1962

- Boutin, Bernard L.**, Deputy Administrator, General Services Administration, until February 1962; thereafter Administrator
- Bowles, Chester B.**, Under Secretary of State, January 25–December 3, 1961; President's Special Representative and Adviser on African, Asian, and Latin American Affairs, December 4, 1961–June 9, 1963; Ambassador to India from July 19, 1963
- Brown, Harold**, Director, Defense Research and Engineering, Department of Defense, from May 8, 1961
- Brubeck, William H.**, Special Assistant to the Secretary of State and Executive Secretary, May 14, 1962–July 20, 1963; thereafter National Security Council Staff
- Bruce, David K.E.**, Ambassador to the United Kingdom
- Bullitt, John C.**, Deputy Assistant Secretary of the Treasury for International Affairs, May 1961–June 1962; thereafter Assistant Secretary
- Bundy, McGeorge**, President's Special Assistant for National Security Affairs from January 20, 1961
- Bundy, William P.**, Deputy Assistant Secretary of Defense for International Security Affairs from January 1961
- Burke, Admiral Arleigh A.**, Chief of Naval Operations until August 1, 1961
- Caccia, Sir Harold A.**, British Ambassador to the United States until September 1961; British Permanent Under Secretary of State, from 1962
- Carr, James K.**, Under Secretary of the Interior from January 1961
- Carstens, Karl**, German Deputy Foreign Minister from 1961
- Carver, John A., Jr.**, Assistant Secretary of the Interior for Land Management
- Chenery, Hollis**, Director, Program Review and Coordination Staff, Agency for International Development, from October 1961
- Cleveland, Harlan**, Assistant Secretary of State for International Organization Affairs from February 23, 1961
- Clifton, Major General Chester V.**, President's Military Aide from January 1961
- Coffin, Frank M.**, Managing Director, Development Loan Fund, February–September 1961; thereafter Deputy Administrator, Agency for International Development



**Cooley, Harold D.**, Democratic Representative from North Carolina; Chairman of the House Agriculture Committee  
**Coombs, Philip H.**, Assistant Secretary of State for Educational and Cultural Affairs, March 23, 1961–June 4, 1962  
**Couve de Murville, Maurice**, French Foreign Minister

**Dale, William B.**, Director, Bureau of International Programs, Department of Commerce, 1961–1962; Deputy Assistant Secretary of Commerce for International Affairs, 1962; U.S. Executive Director, International Monetary Fund, from November 1, 1962

**Dean, Arthur**, Chairman of the U.S. Delegation to the Eighteen-Nation Disarmament Committee at Geneva until December 27, 1962

**Dean, Sir Patrick**, British Ambassador to the United States from March 13, 1963

**Decker, General George H.**, Chief of Staff, U.S. Army, until September 30, 1962

**De Gaulle, Charles**, President of France

**Dillon, C. Douglas**, Under Secretary of State until January 4, 1961; Secretary of the Treasury from January 21, 1961

**Dirksen, Everett M.**, Republican Senator from Illinois

**Dobrynin, Anatoly F.**, Soviet Ambassador to the United States

**Dulles, Allen W.**, Director of Central Intelligence until November 29, 1961

**Dungan, Ralph A.**, President's Special Assistant from January 1961

**Eisenhower, Dwight D.**, President of the United States until January 20, 1961

**Enthoven, Dr. Alain C.**, Deputy Comptroller of the Department of Defense

**Erhard, Ludwig**, Vice Chancellor of the Federal Republic of Germany until October 17, 1963; thereafter Chancellor

**Evans, Allan**, Deputy Director for Research, Bureau of Intelligence and Research, Department of State, from June 25, 1961

**Farley, Philip J.**, Special Assistant to the Secretary of State for Atomic Energy and Outer Space

**Feldman, Myer**, President's Deputy Special Counsel from January 1961

- Fisher, Adrian S.**, Deputy Director of the Arms Control and Disarmament Agency from 1961
- Ford, John**, Executive Secretary of the Policy Planning Council, Department of State
- Forrestal, Michael V.**, member, National Security Council Staff, from January 1961
- Foster, William C.**, Director of the Arms Control and Disarmament Agency from October 6, 1961
- Fowler, Henry H.**, Under Secretary of the Treasury from January 1961
- Freeman, Orville L.**, Secretary of Agriculture from January 21, 1961
- Fulbright, J. William**, Democratic Senator from Arkansas; Chairman of the Senate Foreign Relations Committee
- Galbraith, John Kenneth**, Ambassador to India, April 18, 1961–July 12, 1963
- Gardner, Richard N.**, Deputy Assistant Secretary of State for International Organization Affairs from April 3, 1961
- Gilpatric, Roswell L.**, Deputy Secretary of Defense from January 24, 1961
- Giscard d'Estaing, Valéry**, French Finance Minister from January 18, 1962
- Godber, Joseph B.**, British Minister of State for Foreign Affairs and Chairman of the British Delegation to the Eighteen-Nation Disarmament Committee
- Goldberg, Arthur J.**, Secretary of Labor, January 21, 1961–September 24, 1962; Associate Justice, U.S. Supreme Court, from October 1, 1962
- Good, Robert C.**, Director, Office of Research and Analysis for Africa, Bureau of Intelligence and Research, Department of State, from September 18, 1961
- Goodby, James E.**, Officer in Charge, Nuclear Test Negotiations
- Goodpaster, General Andrew J.**, Special Assistant to the Chairman of the Joint Chiefs of Staff
- Gore, Senator Albert**, Democratic Senator from Tennessee
- Graham, John S.**, Commissioner, Atomic Energy Commission, until 1962
- Gromyko, Andrei A.**, Soviet Foreign Minister
- Gudeman, Edward**, Under Secretary of Commerce until February 15, 1963

- Gullion, Edmund A.**, Acting Deputy Director of the U.S. Disarmament Administration until 1961; Ambassador to the Republic of the Congo from August 3, 1961
- Hailsham, Quintin M.H.**, British Leader of the House of Lords and Minister for Science and Technology from 1960; British representative to the test ban treaty negotiations in Moscow, July 1963
- Hamilton, Fowler**, Administrator of the Agency for International Development, October 3, 1961–December 7, 1962
- Harkins, General Paul D.**, Commander, Military Assistance Command, Vietnam
- Harriman, W. Averell**, Ambassador at Large, February 13–December 3, 1961; Assistant Secretary of State for Far Eastern Affairs, December 4, 1961–April 3, 1963; thereafter Under Secretary of State for Political Affairs
- Haworth, Leland J.**, Commissioner of the Atomic Energy Commission
- Heller, Walter W.**, Chairman of the Council of Economic Advisers from January 1961
- Henning, John F.**, Under Secretary of Labor from September 1962
- Herter, Christian A.**, Secretary of State until January 20, 1961; Special Representative for Trade Negotiations from November 1962
- Hickenlooper, Bourke B.**, Republican Senator from Iowa
- Hilsman, Roger, Jr.**, Director, Bureau of Intelligence and Research until April 25, 1963; thereafter Assistant Secretary of State for Far Eastern Affairs
- Hodges, Luther H.**, Secretary of Commerce from January 21, 1961
- Hoffman, Paul G.**, Managing Director of the United Nations Special Fund
- Holifield, Chet**, Democratic Representative from California and Vice Chairman of the Joint Committee on Atomic Energy
- Home, Alexander Frederick Douglas**, British Secretary of State for Foreign Affairs until October 20, 1963; thereafter Prime Minister
- Hood, Samuel**, British Minister to the United States until December 1962; thereafter British Deputy Under Secretary of State for Foreign Affairs

**Hosmer, Craig**, Republican Representative from California  
**Hughes, Thomas L.**, Deputy Director, Bureau of Intelligence and Research, Department of State, until April 28, 1963; thereafter Director

**Humphrey, Hubert H.**, Democratic Senator from Minnesota

**Jackson, Henry M.**, Democratic Senator from Washington

**Jacobsson, Per**, Managing Director of the International Monetary Fund until May 1963

**Johnson, G. Griffith**, Assistant Secretary of State for Economic Affairs from May 18, 1962

**Johnson, Lyndon B.**, Democratic Senator from Texas until January 20, 1961; Vice President of the United States, January 20, 1961–November 22, 1963; thereafter President

**Johnson, U. Alexis**, Deputy Under Secretary of State for Political Affairs from May 2, 1961

**Katzenbach, Nicholas deB.**, Assistant Attorney General, Office of the Legal Counsel, Department of Justice, until May 1962; thereafter Deputy Attorney General

**Kaysen, Carl**, President's Deputy Special Assistant for National Security Affairs from November 1961

**Keeny, Spurgeon M., Jr.**, National Security Council Staff member from January 1961

**Kelly, John M.**, Assistant Secretary of the Interior for Mineral Resources

**Kennedy, John F.**, President of the United States, January 20, 1961, until his death on November 22, 1963

**Kent, Sherman**, Assistant Director and Chairman, Board of National Estimates, Office of National Estimates, Central Intelligence Agency

**Kennedy, Robert F.**, Attorney General from January 1961

**Khrushchev, Nikita Sergeivich**, Chairman of the Council of Ministers of the Soviet Union and First Secretary of the Central Committee of the Communist Party

**Kitchen, Jeffrey C.**, Deputy Assistant Secretary of State for Politico-Military Affairs from May 16, 1961

**Klein, David**, National Security Council Staff member from January 1961

**Klutznick, Philip H.**, U.S. Representative to the United Nations Economic and Social Council until December 21, 1962

- Kohler, Foy D.**, Assistant Secretary of State for European Affairs until August 19, 1962; Ambassador to the Soviet Union from September 27, 1962
- Komer, Robert W.**, member, National Security Council Staff, from January 1961
- Kuznetsov, Vasili Vasilievich**, First Deputy Soviet Foreign Minister
- Labouisse, Henry R.**, Director of the International Cooperation Administration, February 22–October 6, 1961; Ambassador to Greece from March 7, 1962
- Lansdale, Major General Edward G.**, Deputy Assistant to the Secretary of Defense for Special Operations until May 1961; thereafter Special Assistant for Special Operations
- Leddy, John M.**, Special Assistant to the Under Secretary of State until April 4, 1961; Assistant Secretary of the Treasury, April 1961–June 1962; Representative to the Organization for Economic Cooperation and Development from October 3, 1962
- LeMay, General Curtis E.**, Chief of Staff, U.S. Air Force, from June 30, 1961
- Lemnitz, General Lyman L.**, Chairman, Joint Chiefs of Staff, until September 30, 1962
- Long, Franklin**, Assistant Director of the Bureau of Science and Technology, Arms Control and Disarmament Agency
- Macmillan, Harold**, British Prime Minister until October 20, 1963
- Mansfield, Michael J.**, Democratic Senator from Montana and Senate Majority Leader
- Mansholt, Sicco L.**, Vice President, European Economic Community Commission
- Marjolin, Robert**, Vice President, European Economic Community Commission
- Martin, Edwin M.**, Assistant Secretary of State for Economic Affairs until May 17, 1962; thereafter Assistant Secretary of State for Inter-American Affairs
- Martin, William M., Jr.**, Chairman of the Board of Governors, Federal Reserve System
- McCloy, John J.**, President's Adviser on Disarmament
- McCone, John A.**, Director of Central Intelligence from November 29, 1961

**McCormack, John W.**, Democratic Representative from Massachusetts and Speaker of the House

**McDermott, Edward A.**, Deputy Director, Office of Civil and Defense Mobilization until September 22, 1961; Deputy Director, Office of Emergency Planning, September 22, 1961–February 2, 1962; thereafter Director

**McGhee, George C.**, Counselor of the Department of State and Chairman, Policy Planning Council, February 16–December 3, 1961; Under Secretary of State for Political Affairs, December 4, 1961–March 27, 1963; Ambassador to Germany from May 18, 1963

**McGovern, George**, Director, Office of Food for Peace, January 1961–April 1962

**McNamara, Robert S.**, Secretary of Defense from January 21, 1961

**Murrow, Edward R.**, Director of the U.S. Information Agency, from March 15, 1961

**Myrdal, Alva**, Swedish Delegation head to the Eighteen-Nation Disarmament Committee

**Nitze, Paul H.**, Assistant Secretary of Defense for International Security Affairs, January 29, 1961–November 29, 1963; thereafter Secretary of the Navy

**Norstad, General Lauris C.**, Supreme Allied Commander, Europe, until November 1, 1962

**Ormsby Gore, Sir William David** British Ambassador to the United States from October 26, 1961

**Owen, Henry**, member, Policy Planning Council, Department of State, until November 25, 1962; thereafter Vice Chairman

**Parsons, J. Graham**, Assistant Secretary of State for Far Eastern Affairs until March 30, 1961

**Pastore, John O.**, Democratic Senator from Rhode Island and Chairman of the Joint Committee on Atomic Energy

**Penney, Sir William**, Chairman, British Atomic Energy Authority

**Powell, Sir Richard**, Permanent Secretary, British Board of Trade

**Prado y Ugarteche, Manuel**, President of Peru until July 18, 1962

**Price, Benjamin**, Chief Science Officer, British Ministry of Defense

- Price, Charles M.**, Democratic Representative from Illinois
- Ramsey, Henry C.**, member, Policy Planning Council, Department of State
- Rathbone, Monroe J.**, President of the Standard Oil Company of New Jersey
- Reed, James A.**, Assistant Secretary of the Treasury from February 1962
- Reischauer, Edwin O.**, Ambassador to Japan from April 27, 1961
- Reuter, Richard W.**, Director, Office of Food for Peace, from July 24, 1962
- Rey, Jean**, European Economic Community Commissioner for External Relations
- Riddleberger, James W.**, Director of the International Cooperation Administration, until February 22, 1961; Special Assistant to the Secretary of State, February 23–August 1961; Head of U.S. Delegation to Development Assistance Group meeting, July 1961; Mission to the North Atlantic Treaty Organization and European Regional Organizations, August 1961–October 1962; Ambassador to Austria from November 1962
- Riley, Paul H.**, Deputy Assistant Secretary of Defense for Matériel Requirements
- Riley, Vice Admiral Herbert D.**, Director, Joint Staff, Joint Chiefs of Staff, from February 25, 1962
- Roosa, Robert V.**, Under Secretary of the Treasury for Monetary Affairs from January 1961
- Rosson, William B.**, Special Assistant to the Chief of Staff for Special Warfare, Department of Defense
- Rostow, Walt W.**, Deputy Special Assistant to the President for National Security Affairs, January–November 1961; Counselor of the Department of State and Chairman, Policy Planning Council, from November 29, 1961
- Rowen, Henry S.**, Deputy Assistant Secretary of Defense for International Security Affairs
- Rusk, Dean**, Secretary of State from January 21, 1961
- Russell, Richard B.**, Democratic Senator from Georgia
- Salinger, Pierre E.G.**, President's Press Secretary
- Saltonstall, Leverett**, Republican Senator from Massachusetts

- Schaetzel, J. Robert**, Special Assistant to the Under Secretary of State for Economic Affairs, February 3, 1961–March 26, 1962; Special Assistant to the Under Secretary of State, March 27–September 15, 1962; thereafter Deputy Assistant Secretary of State for European Affairs
- Schlesinger, Arthur M., Jr.**, President's Special Assistant from January 1961
- Schroeder, Gerhard**, West German Foreign Minister from November 14, 1961
- Schweitzer, Pierre-P.**, Managing Director of the International Monetary Fund from September 1, 1963
- Scoville, Herbert, Jr.**, Assistant Director, Bureau of Science and Technology, Arms Control and Disarmament Agency
- Seaborg, Glenn T.**, Chairman of the Atomic Energy Commission from March 1, 1961
- Shoup, General David M.**, Commandant, U.S. Marine Corps
- Smith, Bromley**, Executive Officer, Operations Coordinating Board, until February 1961; Acting Executive Secretary, National Security Council, June–August 1961; thereafter Executive Secretary
- Smith, Major (later Colonel) William Y.**, Assistant to General Maxwell D. Taylor
- Sorensen, Theodore C.**, President's Special Counsel from January 1961
- Southard, Frank A., Jr.**, U.S. Executive Director, International Monetary Fund, until November 1, 1962; thereafter Deputy Managing Director, International Monetary Fund
- Spaak, Paul-Henri**, Secretary General of the North Atlantic Treaty Organization until March 5, 1961; Belgian Foreign Minister from April 25, 1961
- Staats, Elmer B.**, Deputy Director, Bureau of the Budget
- Stahr, Elvis**, Secretary of the Army
- Stelle, Charles C.**, U.S. Deputy Representative at the Geneva Conference on the Discontinuance of Nuclear Weapon Tests until 1962; Deputy Representative to the Eighteen-Nation Disarmament Committee, 1962–1963
- Stevenson, Adlai E., II**, U.S. Permanent Representative to the United Nations from January 23, 1961
- Symington, Stuart**, Democratic Senator from Missouri



- Takeuchi, Ryuji**, Japanese Vice Minister of Foreign Affairs until April 1963; thereafter Ambassador to the United States
- Taylor, General Maxwell D.**, President's Military Representative, July 1, 1961–October 1, 1962; thereafter Chairman, Joint Chiefs of Staff
- Thant, U.**, Acting Secretary-General of the United Nations, November 3, 1961–November 30, 1962; thereafter Secretary-General
- Thompson, Llewellyn E.**, Ambassador to the Soviet Union until July 27, 1962; Ambassador at Large from October 3, 1962
- Tito, Josip Broz**, President of Yugoslavia
- Treize, Philip H.**, Deputy Assistant Secretary of State for Economic Affairs from October 9, 1961
- Tsarapkin, Semen Konstantinovich**, Soviet Representative to the Eighteen-Nation Disarmament Committee
- Tuthill, John W.**, Representative to the Organization for European Economic Cooperation, March 6–October 3, 1961; Representative to the Organization for Economic Cooperation and Development, October 4, 1961–October 22, 1962; thereafter Representative to the European Communities
- Tyler, William R.**, Deputy Assistant Secretary for European Affairs until May 24, 1961; Assistant Secretary of State for European Affairs from September 2, 1962
- Van Zandt, James E.**, Republican Representative from Pennsylvania until January 1963
- Wheeler, General Earle G.**, Director, Joint Staff, Joint Chiefs of Staff, until February 24, 1962; Chief of Staff, U.S. Army, from October 1, 1962
- White, Lee C.**, President's Assistant Special Counsel from January 1961
- Wiesner, Jerome B.**, President's Special Assistant for Science and Technology and Director of the White House Office of Science and Technology from January 1961
- Wirtz, W. Willard**, Under Secretary of Labor until September 25, 1962; thereafter Secretary of Labor
- Woods, George**, President of the International Bank for Reconstruction and Development from January 1, 1963

**Wyndham White, Eric**, Executive Secretary of the General Agreement on Tariffs and Trade

**Zorin, Valerian A.**, Soviet Permanent Representative to the United Nations until 1962; Soviet Representative to the Eighteen-Nation Disarmament Committee, 1962

## Summary of Print Volume VII

Following is a summary of the contents of print volume VII, Arms Control and Disarmament. Parenthetical citations are to numbered documents in the text. Volume VII, published in 1995, is available from the U.S. Government Printing Office.

The question of resuming nuclear weapons tests dominated discussions on arms control at the beginning of the Kennedy administration. Since 1958, the United States had adhered to a joint moratorium on nuclear testing with the United Kingdom and the Soviet Union. The three countries had worked for a permanent test ban at the ongoing Geneva Conference on the Discontinuance of Nuclear Weapons Tests. The negotiations had not yet produced an agreement when John F. Kennedy became President in 1961.

The Joint Chiefs of Staff and Department of Defense advocated a return to weapons testing. Adhering to the moratorium, they thought, delayed weapons development and jeopardized national security. (14, 22) Other advisers, especially Secretary of State Dean Rusk, along with President Kennedy himself, had misgivings about the wisdom of abandoning the moratorium. The U.S. Mission to the United Nations thought resuming tests would damage U.S. international political standing. (29) Adlai E. Stevenson, U.S. Representative to the United Nations, was an outspoken critic of nuclear testing.

Kennedy had named John J. McCloy as his special adviser on disarmament. McCloy formed his own group of experts, known as the Fisk Panel after its chairman, James Fisk, to study the technical considerations of an agreement for the discontinuance of nuclear tests. The panel reported that a test ban agreement could hinder nuclear weapons development; however, this risk "must be appraised in the light of all the courses and risk factors the United States [considers] in its endeavor to reduce the likelihood of war and promote strong conditions of peace." The panel ultimately recommended that the United States resume testing if timely progress was not made at the Geneva Conference. (5)

At the Conference, the United States and the Soviet Union quarreled over the issues of inspection and verifica-

tion. Even within the Kennedy administration, there was disagreement over how many on-site inspections would be necessary. (4) Soviet Chairman Nikita S. Khrushchev often maintained that three inspections a year would be sufficient; any more would be tantamount to spying. The Soviets also opposed draft treaty provisions for a worldwide detection system headed by a single administrator; they preferred a three-man body that would not be prejudicial to any side. Khrushchev insisted that the controls proposed by the United States would endanger the Soviet Union's national security and subject its defense program "to the will of a third party." (31) The Soviets' refusal to accept inspection and verification remained a stumbling block throughout the negotiations.

In June 1961, Ambassador to the Soviet Union Llewellyn E. Thompson suggested the formal renewal of the proposal for a ban on atmospheric and undersea tests. (33) The Geneva negotiations soon stalled, however, as the Soviet Union maintained that any inspection and control had to be subject to Soviet veto. (35) There was also concern that the Soviets had secretly broken the moratorium and resumed testing. (48, 49)

In a TASS broadcast on August 30, 1961, the Soviet Union ended speculation by announcing it had resumed atomic testing. A few days later, President Kennedy and British Prime Minister Harold Macmillan issued a joint declaration for a ban on atmospheric tests. (63) On September 5, after the Soviet Union conducted three nuclear weapons tests, Kennedy ordered the resumption of underground weapons testing. (65)

Later that fall, India introduced a resolution in the U.N. General Assembly that called for an uninspected ban on all forms of testing. The Kennedy administration responded that the "proper road to a nuclear test ban is through a treaty among the countries that can test nuclear devices." (83) The President emphasized that he remained prepared to sign the atmospheric test ban proposed by the United States and the United Kingdom.

At the reopening of the Geneva Conference on November 28, 1961, however, agreement did not seem possible. Secretary Rusk stated that the United States would not make

a pre-treaty commitment to withhold resumption of tests. The Soviet Union had broken the moratorium; it was only fair, he argued, that the United States continue its weapons program. (99)

Semyon Tsarapkin, a member of the Soviet Delegation to the Conference, maintained that the Soviets had resumed testing because the United States was ahead in weapons development. The Soviet Union could not allow the United States to retain this advantage, as the United States remained committed to the destruction of the Soviet Union. Soviet leaders also refused to submit to control posts or on-site inspections. Despite U.S. admonitions that the Soviets were being unrealistic, Tsarapkin maintained the previous Soviet position that general and complete disarmament had to come before inspection and control of armaments. (106)

With talks stalled once again, the Kennedy administration engaged in internal debate over resuming atmospheric tests. Most of Kennedy's advisers, in particular the Joint Chiefs of Staff and the Atomic Energy Commission (AEC), advocated following the Soviets' lead and beginning a new series of tests. (137) Secretary Rusk thought the nation's security depended on atmospheric testing. (131)

Other advisers took more moderate positions. Jerome Wiesner, the President's special assistant on science issues, believed that atmospheric tests would be desirable for military development, but also felt "the security of the United States would not be endangered by a decision not to test in the atmosphere at this time." (110) Arthur Schlesinger, the President's Special Assistant, advised that adhering to the moratorium could make the United States look weak, while testing could make the arms race seem out of control. (113) Adlai Stevenson argued that the United States could make major gains with the non-aligned world by refraining from tests. (137)

One of Kennedy's main concerns was the bad press that would result from performing an atmospheric test in the United States. He asked Prime Minister Macmillan to allow the United States to use remote Christmas Island for the first test. Macmillan feared world outcry over U.S. resumption of atmospheric tests. Before allowing the United States to use Christmas Island, Macmillan required a clearer picture

of the kind of tests the United States would perform, as well as a better understanding of the purpose of the tests. He was concerned that a return to testing would hurt disarmament efforts. Although the Soviet Union had broken the moratorium, the Prime Minister did not believe the United States had to respond in kind. (95) Macmillan eventually agreed to Kennedy's request, but he wanted any announcement of tests to be connected with a new disarmament initiative. (122)

On March 2, 1962, Kennedy delivered a radio and television address announcing his decision to begin preparations for atmospheric tests. He stressed recent Soviet tests and U.S. security needs as reasons for this decision. Despite the resumption of tests, he stated that the United States remained committed to a comprehensive disarmament agreement at the Eighteen-Nation Disarmament Committee (ENDC) in Geneva. (143) The ENDC, opening on March 14, 1962, replaced the Geneva Conference as the major forum for test ban negotiations. It included five NATO countries, five Warsaw Pact countries, and eight non-aligned countries.

U.S. representatives at the ENDC still insisted on an objective international inspection system that could distinguish between natural and artificial seismic events. (163) The British felt the United States should be more flexible in the negotiations for a test ban treaty. The United Kingdom put forth its own proposal at Geneva, one that did not provide for as many inspections as the U.S. plan. Kennedy feared the United States would appear to have ruined a chance for agreement if he rejected the British plan. He was fairly sure the Soviet Union would not agree to the plan because it also included inspections; perhaps the United States should go along with the plan and let the Soviets take the heat for blocking agreement. (161) Kennedy's hunch was correct, and the Soviets rejected all Western proposals.

At an April 18, 1962, National Security Council (NSC) meeting, Kennedy approved an atmospheric test series, held in the Pacific Ocean area from April 25 to November 3, 1962. Kennedy was sensitive to world reactions to the tests and wanted them completed as quickly as possible. At the NSC meeting he asked for a short lead time between announcement and actual testing to minimize publicity. The President also inquired about the possibility of a photographer taking

a picture of the mushroom cloud. A meeting memorandum noted that "everyone but the President seemed to feel that radiation in milk was no real problem." (176)

Failure to make real progress in gaining Soviet acceptance of on-site inspections as part of a comprehensive test ban resulted in the U.S. resurrection of a proposal for a ban on atmospheric testing. Secretary Rusk thought it was useless to haggle over the number of inspections when the Soviets had repeatedly told negotiators they would accept none. (203) Instructions sent in August 1962 to Arthur H. Dean, head of the U.S. negotiating team, reflected the realization that a limited treaty might be more feasible. The instructions stated that Dean should declare a willingness to discuss a comprehensive test ban treaty involving internationally supervised control posts. However, if the two superpowers could not agree on this aspect, the United States should suggest an atmospheric-outer space-underwater test ban treaty. (211) On August 27, Kennedy and Macmillan issued a joint statement indicating their representatives had been authorized to negotiate a limited treaty as an alternative to a comprehensive ban. (224)

While test ban negotiations continued, Secretary Rusk began to explore the possibility of an agreement on the non-transfer of nuclear weapons. Rusk first approached France, the United Kingdom, and Germany at a North Atlantic Treaty Organization (NATO) meeting in December 1962. The United Kingdom agreed to the concept, but Germany and France had some reservations. (249, 265) The Soviet Union was unenthusiastic, claiming that NATO contradicted the professed U.S. desire for non-proliferation. (261) Although eclipsed by the test ban negotiations, talks on "non-diffusion," as it was sometimes called, continued sporadically throughout 1963. Secretary Rusk's initiative ultimately bore fruit with the signing of the multilateral Nuclear Non-Proliferation Treaty in 1968.

Soviet leaders had become interested in the idea of using automatic seismic recording stations, or "black boxes," as the means for monitoring violations of a test ban. At the Pugwash Conference in September 1962, Soviet and U.S. scientists approved the suggestion for using automatic seismic stations for the purposes of control. Khrushchev wrote

to Kennedy saying that he would like to view the U.S.-Soviet scientists' agreement as an encouraging sign. (232) Wiesner advised the President that the stations would not eliminate the need for on-site inspections, because so little was known about the characteristics of earthquakes in the Soviet Union. (233) Kennedy rejected the idea of relying on the black boxes. As he told Khrushchev, "My scientists indicate that it would require much more than the two or three such stations you mentioned." (236)

The Cuban missile crisis in late October 1962 sounded an alarm to both Kennedy and Khrushchev. Their messages to each other at the end of the crisis mentioned the need for renewed efforts on arms control. Khrushchev wrote to Kennedy, "We should like to continue the exchange of views on the prohibition of atomic and thermonuclear weapons." (239) Kennedy responded, "Perhaps now, as we step back from danger, we can together make real progress in this vital field." (239)

In December the number of permitted on-site inspections again moved to the forefront of negotiations, this time in a dispute over the meaning of two conversations between Dean and the Soviet Deputy Foreign Minister. The Soviets supposedly came away from the two meetings with the impression that the United States would be willing to accept two to four inspections a year. On December 19, Khrushchev wrote to Kennedy saying that the Soviet Union was prepared to accept Dean's "offer." Although Kennedy informed Khrushchev that Dean had mentioned the possibility of eight to ten inspections, not two to four, Soviet negotiators continued to refer to the two-to-four offer. (251, 256)

Dean maintained that he had suggested the United States might be willing to accept eight to ten inspections, only two of which had to be in aseismic areas. He pointed out that there had been no interpreter during the conversations, which were supposed to have been on an informal level. Dean's aide at the meetings confirmed his figures. The Director of the Arms Control and Disarmament Agency, William Foster, attempted to clarify Dean's comments at a plenary session of the Eighteen-Nation Disarmament Committee in March 1963. He stated that he regretted any misunderstanding Dean may have caused, but the United States would not accept only two to four inspections. (251)



On July 10, 1963, Kennedy gave W. Averell Harriman, special emissary to the test ban negotiations, instructions for the next round of talks in Moscow. The President asked Harriman to try to negotiate the most comprehensive nuclear test ban treaty possible. Kennedy realized that agreement with the Soviets on a comprehensive treaty was unlikely, however, and so advised Harriman to seek an agreement banning testing in the atmosphere, outer space, and underwater. Kennedy also wanted Harriman to continue to emphasize the relationship between a nuclear test ban and the U.S. desire to control nuclear weapons proliferation. In addition, Kennedy instructed his emissary to explore Soviet intentions on a number of issues, such as the establishment of nuclear free zones and an agreement not to place nuclear weapons in orbit. (319)

The final round of negotiations began on July 15, 1963. Any hopes for a comprehensive ban were immediately dashed when Khrushchev said that the Soviet Union would not permit any inspections, even the two or three they had previously accepted. (325) Full attention then turned to a ban for atmospheric-outer space-underwater testing. The Soviets agreed to a three-environment test ban drafted by the United States and United Kingdom in August 1962, with two exceptions. (328) The draft treaty allowed peaceful explosions in the three environments if treaty signatories agreed to the explosions. It also provided a procedure for withdrawal from the treaty if a country performed a nuclear weapons test that others believed might threaten their national security. This matter was settled on July 17, when the United States gave up the peaceful uses clause in exchange for Soviet acceptance of the withdrawal clause. (329)

The negotiators also addressed the problem of Soviet desire for a non-aggression pact (NAP). (325, 333) Although Soviet Foreign Minister Andrei Gromyko repeatedly stated that the Soviet Union saw a non-aggression pact as an important part of the negotiations, he eventually agreed that a test ban would not be contingent upon the pact. (335, 343) Likewise, Harriman decided to downplay the issue of non-proliferation when Khrushchev and Gromyko showed no interest in the subject. (331, 332)

With these differences resolved, the United States and Soviet Union agreed to initial the treaty once they developed

language for the communiqué. (343) Two days later, on July 25, 1963, the United States, United Kingdom, and Soviet Union initialed the document and released its text. (353) On August 5 representatives from the three countries signed the Treaty Banning Nuclear Weapons Tests in the Atmosphere, in Outer Space, and Underwater, commonly known as the Limited Test Ban Treaty (LTBT) in Moscow. (359) President Kennedy hailed the agreement as an important step in reducing world tension and limiting the nuclear arms race.

Senate approval had been a concern throughout the negotiations. On July 21 the Department of State held a special meeting to consider any Congressional problems that might arise over the treaty. Administration officials reported that most key Senators were on board. (337) Kennedy later decided to include several Senators in the delegation sent to the official treaty signing. According to a memorandum, "the purpose of the Senate delegation is to interest them as well as to provide additional opportunities to direct public attention to the benefits of a test ban treaty." (340)

Secretary Rusk and Harriman also met with the Joint Chiefs of Staff (JCS) to reassure them that the treaty did not prevent the use of nuclear weapons in hostilities. The Secretary also stated that the treaty permitted the United States to continue underground "peaceful uses" experimentation for Plowshare, an area of concern for the Chiefs. The JCS ultimately reported that they had no major problems with the treaty. (362)

On September 24, 1963, the U.S. Senate gave its consent to the Limited Test Ban Treaty by a vote of 80 to 19. The treaty entered into force on October 10 when the instruments of ratification were exchanged in similar ceremonies in Washington, Moscow, and London. (366) In spite of the achievement of the treaty, the United States had no plans to abandon underground testing. The Department of Defense and the Atomic Energy Commission began preparing for a series of higher yield underground tests, as well as new testing techniques in August 1963. (363, 364)

Arms control efforts continued, however, as the Kennedy administration prepared for the next meeting of the Eighteen-Nation Disarmament Committee, scheduled to resume on January 21, 1964. Upcoming issues included pro-

duction cut-offs of fissionable materials and the formal inspection of production facilities and armaments that were to be destroyed. (373) The United States and Soviet Union also began efforts to refrain from placing weapons of mass destruction in orbit. (370, 371) In a September 1962 speech, Deputy Defense Secretary Roswell Gilpatric had stated the U.S. intention to prevent the arms race from extending into space, (226) and by the end of 1963, the two sides had developed outlines of an agreement. The administration of Lyndon Johnson resumed the talks, and the Outer Space Treaty was signed in 1967.

## Summary of Print Volume VIII

Following is a summary of the contents of print volume VIII, National Security Policy. Parenthetical citations are to numbered documents in the text. Documents in this Microfiche Supplement are also cited here. Volume VIII, published in 1996, is available from the U.S. Government Printing Office.

The volume deals with the internal evolution of national security policies within the Executive branch of the U.S. Government. At its very outset, the Kennedy administration undertook a major restructuring of the existing national security bureaucracy to suit the new President's management style. In effect, it adopted a great many of the recommendations of the Subcommittee on Policy Machinery of the Senate Government Operations Committee, which was chaired by Senator Henry M. Jackson of Washington. The Subcommittee had attacked the existing NSC organizational structure for being too cumbersome and slow-moving to respond to either fast-breaking foreign crises or internal executive initiatives.

Kennedy abolished the Operations Coordinating Board, announced that he was transferring some of the functions of the Planning Board to the Department of State, and consolidated under McGeorge Bundy, his Special Assistant for National Security Affairs, the NSC Secretariat and certain White House foreign policy staffers who were given area and substantive responsibilities. In so doing he created the embryo of the modern NSC organization, although the Kennedy NSC was smaller and far more loosely organized than is today's. Individual staffers had wide-ranging, and often constantly shifting, substantive responsibilities. After the failure of the Bay of Pigs operation, Kennedy appointed General Maxwell D. Taylor as the President's Military Representative, a White House post intended to increase the President's ability to monitor the state of the armed forces.

Several of them enjoyed frequent personal access to the President, and Bundy often forwarded their memoranda directly to him. The new administration issued its policy directives in the form of brief, one- or two-page National Security Action Memoranda (NSAMs), always signed by the

President or Bundy. The President called fewer formal NSC meetings than had Eisenhower. In the 1958–1960 triennium, the Council met 123 times, but in the period 1961–1963 it met only 49 times. The change was progressive: while the Council met 23 times in 1961, it met only 13 times in 1963. From time to time Bundy attempted to reintroduce more formal policymaking procedures. The NSC Standing Group was one result of these efforts. The few documents on NSC organization included here are the essential minimum needed to convey basic information in aid of understanding the substantive documentation on national security topics. (6, 9, 31, 108, 131; Supplement, July 19, 1963) Much fuller treatment of White House, Department of State, and other foreign policy organizational changes will be included in Volume XXV.

The Kennedy administration's organizational innovations were swiftly reflected in the policymaking process. The White House set up ad hoc committees and working groups to deal with crises and ongoing confrontations (see especially Volumes I–III, Vietnam; X–XI, Cuba; XIV–XV, Berlin; and XXIV, Laos), while the traditional NSC process of grinding out approved interagency policy papers on regional and thematic topics slowed to a halt. The White House took a dim view of the State Department's "Country Papers," an effort partially to fill the gap left by the disappearance of NSC papers. "Actual policy," Bundy was reported as saying at a White House Staff Meeting in November 1961, "was determined by adding up actions that the President had approved on the country concerned or by asking the White House staff how the President felt about a particular country." Walt Rostow, then Bundy's deputy, agreed, saying that the NSC staff should not "waste time" on Country Papers. The White House believed that these papers had only the virtue of dissemination of policy to low-level staff. (55)

The battle over these State-originated documents, later known as "National Policy," and eventually as "Strategic Policy" Papers continued throughout the administration. After moving to the Department late in 1961, Rostow championed these papers and eventually secured approval of a procedure whereby they acquired status as interagency papers with some White House staff-level input, even though

the White House remained dubious about their efficacy. As one participant observed: "There is no subject that makes Bundy's staff bristle as much as this one." (135, 146, 148)

One policy paper that the administration took seriously and initially intended to bring up to date, however, was that on Basic National Security Policy (BNSP), NSC 5906/1 of August 5, 1959. (For text, see *Foreign Relations*, 1958–1960, volume III, pages 296–316.) Early in February 1961, Kennedy ordered that it be revised, and substantial work was done at both the State and Defense Departments. (15)

At Defense, it was Nitze's subordinates in International Security Affairs (ISA) who pushed the project most aggressively. Their May 19 draft of proposed military policy sections of the BNSP received a mixed reception. The White House approved its emphasis on "flexible response," that is, initial response short of nuclear weapons, to potential Soviet provocations, but wanted consideration of further raising the "threshold" of nuclear response and thought the paper did not deal adequately with the problems inherent in counterforce doctrine. (28, 30) Dean Rusk also wanted recommendation of additional conventional forces. (35)

Although Deputy Secretary of Defense Roswell Gilpatric was receptive to Rusk's arguments, discussion ceased shortly after McNamara was reported as deciding that a finished paper was not worth "six-eight weeks of arguing inside the Pentagon." This may have been a reference to a degree of opposition in the Joint Chiefs of Staff (JCS) to the Kennedy team's emphasis on flexible response and "managing" the entire course of conflict with an end to limiting casualties. The JCS submitted their own draft, and in a talking paper warned that "an overly inhibited BNSP" could vitiate "the offensive spirit" and "the all-important will to win." Preoccupation with the Berlin crisis also dampened the administration's interest in pushing ahead with the BNSP.

At the Department of State, however, drafting of a more comprehensive BNSP continued in George McGhee's Policy Planning Council. At 85 double-spaced pages, the Council's draft of December 5 was longer than NSC 5906/1 and broader in scope. There was more emphasis on the need for economic development worldwide, on the need for non-military ties with other free nations, and on various types

of contact with the Soviet Union. The military sections echoed the administration's emphasis on flexible response and a buildup of conventional forces. The grand theme of the paper is on the building of a worldwide community of free nations, rather than on winning over other free countries to U.S. views. This draft does not appear to have been circulated outside the Department and in its details may be a good reflection of the thinking at that time of the career Foreign Service. Devoting less than one page to counterinsurgency, on the other hand, it certainly did not reflect the administration's increasing emphasis on irregular warfare, discussed below. (62; Supplement, December 5, 1961)

Under McGhee's successor Walt Rostow, the Policy Planning Council continued to work on a BNSP intended for eventual NSC and Presidential approval. A 193-page draft of February 24 was read by the President, who, according to Bundy, felt it was "quite a good paper, and that everyone should study it thoroughly and give Rostow their comments." The 285-page draft of March 26 circulated throughout the government. While the Rostow drafts retained considerable emphasis on the development of the free world community of nations, they also had much more extensive and detailed military sections and prescriptions for dealing with the Communist nations. (70, 73)

The reception accorded the March 26 draft revealed sharp differences in policy emphases. Ambassador to the United Nations Adlai Stevenson believed that the March 26 draft concentrated too narrowly on the "contest with Communism and how to win it," that even within that framework, too much emphasis was laid on the military factor, and that there was a dangerous underemphasis on the threat of uncontrolled nuclear weapons systems to our national security." (75) The JCS, on the other hand, largely seconded by ISA, stated that there was need for more emphasis on a military power sufficient to defeat the enemy. It was said that McNamara liked the draft as a form of general guidance, but believed that making it an exact guidance would be a lengthy and unremunerative process. (76, 78) From the White House, McGeorge Bundy expressed approval of the paper's military passages but expressed grave reservations about the paper's length, its doctrinaire character, and its lack of rank-

ordering of priorities. "I doubt very much if we can achieve consensus or clear Presidential approval on anything as comprehensive as this." (77)

Later drafts showed some responsiveness to the various comments and criticisms but came no closer to NSC or Presidential approval. Leakage of at least two of the drafts to newsmen led to Congressional hearings in June 1962 at which Rostow defended himself from the charge of sponsoring a policy that was insufficiently anti-Communist. While the later drafts were shorter, they were far longer than the adopted BNSP papers of previous administrations. A portion of the 186-page June 22 draft, the last to incorporate extensive revisions, is printed, and its full text appears in the Microfiche Supplement. (79–80, 83–85, 89–90, 93–94; Supplement, June 22, 1962)

In August 1962 Bundy was said to feel that "the big document would never fly although Rostow [was] still trying to push it." That fall, General Taylor, by then Chairman of the JCS, stated that the BNSP should be like the British constitution, "that is, not written down." (94) In January 1963 the President approved rescission of NSC 5906/1 and an NSC memorandum stated that "for the present, current policy guidance is to be found in existing major statements of the President and Cabinet Officers, both classified and unclassified." (123)

Plainly, the BNSP was dead by the winter of 1963 but the Policy Planning Council at State and, for a time, ISA at Defense refused to accept its demise. In April Nitze submitted to McNamara a memorandum summarizing differences within the DOD, as well as between State and DOD, on key BNSP issues and asking for a resolution of interagency issues. Although documentation is murky, McNamara apparently chose instead just to resolve certain issues within DOD. (132, 136)

At State, Rostow was sponsoring a draft as late as November. (146; Supplement, November 8, 1963) In one of his pleas for continued consideration of the BNSP, he pointed out that the BNSP had been developed in the Truman administration and carried forward in several iterations under Eisenhower. "I doubt that it will redound to the credit of our Administration that we failed to thrash out any successor



document.” Stating a view shared by many in both the State and Defense Departments, he continued that a BNSP “should not tie the President’s hands,” but could “provide an occasion for debating and defining the bone structure of policy and communicating it to the troops who never see the four star generals.” (136) This argument, however, carried little weight in an administration that tended to regard policy as the sum of its constantly evolving practice.

If Kennedy did not care for comprehensive documents, on at least two occasions he gave an extensive verbal tour d’horizon to the assembled NSC. In January 1962, he stressed the interdependence of U.S. economic strength and U.S. cold war obligations and accepted the necessity of nuclear deterrence while emphasizing the need for non-nuclear military alternatives. In a passage that developed further one of the themes of his inaugural address and indicates some of his historical thinking, Kennedy was reported as saying: “The record of the Romans made clear that their success was dependent on their will and ability to fight successfully at the edges of their empire. It was not so clear that we were yet in a position to do the same.” (69)

Almost exactly a year later the President addressed the NSC again, once more stressing the interrelation of domestic and foreign policy, but with increased analysis of specific areas—including Cuba—and an admonition to work more effectively, in the interest of maintaining the world balance of power, with neutral states such as India, with which the United States nonetheless had important differences. Bundy, in referring to this talk as “mood music,” plainly indicated that it was intended as policy dissemination, not policymaking—the function Rostow wanted for the BNSP. (125; Supplement, 3 documents all dated January 22, 1963)

Kennedy’s preoccupation with the “edges” of U.S. influence is pertinent to his emphasis on both counterinsurgency and paramilitary operations. At his very first NSC meeting, he ordered McNamara to “examine means for placing more emphasis on the development of counter-guerrilla forces.” (8) By late June 1961, in NSAMs related to the aftermath of the Bay of Pigs affair, the President reemphasized the responsibilities of the JCS in counterinsurgency as well as conventional warfare, requested a thorough inventory of

U.S. paramilitary assets, and gave to the Special Group (5412), chaired by General Taylor, which oversaw all covert activities, responsibility for paramilitary operations as well. (32–34)

In December 1961, Kennedy received from a CIA-chaired interagency committee a report on U.S. strategy regarding “wars of liberation,” which recommended especially the creation of a coordinating authority for counterinsurgency. It suggested that the 5412 Special Group take on this function too, but the White House, perhaps not wishing to create too powerful a body, formed in January 1962 a new Special Group (Counterinsurgency) (SG(CI)) instead. It was initially charged with monitoring insurgencies in Laos, South Vietnam, and Thailand, but was also charged with keeping under review potential insurgencies around the world. Coordination of the two groups was to be assured by General Taylor’s chairing both. (64, 68) After Taylor became Chairman of the Joint Chiefs of Staff, Deputy Under Secretary of State for Political Affairs U. Alexis Johnson chaired the SG (CI) and McGeorge Bundy chaired the Special Group. During 1962 the administration augmented its structure for dealing with countries on the “edge” by instructing the Agency for International Development to place increased emphasis on police assistance (this in the face of a certain reluctance on the part of Administrator Fowler Hamilton), issuing instructions for exploration of a “Civic Action” (military assistance in economic projects) program, and adopting a report on counterinsurgency doctrine. (65, 71–72, 99, 105–106; Supplement, September 1962)

Evaluation of the work of the Special Group (CI) was mixed. Although there was a consensus that the Group was adequately performing monitoring duties, by January 1963 Attorney General Robert F. Kennedy, a member, believed that the President looked “upon the Group as having wider responsibilities than the members seem to interpret them to be.” (74, 102, 122, 128) In July, a Department of State analysis held that the SG(CI)’s “rather doctrinaire counterinsurgency approach” to the problems of underdeveloped countries interfered with recognizing that the Soviet challenge was shifting to “less aggressive but just as deadly forms of cultural and economic penetration.” (139)

The President, however much he may have recognized also these more subtle Soviet pressures, remained enamored of the counterinsurgency approach. In July 1963, after reviewing a Special Forces parade in Germany, he called for increased emphasis on dispatching the Special Forces to areas threatened by guerrilla action. He stated he had been "very much impressed by the appearance and demeanor of the special forces I have seen and believe that their presence in other countries can project a U.S. image which will be a very useful political influence." He continued, in the face of lukewarm response from both State and Defense, to press this initiative until his death. (133)

Kennedy also interested himself to a limited extent in deterrent theory, but the main force in the theory's constant evolution during his administration was McNamara. In January 1961 the outgoing Eisenhower administration discussed several issues that would preoccupy its successor. On January 12 Eisenhower and his advisers discussed reports on U.S. limited war, reaching the conclusion that "U.S. capabilities to conduct limited war are substantial and will show a further improvement on the basis of the 1962 budget as submitted." The administration also specified force goals of 540 Minuteman missiles by mid-1964 and a total authorization of 19 Polaris submarines. (Supplement, January 5, 1961) At a conference with President-elect Kennedy held January 19, Secretary of Defense Thomas Gates assured Kennedy and Secretary of Defense-designate Robert McNamara that "the United States can handle any number of small limited war situations at one time." (3)

From the outset, it was clear that the new administration would not accept previously projected missile force levels or assurances that limited war capabilities were adequate at existing funding levels. The report of a transition team headed by Paul H. Nitze, who became Assistant Secretary of Defense for International Security Affairs under McNamara, started from the premise that the most basic strategic judgment was "between attempting to follow a politically meaningful 'win' capability in general war versus the creation of a secure retaliatory capability" and concluded that "in addition to a secure deterrent posture, some admixture of possible 'win' capabilities is called for." (1)

At a policy meeting held in early February, McNamara reported decisions to accelerate procurement of five Polaris submarines by ten months, increase airlift capacity, and carry out a complete reappraisal of the pending FY 1962 military budget. (8) McNamara reported to Kennedy on the major work of this reappraisal on February 20, and recommended an increase in \$2 billion for items designed to strengthen both strategic retaliatory and limited war capabilities. McNamara chose to boost Polaris rather than Minuteman production because of the Navy missile's invulnerability, but proposed also to double Minuteman production capability to afford the option of increasing this program later. For conventional forces, McNamara proposed funds for training, readiness, and a higher supply level to forward a long-range objective of making "non-nuclear warfare" the "primary mission of our overseas forces." (17)

The interim increases were but the first result of a massive inquiry into the role, mission, and doctrine of strategic and conventional forces that would continue throughout the Kennedy administration. One of the first surprises to the public at large was a newspaper article in early February 1961, apparently based on a briefing by McNamara, stating that the "missile gap," during which it had been expected that the Soviet Union would bring large numbers of ICBMs on line before the United States, was unlikely to materialize. (14) Firm, widely disseminated figures fully backing the end of the "missile gap," however, did not materialize until new intelligence estimates were circulated in June and especially in September 1961. (29, 45, 129)

By the fall of 1961 the outline of some of the administration's major changes in strategic nuclear policy was visible. In the first of a series of "Draft Presidential Memoranda" (usually known as "DPMs") to Kennedy regarding the FY 1963 defense budget, McNamara recommended substantial increases over the Eisenhower administration ICBM force objectives, for a total of 1,000 Minuteman and 656 Polaris missiles by the end of FY 1967. In justification McNamara enunciated a variant of the doctrine known as "counter-force," in which the first salvo of nuclear weapons in a retaliatory attack would be directed against enemy forces instead of enemy population centers, while a certain portion of the

strategic force would be withheld for potential later use against military, industrial, and population targets. McNamara specifically rejected "minimum deterrence," a relatively small retaliatory capability targeted on enemy population centers only, on the ground that in an actual war "a capability to counterattack against high-priority Soviet military targets can make a major contribution" to "limiting damage and terminating the war on acceptable terms." Minimum deterrence would also fail to protect U.S. allies. McNamara was equally emphatic in rejecting "a full first strike capability," in which most nuclear weapons would be discharged in an attempt to destroy enemy in one blow, on the grounds that it was infeasible and that attempting to arm for this objective would intensify the arms race. (46)

Implicitly McNamara was also rejecting the "optimum mix" targeting doctrine which had guided preparation of the first Single Integrated Operations Plan, or SIOP-62, approved in December 1960. (Documentation is included in *Foreign Relations*, 1958-1960, Volume III) New guidance for SIOP-63, the replacement targeting plan, which went into effect in June 1962, in general reflected the priorities of McNamara's DPM. (41, 62) Guidance for the following year's plan, SIOP-64, was closely similar. (92; Supplement, November 14, 1962)

Also for FY 1963 McNamara recommended only enough funds for the Nike-Zeus anti-missile system to allow its limited deployment "in the near future," curtailment of long-range bomber procurement, improvements in Army equipment and reserve readiness rather than a large increase in personnel, and a strengthening of land-based tactical air units. (48, 50, 51) The Bureau of the Budget and the President's Deputy Special Assistant for National Security Affairs, Carl Kaysen, unsuccessfully advocated some cuts in the missile program. (57, 63) General Maxwell Taylor, the President's Military Representative, recommended greater emphasis on Nike-Zeus and a buildup in conventional forces. (58, 60) For the most part, however, the budget as submitted to the Congress reflected McNamara's priorities. The administration also approved substantial civil defense expenditures, but these were never approved by the Congress. (61, 63)

As noted above, McNamara had embraced counterforce doctrine in his first DPM. In the spring of 1962, he advocated counterforce to the NATO Foreign Ministers assembled in Athens, and he expounded some of the same ideas in unclassified form in Ann Arbor, Michigan, in June. (82) Thereafter he moved steadily away from counterforce. Even before the Ann Arbor address he scribbled on a memorandum that the “concept of ‘worsened relative military position after a general nuclear war’ is not a meaningful one to me when each side has the capacity to destroy the other’s civilization.” (89) In his rationale for strategic retaliatory forces, contained in a DPM of November 1962, he placed counterforce after the need “to provide the United States with a secure, protected retaliatory force able to survive any attack within enemy capabilities and capable of striking back and destroying Soviet urban society, if necessary, in a controlled and deliberate way.” (112)

In the equivalent report for 1963, McNamara shifted to a greater emphasis on deterrence by stressing “assured destruction,” which was “the ability to destroy, after a well planned and executed Soviet surprise attack on our Strategic Nuclear Forces, the Soviet government and military controls, plus a large percentage of their population and economy. . . . This calculation of the effectiveness of U.S. forces is not a reflection of our actual targeting doctrine in the event deterrence fails.” Beyond “assured destruction,” which focused almost entirely on deterrence, McNamara was willing to expend some money on “damage limiting,” or reduction of damage to the United States in the event of war, but not to the point of giving the United States a “full first strike capability,” which McNamara always regarded as infeasible and destabilizing. (151)

Others in the administration also experienced this shift toward pure deterrence, in some cases reaching that position before, and more unconditionally than McNamara. In February 1963, “Bundy said in the most serious way that he felt there was really no logic whatever to ‘nuclear policy.’ What he meant by this was that the military planners who calculate that we will win if only we can kill 100 million Russians while they are killing 30 million Americans are living in a total dreamland.” (127)

At a September 1963 meeting of top officials with the Net Evaluation Subcommittee (NESC) of the JCS to discuss nuclear issues, the President too revealed his concern with excessive production and deployment of nuclear weapons—the problem of “overkill.” While the NESC and McNamara both appeared, for different reasons, to be interested in a somewhat larger force than the President appeared to, the meeting demonstrated unequivocally a consensus at the highest level regarding the futility of any U.S. attempt at a preemptive strike. (141) The administration entertained some fear that certain military, particularly Air Force, circles were in favor of a first strike. (118)

While the debate on strategic nuclear weapons was relatively clearly focused, and a rough consensus on their role and use had emerged by mid-1963, the Kennedy administration never succeeded in formulating clear policy on the deployment and potential use of tactical nuclear weapons. There was a consensus on the need for increased emphasis on non-nuclear forces, both “conventional” and for counter-insurgency. Secretary of State Dean Rusk in particular periodically reminded McNamara of the need to spend more, not less, money on conventional forces for foreign policy reasons: to reassure the NATO allies and to present a consistently determined force posture against Communist nations. (10, 35, 53) (Rusk, unlike McNamara, also strongly endorsed funding for development of an anti-ballistic missile defense system.) (114)

Beyond the area of consensus, however, major variations persisted. General Taylor had retired from the Army in 1958 partly because of his desire to “go public” on flexible response, and it was his position on this issue that had initially recommended him to the President. Yet as Taylor made clear in memoranda to Kennedy, he desired a buildup in conventional forces and increased development of tactical nuclear weapons. His objective was to achieve “dual capable” ground forces which could use or not use nuclear weapons as the occasion demanded. The issue with tactical nuclears was not whether to have them but how to “improve them down to the fractional kiloton yields which offer the possibility of a separate stage in escalation short of the use of weapons of mass destruction.” (10, 60, 80, 87)

The questions raised by McNamara, Kaysen, and others, on the other hand, make clear their overall skepticism on the usefulness of tactical nuclears and the possibility of employing them in situations that would not escalate into general war. Studies ordered by McNamara did not convince him that an answer to the problem had been found: "Our own studies, not being definitive, don't persuade." Regarding the problem of further escalation in a hypothetical scenario in which the United States had initiated use of tactical nuclears in Europe, one study quoted with approval USCINCEUR's conviction that it was "doubtful that Soviet leaders would regard success of ventures into Western Europe as so vital an objective as to be willing to escalate the level of conflict, especially in view of the risk of bringing about a general war from which the destruction of their homeland would result." (86; Supplement, April 1963) McNamara continued to believe, however, "that the escalation potential of tactical nuclear warfare, of the type on which present plans are based, [was] high," and that "we have not been able to clarify fully the role of tactical nuclear weapons in our over-all strategy." (151)



## Summary of Print Volume IX

Following is a summary of the contents of print volume IX, Foreign Economic Policy. Parenthetical citations are to numbered documents in the text. Volume IX, published in 1995, is available from the U.S. Government Printing Office.

### *General Foreign Economic Policy*

The need to reverse the deteriorating U.S. balance of payments, which had become the growing concern of the Eisenhower administration in its second term, became the core of the Kennedy Presidency's foreign economic policy. Briefed on the problem by President Eisenhower shortly before he took office, President Kennedy delivered a major address only 2 weeks after his inauguration, in which he proposed both short- and long-term measures to eliminate the deficit and stem the outflow of gold caused by the loss of foreign confidence in the dollar. (1, 2)

Kennedy mobilized the Departments of the Treasury, State, Defense, Commerce, and Agriculture, the Bureau of the Budget, and the newly created Agency for International Development (AID) to implement his program of export promotion, burden-sharing in defense and foreign assistance, and financial restraints and incentives designed to encourage foreign dollar investments. Kennedy instructed Secretary of the Treasury C. Douglas Dillon to oversee and coordinate the balance-of-payments effort (2, 3, 4, 7, 8, 9) and created the Cabinet Committee on the Balance of Payments in the summer of 1962 to assist him. (10, 11)

All agencies worked to implement the President's program. The Departments of Commerce and State (and later the Special Representative for Trade Negotiations) concentrated on general tariff reductions and export promotion. AID attempted to reduce its foreign expenditures (i.e., not including assistance funds spent on U.S. goods) first to \$1 billion and then \$500 million. (12, 17, 18) Treasury, in addition to its central role as coordinator, attempted to promote foreign investment in the United States through tax incentives and international cooperation. (18)

Perhaps the most controversial efforts to reduce capital outflows were made by Secretary of Defense McNamara,

who developed a program of far-reaching reductions in U.S. overseas military expenditures. His proposals were dramatic and impressive. If implemented, they promised to create a significant improvement in the U.S. payments position. (13, 26, 28, 36) They elicited strong reservations from the Department of State hierarchy, however, which feared that the proposed cuts would send a message of weakness and vacillation to the Soviet Union and the nations that the United States had pledged to protect from Communist aggression. (15, 27, 34) Ultimately, senior Department of State officers succeeded in watering down the reductions in the interest of national security. (37, 38)

In the end, the Kennedy administration had only mixed success in reducing U.S. balance of payments deficits. After its initial success in reducing net capital outflows early in the administration, a significant fourth quarter deficit in 1962 dashed hopes of achieving a balance before 1965 at the earliest. Although the Department of the Treasury had some success in restoring international confidence in the dollar and stemming the gold outflow, it remained necessary for the incoming Johnson administration to take additional steps to reduce U.S. expenditures abroad.

#### *Financial and Monetary Policy*

While President Kennedy mobilized his Cabinet under the leadership of Secretary of the Treasury Dillon to reverse growing balance-of-payments deficits, he also launched negotiations on various fronts to gain the cooperation of other nations in reducing U.S. expenditures abroad as well as their understanding for unpopular measures deemed necessary to achieve U.S. objectives. The major portion of these negotiations were held with West Germany, which the Kennedy administration attempted to enlist in several burden-sharing arrangements. The Department of State worked to persuade the West Germans to expand its foreign aid program, particularly to the underdeveloped world, thereby allowing the United States to trim its own foreign assistance commitments. (40, 41, 44, 45, 46, 64)

Simultaneously, the Departments of the Treasury and Defense worked to achieve a German military offset agreement, whereby the German Government would reduce the

net U.S. payments outflow required to maintain U.S. troops in Germany by increasing military purchases in the United States. The results of these negotiations proved only partially satisfactory to the Kennedy administration. Despite reaching an agreement with the German Government on these issues, the German actions ultimately fell short of their promises. (49, 50, 53, 65, 72, 73, 74, 80, 82)

Another major foreign policy issue arose with Japan over Kennedy's interest equalization tax proposal. The proposed tax, which was one of the measures announced in Kennedy's second major balance-of-payments address on July 18, 1963, would have imposed a tax equal to a one percent interest increase on all capital borrowed by foreign individuals or governments from U.S. sources. The Japanese, at that time heavy borrowers in U.S. capital markets, protested vigorously, particularly in view of U.S. willingness to make an exception for Canada. U.S. leaders were only partially successful in allaying Japanese resentment, which had been fanned on other fronts (79, 81, 83), particularly trade and textile imports. In any event, the tax was not formally approved until September 1964, and then only for a relatively short duration.

Other issues covered in the compilation include negotiations leading to the creation of the Group of 10 and the General Arrangements to Borrow (GAB) in late 1961 (54, 55, 59) as well as some of the more technical aspects of the balance of payments problem (gold flows, foreign dollar balances, lending, and taxation issues). (56, 57, 58, 63, 66, 67, 68)

### *Foreign Assistance Policy*

This compilation focuses on the Kennedy administration's attempts to develop new approaches to foreign assistance policy. President Kennedy believed that the United States had a major responsibility to try to help the developing nations get on their feet economically. One of his first executive orders centralized government oversight of the movement of U.S. agricultural surplus products abroad in the White House under George McGovern, Director of the Food for Peace Program. Kennedy wanted to transform this program from the routine disposal of U.S. agricultural surpluses

abroad to a “food for development” program, and he early endorsed a McGovern mission to Latin America to explore ways in which U.S. food abundance could be used to help end hunger and malnutrition throughout the Western Hemisphere. (85, 86)

Throughout most of 1961, the Kennedy administration gradually developed its foreign aid program. Believing previous administrations had tried to bolster weak economies for short-term gains, Kennedy officials fashioned a “new look” that would promote a coordinated long-term strategy with other developed nations to move the peoples of the developing nations into self-sustained economic growth. Departmental reports and several meetings with the President formulated aspects of the new program. In his special message to the Congress on foreign aid, he emphasized that a new agency would be created to supplant the International Cooperation Administration and Development Loan Fund and serve as the single coordinating agency for all forms of foreign assistance. (94, 95, 100, 106)

Under Secretary of State for Economic Affairs George Ball visited several European countries to explain the administration’s program and to encourage the Development Assistance Committee (DAC) of the nascent Organization for Economic Cooperation and Development (OECD) to increase its foreign assistance funding and to coordinate their programs. The administration persisted with some success thereafter in enlisting the cooperation of DAC and OECD members, particularly Germany. (99, 101, 102, 104, 149, 153, 156, 157, 165, 172, 174) Kennedy also appointed several task forces to draft legislation for the new agency and provide other details for its operation. The resulting Foreign Assistance Act of 1961, various executive orders, and interagency reports created the Agency for International Development (AID) and sought to define its functions. (103, 116, 117)

Although President Kennedy and the new AID Administrator Fowler Hamilton received much well-intentioned advice on foreign aid (115, 118, 120, 121, 122, 124), the administration’s assistance programs encountered difficulties. At the outset Secretary of Agriculture Orville Freeman tried to persuade Kennedy to assign a larger role on food and technical assistance to the Department of Agriculture. As Freeman

put it to Under Secretary Chester Bowles, "We just want to do a job & not from left field where the Dept. has been for 8 years. Tell us what to do & and we will go!" While not unsympathetic to Agriculture's position, senior policymakers in the White House and the other relevant agencies persisted with plans to make AID the central coordinating agency for economic assistance. (105, 106, 110, 111, 119) The White House also gave it responsibilities over the training and equipment of police in foreign countries and the utilization of U.S. military engineers on AID projects. (131, 132, 137, 138, 139, 150)

The President and his assistants nonetheless were somewhat critical of AID's inability to implement and coordinate the various programs. Following one meeting, Kennedy's aides told AID officials that the President noted "certain deficiencies in AID's preparation" and "was unhappy with the inability of A.I.D. to provide information on (a) the follow-up and implementation of loans and projects, and (b) the effect of these loans, grants and projects on balance of payments." (142, 143, 145)

AID was also given responsibility for coordinating economic and military assistance. Until AID's establishment, the Departments of State and Defense studied the premises underlying the Military Assistance Program as part of a broader long-range study of U.S. military posture. (84, 93, 96) The two agencies also hired consultant Charles Burton Marshall to investigate whether the complex economic and military issues might require a different approach to military aid. An interagency Military Assistance Steering Group followed with a study of "feasible alternative methods" that would better accomplish U.S. long-term objectives and "facilitate a more complementary programming of U.S. economic and military assistance." In early 1962 the NSC assigned AID the responsibility for preparing further progress reports for specific countries and the coordination of military and economic assistance programs. Robert Komer called one of these reports "a d— bald-faced whitewash. . . . When you add up five pages of words they total 'no progress' at all." (108, 109, 112, 123, 128, 129, 130, 140, 149, 167, 168)

Kennedy also asked AID for reports on the net effects of foreign assistance on the U.S. balance of payments. In

addition to other studies on this subject, Kennedy turned to John Kenneth Galbraith, Ambassador to India, for advice. Galbraith proposed among other things a form of super-tying of foreign assistance dollars to the major recipient countries' purchase of U.S. exports, but the President's aides argued that some of Galbraith's proposals might contradict U.S. traditional support for free multilateralism. (142, 143, 146)

When Hamilton resigned in late 1962, Kennedy appointed David Bell as AID Administrator. The President also created a private advisory group headed by General Lucius Clay to take a fresh look at the Agency for International Development and recommend ways to revive public support for foreign assistance. The Clay Committee generally approved the main thrust of AID's efforts but criticized their application to some specific areas and countries. (154, 158, 160, 161, 166)

Despite Kennedy's efforts, Congress consistently slashed his requests for economic and military assistance appropriations. President Johnson inherited this situation in November 1963. Concerned about the congressional reductions, at the end of the year Johnson appointed another interagency committee to try to find ways "to present to the Congress next year a more effective, efficient aid program." (175, 176)

#### *International Investment and Development Policy*

This compilation deals with U.S. efforts to promote its foreign assistance and development goals in multilateral forums. The focus is on the International Bank for Reconstruction and Development (World Bank), its recently created affiliate International Development Association (IDA), and the economic programs of the United Nations.

Regarding the World Bank, U.S. policymakers encouraged more flexible approaches to loans such as lengthening of grace periods and maturity dates. (190, 206, 207) Following the Bank's report on the need for much larger IDA resources, U.S. Representative to the United Nations Adlai Stevenson urged that the U.S. Government should propose at the 1962 IBRD (IMF annual meeting) an increase in the capital of the IDA, which offered credits and "soft" loans to developing nations, from \$1 to \$4 billion over the next several years.

Most industrialized nations were unwilling to go that far, and Kennedy's speech to the meeting only endorsed an increase in its resources in general terms. (190, 197, 201, 204, 205)

Kennedy had early called upon the nation to make the 1960s a Decade for Development, and in an address to the United Nations in September 1961 he designated the 1960s the United Nations Development Decade. The United States thereafter supported U.N. resolutions that implemented an expansion of U.N. development efforts. (185, 188, 189, 191, 197, 200) The Kennedy administration opposed, however, efforts to create a U.N. Capital Development Fund and a United Nations Development Authority as duplicative of U.S. and other existing development programs. (180, 186, 193)

A final issue involved the U.N. Special Fund, which early in 1961 tentatively approved an agricultural research project in Cuba. Although the money for this Cuban project totaled barely over \$1 million, the Kennedy administration opposed the project as part of its attempts to isolate Fidel Castro. Public criticism in the United States also may have made the administration more reluctant to acquiesce in it. Paul Hoffman, Managing Director of the Fund, unsuccessfully tried to convince Department of State officials that the project was designed to help the Cuban people, not Castro. In response to U.S. opposition, Hoffman deferred final decision for more than a year but finally approved the project in early 1963. When Rusk publicly criticized the decision, Hoffman commented on U.S. "stupidity" in the matter, which he did not feel was against U.S. national interests. (179, 182, 183, 184, 195, 196, 198, 199, 202, 203)

#### *Trade and Commercial Policy*

Trade and commercial policy during the Kennedy years focused on multilateral trade negotiations. The administration aimed to expand U.S. exports abroad which, it was anticipated, would result in increased domestic growth and a decline in the growing U.S. balance of payments deficit. These negotiations were hampered by two key factors: suspicions among foreign negotiators at the Dillon Round (May 1961–July 1962) that the United States sought to gain more

than it was willing to give, and existing trade legislation. The peril point provisions in the Reciprocal Trade Agreements Act (208) obligated the President to exempt large numbers of items from significant tariff cuts (below points deemed to be injurious to domestic industry), thereby limiting the President's flexibility in any trade negotiations. The Trade Expansion Act of 1962 was enacted in large part to counteract this limitation by granting the President broader authority to offer tariff concessions.

In spite of this legislation, countervailing forces—powerful business interests and their congressional allies in the textile, cotton, and wool industries—pressured the President to shield their products from foreign competition. (219, 221) In an effort to moderate these forces, President Kennedy early in his administration announced a seven-point program (213) to provide relief for domestic textile manufacturers from foreign competition. This program included passage of a multilateral long-term textile arrangement, which set ceilings on textile imports (223, 249), and serious consideration of an equalization fee on cotton imports. (235, 236, 239) Meanwhile, the wool interests lobbied to secure for itself the same protection that the cotton industry had achieved. (249)

These domestic pressures elicited hostile reactions from Japan, a leading exporter of cotton textiles (235) and the principal target of a cotton equalization fee. Elsewhere, the President's decision to raise tariffs on carpets and glass (245, 247, 248), an important Belgian export, and to impose a tariff on bicycles (250, 252), a major export of the United Kingdom, provoked such a hostile reaction among member nations of the European Economic Community (EEC) that the subsequent increase in tariffs on U.S. poultry exports to the Common Market represented retaliatory action. The resulting "chicken war" (260, 267, 284) further exacerbated existing trading tensions to the point that they contributed to the failure to agree on ground rules for the 1964 Kennedy Round negotiations and on the goal of the General Agreement on Tariffs and Trade (GATT) Ministerial meeting held in May 1963.

At this GATT meeting, the United States proposed that the goal of the negotiations should be an across-the-board 50 percent cut in tariffs. The Europeans, led by the French,



favored a sliding scale approach, referred to as the “ecrete-ment” plan (leveling of peaks), which provided for higher percentage cuts for high tariffs and lower percentages for low ones. (278, 281) They argued that since the United States had the largest number of high tariffs (over 30 percent), a 50 percent cut would still provide significant protection while it would reduce already low European tariffs to the point where they would no longer have any protective effect. This disagreement persisted, and the delegates failed to reach a compromise agreement. By the end of 1963, additional differences over the proper guidelines for the agricultural talks also put the future of the trade negotiations in doubt.

*Economic Defense Policy*

The principal feature of this compilation is the debate within the administration over the nature of East-West trade. The Department of State favored trade with the Soviet bloc as an instrument for nudging the Soviet Union away from its Cold War attitudes. The Department of Commerce and Congress viewed restrictions on the trade as a means of retarding growth of the Soviet economy. President Kennedy decided the issue by favoring more East-West trade than either the Departments of State or Commerce had advocated. (329)

Another issue involved the disagreement between the United States and the United Kingdom over the export of Western technology to the Soviet bloc. In the 15-nation Coordinating Committee on Export Control (COCOM) in Paris, the British resisted adding items to the embargo list. The U.S.-British debate continued in bilateral talks aimed at resolving COCOM list issues. Finally, the Department of State instructed its COCOM representative to resolve these issues by compromise. (297)

President Kennedy offered American wheat for sale to the Soviet bloc and asked Congress to give him discretionary authority to extend Export-Import Bank loans to Communist countries by legislation which President Johnson approved in January 1964. (330) The period ended with U.S.-Soviet trade talks under way. (332)

*Strategic Materials and Commodities Policy*

This compilation deals principally with the management of the U.S. stockpile of strategic materials. President Kennedy stated in his news conference of January 31, 1962, that the stockpile valued at \$7.7 billion exceeded emergency needs by nearly \$3.4 billion worth of strategic materials. He offered to cooperate with a Congressional investigation of the program, and he gave assurances that the United States would do nothing to disrupt commodity prices. The Congressional investigation, however, did not lead to reform of the stockpile program because Congress failed to pass the necessary legislation. (346)

An executive order instituted reform by prescribing the responsibilities of the Director of the newly formed Office of Emergency Planning. (341) The administration also investigated the stockpile program. (349) The report of the Executive Stockpile Committee recommended among other things that the Office of Emergency Planning decide on disposals from the stockpile after consulting with interested agencies, but the Departments of State and Interior both wanted to require their prior approval of any disposals. (349, 350) President Kennedy resolved this dispute by providing for referral of disagreements over disposal policy to him for decision. (353)

The United Kingdom raised the issue of threats to free world oil supplies brought on by demands of oil-producing countries for more earnings and even for ownership and by Soviet exports of cheap oil. The U.S. and British Governments agreed to give political guidance to the oil companies. (336) The United States put off any action to counter demands for more earnings until after the results of oil company–OPEC talks. (355)

The compilation also includes documents on uranium purchases (335, 338), oil import quotas (344, 345, 363), sugar legislation (337, 339, 348), tin disposal (342, 343, 356), the barter program (358, 359, 363), and the International Coffee Agreement (360).

## List of Documents

### Arms Control and Disarmament

No.	Document Description
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*January 1961*

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|---|---|
| 1 | Record of Actions, 474th NSC Meeting, January 12. NSC Actions 2374–2377 on Polaris program, U.S. arms control/nuclear testing policy, disclosure of classified military information to foreign governments, and foreign intelligence activities. Top Secret. 2 pp. Department of State, S/S–NSC (Miscellaneous) Files: Lot 66 D 95, Records of Action by National Security Council. |
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*February 1961*

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| 2 | Memorandum of Conversation, February 21, among Wohlstetter, Wiesner, Owen, and Stern. Safety and stability of nuclear weapons. Top Secret. 5 pp. Department of State, Central Files, 711.5611/2–2161. |
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*March 1961*

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| 3 | Letter from Fisk to McCloy, March 2. Transmits final report of Ad Hoc Panel on Technical Capabilities and Implications of Geneva System. Top Secret. 71 pp. Kennedy Library, National Security Files, Subjects Series, Nuclear, Fisk.                    |
| 4 | Memorandum of Conversation, March 2, among Rusk, McCloy, McNamara, Seaborg, Wiesner, Dulles and Bundy. Securing Soviet agreement during nuclear test ban talks. Secret. 13 pp. Department of State, Secretary's Memoranda of Conversation: Lot 65 D 330. |
| 5 | Notes on telephone conversation between Cleveland and Rusk, March 14. Instructions to Stevenson on Indian Resolution. Confidential. 1 p. Department of State, Central Files, 600.0012/3–1461.  |

- | <b>No.</b> | <b>Document Description</b>   |
|------------|---|
| 6          | Telegram 1703 to USUN, March 14. Guidance on handling disarmament issue in General Assembly. Secret. 4 pp. Department of State, Central Files, 600.0012/3–1461.                       |
| 7          | Nusup 1083 to Geneva, March 15. Conference on Discontinuance of Nuclear Weapon Tests: guidance for USDEL. Confidential. 9 pp. Department of State, Central Files, 397.5611–GE/3–1561. |
| 8          | Nusup 1095 to Geneva, March 20. Excerpts of Rusk-Gromyko conversation on question of nuclear tests. Secret. 2 pp. Department of State, Central Files, 397.5611–GE/3–2061.             |
| 9          | Supnu 1428 from Geneva, March 24. Soviet proposal for tripartite administrator. Confidential. 2 pp. Department of State, Central Files, 397.5611–GE/3–2461.                           |

*April 1961*

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| 10 | Memorandum from Battle to Swank, April 21. Transmits copy of Rusk's April 14 remarks to the disarmament consultants. No classification marking on Battle memorandum. Remarks are Confidential. 12 pp. Department of State, Central Files, 600.0012/4–2161. |
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*May 1961*

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| 11 | Memorandum from Belk to Bundy, May 15. Transmits paper on "Weapons Custody and Use." No classification marking on Belk memorandum. Attachment is Top Secret. 4 pp. Kennedy Library, National Security Files, Departments and Agencies Series, ACDA, Disarmament, AEC General, 11/60–11/61. |
| 12 | Memorandum from McCloy to Bundy, May 16. Conveys draft reply from President Kennedy to Prime Minister Macmillan to Khrushchev on disarmament. Secret. 4 pp. Kennedy Library, National Security Files, Departments and Agencies Series, ACDA, Disarmament, General, April–May 1961.         |
| 13 | Telegram 2888 from Moscow, May 24. Khrushchev's views on tripartite control. Confidential. 3 pp. Department of State, Central Files, 397.5611–GE/5–2461.   |

No.	Document Description
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*June 1961*

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| 14 | Memorandum of Conversation, June 3, between Rusk and Gromyko. Soviet troika proposal. Secret. 8 pp. Department of State, Central Files, 397.5611-GE/6-361.  |
| 15 | Nusup 1257 to Geneva, June 8. Draft presidential letter outlining course of action in test ban talks and disarmament negotiations. Secret. 9 pp. Department of State, Central Files, 397.5611-GE/6-761. |
| 16 | Circular telegram 2042 to certain diplomatic missions, June 17. U.S. proposals for bilateral disarmament talks with Soviets. Confidential. 2 pp. Department of State, Central Files, 600.0012/6-1761.   |
| 17 | Telegram 5919 to certain diplomatic missions, June 19. Readout of McCloy-Zorin talks on forum for future discussions. Confidential. 6 pp. Department of State, Central Files, 600.0012/6-1961.          |
| 18 | Telegram 5878 to certain diplomatic missions, June 30. Readout of eleventh session McCloy-Zorin talks. Confidential. 5 pp. Department of State, Central Files, 600.0012/6-3061.                         |

*July 1961*

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| 19 | Telegram 305 from Moscow, July 28. Bilateral disarmament talks: Soviet intention to introduce statement of principles. Confidential. 5 pp. Department of State, Central Files, 600.0012/7-2861.    |
| 20 | Telegram 308 from Moscow, July 28. Bilateral disarmament talks: request for additional guidance and McCloy's travel plans. Confidential. 1 p. Department of State, Central Files, 600.0012/7-2861. |
| 21 | Telegram 295 to Moscow, July 28. Disarmament talks: proposed recess. Confidential. 4 pp. Department of State, Central Files, 600.0012/7-2861.  |
| 22 | Telegram 333 from Moscow, July 29. Soviet reaction to recess proposal. Confidential. 2 pp. Department of State, Central Files, 600.0012/7-2961.  |

No.	Document Description
23	Telegram 356 from Moscow, July 31. Atmospheric and underwater test ban negotiations: U.S. tactical maneuver. Secret. 1 p. Department of State, Central Files, 700.5611/7–3161.
<i>August 1961</i>	
24	Memorandum from Dean to Bundy, August 4. Transmits memorandum on disadvantages of a public announcement regarding atmospheric tests. Confidential. 5 pp. Kennedy Library, National Security Files, Departments and Agencies Series, ACDA, Disarmament, Test Ban General, 4/61–8/61.
25	Memorandum from President Kennedy to Bundy, August 7. Presidential approval on lifting laboratory experiments to one ton. Secret. 1 p. Kennedy Library, National Security Files, Subjects Series, Nuclear Testing, 7/16/61–8/9/61.
26	Memorandum from Bundy to Seaborg, August 8. Resumption of tests: Standby AEC plan requested. Secret. 2 pp. Kennedy Library, National Security Files, Subjects Series, Nuclear Testing, 7/16/61–8/9/61.
27	Memorandum from Bundy to President Kennedy, August 8. Background information for meeting with the NSC on nuclear tests. Top Secret. 4 pp. Kennedy Library, National Security Files, Subjects Series, Nuclear Testing, 7/16/61–8/9/61.
28	Memorandum from Gen. Lemnitzer to McNamara, August 9. Joint Declaration on Disarmament. Secret. 3 pp. Kennedy Library, National Security Files, Departments and Agencies Series, ACDA, Disarmament.
29	Letter from Seaborg to Bundy, August 10. Response to request for information on test readiness. Discussion paper not attached. Secret. 2 pp. Kennedy Library, National Security Files, Subjects Series, Nuclear Testing, 8/10/61–8/30/61.

No.	Document Description
30	Letter from Gilpatric to McCloy, August 10. Disarmament proposal: DOD review of unresolved items on force levels, linkage, AICBM, first use, and test ban. Secret. 3 pp. Kennedy Library, National Security Files, Departments and Agencies Series, ACDA, Disarmament.
31	Letter from Stevenson to Bundy, August 11. Views on handling disarmament issue at U.N. and comments on McCloy's July 28 draft. Confidential. 2 pp. Kennedy Library, President's Office Files, Disarmament, Test Ban Negotiations, 4/28/61-3/62.
32	Memorandum from Dean to McCloy, August 11. Thoughts on U.S. disarmament plan proposal. Confidential. 4 pp. Kennedy Library, National Security Files, Departments and Agencies Series, ACDA, Disarmament, General, 8/61.
33	Memorandum from McCloy to President Kennedy, August 11. Transmits copy of new U.S. disarmament plan and advises the President on outstanding clearance issues. Secret. Disarmament plan is not attached. 2 pp. Kennedy Library, National Security Files, Departments and Agencies Series, ACDA, Disarmament.
34	Telegram 1387 to Geneva, August 15. Negotiating guidance on threshold question at end of moratorium period. Secret. 4 pp. Department of State, Central Files, 397.5611-GE/8-1161.
35	Memorandum from Rusk to Bundy, August 17. Stevenson's comments on July 28 draft disarmament negotiating strategy. Confidential. 2 pp. Department of State, Central Files, 600.0012/8-1761.
36	Memorandum from Komer to Bundy, August 17. Discussion paper on disarmament issues. Secret. 3 pp. Kennedy Library, National Security Files, Departments and Agencies Series, ACDA, Disarmament, General, 8/61.
37	Supnu 1741 from Geneva, August 17. U.S. posture on threshold-plus-moratorium arrangement. Secret. 4 pp. Department of State, Central Files, 397.5611-GE/8-1761.

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| 38  | Memorandum from Dean to McCloy, August 18. Possible announcement on resumption of testing. Secret. 1 p. Kennedy Library, National Security Files, Subjects Series, Nuclear Testing, 8/10/61–8/30/61.  |
| 39  | Memorandum from Seaborg to the File, August 23. Personal thoughts on possible Presidential announcement on resumption of testing. Secret. 3 pp. Kennedy Library, National Security Files, Subjects Series, Nuclear Testing, 8/10/61–8/30/61.                    |
| 40  | Letter from Seaborg to Bundy, August 30. Thoughts on conducting a meaningful series of tests. Secret. 2 pp. Kennedy Library, National Security Files, Subjects Series, Nuclear Testing, 8/10/61–8/30/61.  |
| 41  | Telegram 1404 to Geneva Nusup, August 31. Negotiating strategy to forestall Soviet withdrawal from conference. Secret. 2 pp. Department of State, Central Files, 397.5611–GE/8–3161.  |
| 42  | Notes on Telephone Conversation between Stevenson and Rusk, August 31. Stevenson's views on a possible Presidential statement on resumption of testing. No classification marking. 1 p. Department of State, Rusk Files: Lot 72 D 192, Telephone Conversations. |

*September 1961*

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| 43 | Notes on telephone conversation between Rusk and Cleveland, September 1. Resuming testing; U.N. state of play. No classification marking. 1 p. Department of State, Rusk Files: Lot 72 D 192, Telephone Conversations. |
| 44 | Telegram 1171 from Paris, September 1. Views on refraining from decision or announcement to resume testing. Confidential. 1 p. Department of State, Central Files, 711.5611/9–161.                                     |
| 45 | Telegram 428 to USUN, September 2. Guidance for September 6 disarmament discussions with Soviets. Confidential. 6 pp. Department of State, Central Files, 600.0012/9–261.  |
| 46 | Circular telegram 386 to certain diplomatic posts, September 2. Possible U.S./U.K. statement urging Soviets to end atmospheric testing. Secret. 3 pp. Department of State, Central Files, 700.5611/9–261.              |



No.	Document Description
47	Telegram 950 from London, September 2. Endorses Embassy Paris' recommendation on withholding announcement any decision. Confidential. 1 p. Department of State, Central Files, 711.5611/9-261.
48	Letter from Amb. Caccia to President Kennedy, September 5. Transmits September 5 letter from Prime Minister Macmillan on possible next steps with Soviets following joint declaration. Top Secret. 3 pp. Department of State, Presidential Correspondence: Lot 66 D 204, Macmillan-Kennedy, 1960-1961.
49	Telegram 1235 from Paris, September 5. U.S.-U.K. statement: French disassociation. Secret. 2 pp. Department of State, Central Files, 700.5611/9-561.
50	Special National Intelligence Estimate, SNIE 11-11-61, September 7. "Implications of the Soviet Resumption of Nuclear Testing." Secret. 4 pp. Washington National Records Center, RG 330, OSD/ISA Files: FRC 64 A 2382, 350.09.
51	Memorandum from McGhee to Rusk, September 13. Anticipatory action pending Chinese Communist demonstration of a nuclear capability. Top Secret. 6 pp. Department of State, S/P Files: Lot 67 D 548, S/P Chron 1960-1961.
52	Memorandum of Conversation, September 14, between McCloy and Zorin. U.S.-U.S.S.R. bilateral talks on disarmament (No. 22). Limited Official Use. 6 pp. Department of State, Central Files, 600.0012/9-2861.
53	Telegram 566 to USUN, September 16. Strategy for handling disarmament issue at 16th U.N. General Assembly. Confidential. 4 pp. Department of State, Central Files, 600.0012/9-1661.
54	Telegram 794 from USUN, September 18. Readout of 23d session U.S.-U.S.S.R. disarmament talks. Confidential. 2 pp. Department of State, Central Files, 600.0012/9-1861.
55	Memorandum from Gen. Lemnitzer to McNamara, September 29. Recommends U.S. resumption of atmospheric nuclear tests. Secret. 4 pp. Washington National Records Center, RG 330, OSD Files: FRC 65 A 3464, Atomic 400.112, June-September 1961.

No.	Document Description
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*October 1961*

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| 56 | Letter from Seaborg to Rusk, October 7. Seaborg's opposition to reinstitution of an uncontrolled moratorium. No classification marking. 2 pp. Seaborg, <i>Journal</i> , Vol. 2, pp. 225–226.  |
| 57 | Telegram 1123 from USUN, September 7. Transmits draft Presidential statement on nuclear testing. Confidential. 2 pp. Department of State, Central Files, 700.5611/10–761.   |
| 58 | Letter from Gilpatric to President Kennedy, October 9. Seeks approval of a comprehensive test program. A proposed test schedule is attached to the letter. Secret. 11 pp. Washington National Records Center, RG 330, OSD Files: FRC 65 A 3464, Atomic 400.112, October 1961.   |
| 59 | Letter from Seaborg to President Kennedy, October 10. Technical aspects of nuclear testing at Nevada, at Eniwetok, and via air-borne medium. Secret. 3 pp. Kennedy Library, National Security Files, Subjects Series, Nuclear Testing, 9/27/61–10/10/61.  |
| 60 | Memorandum from Ball to President Kennedy, October 12. Transmits October 12 memorandum from Stevenson outlining strategy on handling the nuclear testing issue at the U.N. Attached to Stevenson memorandum is a proposed Presidential statement. Confidential. 5 pp. Department of State, Central Files, 700.5611/10–1261. |
| 61 | Memorandum from McNamara to the Chairman, Joint Chiefs of Staff, October 12. Weapons tests plans and preparation. Secret. 3 pp. Kennedy Library, National Security Files, Subjects Series, Nuclear Weapons Testing 10/11/61–10/15/61.   |
| 62 | Telegram 913 to USUN, October 13. Handling disarmament issue at U.N. following U.S.–U.S.S.R. agreement on principles. Confidential. 5 pp. Department of State, Central Files, 600.0012/10–1361.   |
| 63 | Letter from Rusk to Seaborg, October 29. Concerns over possible reactivation of testing site at Eniwetok. Secret. 2 pp. Kennedy Library, National Security Files, Subjects Series, Nuclear Weapons Testing, 10/16/61–10/29/61.  |

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No.	Document Description
<i>November 1961</i>	
64	Memorandum from Smith to National Security Council, November 1. Presidential statement on nuclear testing. Attached is a proposed Presidential statement. No classification marking. 3 pp. Seaborg, <i>Journal</i> , Vol. 2, pp. 350–352.
65	Paper, November 2. “Foster Panel Plan for General and Complete Disarmament.” Confidential. 3 pp. National Defense University, Taylor Papers, Disarmament.
66	Notes on National Security Council Meeting, November 2. Resumption of testing, evaluation of Soviet nuclear program, neutron bomb status, test sites, and review of Presidential statement. Top Secret. 4 pp. Johnson Library, Vice President’s National Security File, NSC Documents, Testing.
67	Telegram 1139 to USUN, November 4. Guidance for next five-power meeting on disarmament. Confidential. 2 pp. Department of State, Central Files, 600.0012/10–2661.
68	Telegram 1241 to USUN, November 14. Western strategy for countering Soviet tactics at U.N. Confidential. 6 pp. Department of State, Central Files, 600.0012/11–961.
69	Memorandum from Battle to Bundy, November 17. Conveys a suggested letter from President Kennedy to Macmillan on atmospheric nuclear tests. Also attached is copy of the President’s November 21 letter to Macmillan. Top Secret. 6 pp. Department of State, Presidential Correspondence: Lot 66 D 204, Kennedy-Macmillan, 1960–1962.
70	Notes on telephone conversation between Rusk and Stevenson, November 30. General Assembly resolutions and current state of play. No classification marking. 1 p. Department of State, Rusk Files, Lot 72 D 192, Telephone Conversations.

<b>No.</b>	<b>Document Description</b>
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*December 1961*

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| 71 | Memorandum from Gen. Lemnitzer to McNamara, December 6. JCS views on the proposed disarmament program as devised by the Foster Panel. An appendix is attached containing additional comments on the Foster Panel program. Two additional attachments by McCone and Scoville provide a read-out of the 12/18 Department of State meeting on resumption of nuclear testing. Secret. 23 pp. Kennedy Library, National Security Files, Kaysen Series, Disarmament, 12/61–4/62. |
| 72 | Telegram 2050 from USUN, December 9. Handling French objections to disarmament forum. Confidential. 1 p. Department of State, Central Files, 600.0012/12–961.  |

*January 1962*

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| 73 | Letter from McNaughton to Rostow, January 3. Defects in the U.S.–U.K. test ban treaty. Confidential. 4 pp. Department of State, S/P Files: Lot 69 D 121, Atomic Energy-Armaments, 1962.  |
| 74 | Memorandum from Kaysen to President Kennedy, January 5. Resumption of nuclear weapons testing: weighing the options. Secret. 4 pp. Kennedy Library, National Security Files, Subjects Series, Nuclear Weapons Tests, 12/21/61–1/8/62.                        |
| 75 | Letter from Prime Minister Macmillan to President Kennedy, January 5. Use of Christmas Island for nuclear tests and review of Bermuda talks. Top Secret. 9 pp. Department of State, Presidential Correspondence: Lot 66 D 204, Macmillan-Kennedy, 1961–1963. |
| 76 | Report of Foreign Weapons Evaluation Group, January 16. Soviet development tests. Secret. 9 pp. Washington National Records Center, RG 330, OSD Files: FRC 69 A 2243, 58 AWT USSR Tests, 1961–1965.  |
| 77 | Memorandum prepared by British Embassy, January 19. Agreement on use of Christmas Island. Top Secret. 3 pp. Kennedy Library, National Security Files, Subjects Series, Nuclear Weapons Tests, 1/16/62–1/22/62.   |

No.	Document Description
78	Memorandum from Wiesner to President Kennedy, January 25. Proposed expansion of U.S. disarmament initiatives. Secret. 3 pp. Kennedy Library, National Security Files, Subject Series, Nuclear Weapons Tests, 1/23/62–1/26/62.
<i>February 1962</i>	
79	Minutes of White House Meeting, February 2. Status of U.S. and Soviet nuclear tests. Top Secret. 11 pp. Kennedy Library, National Security Files, Subjects Series, Nuclear Weapons Testing, 497th NSC Meeting, Keeny Report.
80	Memorandum from Gen. Lemnitzer to President Kennedy, February 16. JCS views on resumption of nuclear testing. Top Secret. 7 pp. Kennedy Library, National Security Files, Subjects Series, Nuclear Weapons Testing, 497th NSC Meeting.
81	Memorandum from Bundy to President Kennedy, February 19. Background information for meeting with Gaitskell. Secret. 9 pp. Kennedy Library, National Security Files, Subject Series, Nuclear Weapons Testing, 2/17/62–4/4/62.
82	Memorandum from Wiesner to President Kennedy, February 21. Plan for new disarmament initiative. Attachment outlines proposal. Secret. 7 pp. Kennedy Library, National Security Files, Subjects Series, Nuclear Weapons Testing, 2/17/62–4/4/62.
83	Letter from Amb. Ormsby Gore to Rusk, February 24. Conveys text of message from Prime Minister Macmillan to President Kennedy regarding Khrushchev's latest letter on disarmament. Secret. 4 pp. Department of State, Presidential Correspondence: Lot 66 D 204, Macmillan-Kennedy.
84	Memorandum for the Record, February 27. Status of interest on testing, March shot, and U.S.S.R. acceptance of test ban treaty by NSC meeting participants. Secret. 1 p. National Defense University, Taylor Papers.

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| 85         | Letter from Amb. Ormsby Gore to Rusk, February 28. Encloses copy of Prime Minister Macmillan's February 28 letter to President Kennedy on nuclear testing. Top Secret. 8 pp. Department of State, Presidential Correspondence: Lot 66 D 204, Macmillan-Kennedy. |
| 86         | Telegram 4608 to London, February 28. Conveys President's letter to Prime Minister Macmillan on resumption of nuclear testing. Secret. 3 pp. Department of State, Central Files, 700.5611/2-2862.   |

*March 1962*

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| 87 | Memorandum from Kaysen for the Record, March 1. Principals Committee discussion on disarmament stages. Secret. 1 p. Kennedy Library, National Security Files, Kaysen Series, Disarmament, Basic Memoranda, 2/62-4/62.  |
| 88 | Memorandum from Wiesner to President Kennedy, March 6. Review of ACDA's recommendations on U.S. posture at 18-Nation Disarmament Conference for President's March 6 meeting. Attached is a recommended list of questions for possible discussion. Secret. 7 pp. Kennedy Library, President's Office Files, 18-Nation Committee, 3/6/62-11/20/62. |
| 89 | Memorandum from Col. Smith to Gen. Taylor, March 6. Background information for disarmament meeting with President. Confidential. 2 pp. National Defense University, Taylor Papers, Disarmament 2, 1962.  |
| 90 | Memorandum for the Record, March 7. Read-out of disarmament meeting with the President. Confidential. 1 p. National Defense University, Taylor Papers, T-37-71.  |
| 91 | Memorandum from Kaysen to President Kennedy, March 9. Positions for disarmament conference. Top Secret. 6 pp. Kennedy Library, President's Office Files, 18-Nation Committee, 3/6/62-11/20/62.   |
| 92 | Memorandum for the File, March 9. Decisions on key issues for 18-Nation Disarmament Conference. Confidential. 4 pp. Kennedy Library, National Security Files, Kaysen Series, Disarmament, Basic Memoranda, 2/62-4/62.  |

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No.	Document Description
93	Message from Prime Minister Macmillan to President Kennedy, March 9. Present state of discussions on nuclear tests and Berlin issue. Top Secret. 5 pp. Department of State, Presidential Correspondence: Lot 66 D 204, Macmillan-Kennedy, 1961–1962.
94	Tosec 55 to Geneva, March 15. Text of President's March 10 reply to Prime Minister Macmillan's March 9 letter. Top Secret. 3 pp. Department of State, Presidential Correspondence: Lot 66 D 204, Kennedy-Macmillan, 1961–1962.
95	Memorandum from Bundy to Amb. Ormsby Gore, March 10. Current U.S. positions on test ban issues at Geneva Conference. Attached is memo from Bundy to Battle noting reason for Ormsby Gore memorandum and transmitting copy for information. Secret. 2 pp. Department of State, Presidential Correspondence: Lot 66 D 204, Secretary Rusk's Conversations with UK Officials, 1961–1962, Vol. 1.
96	Notes on Telephone Conversation between Kohler and Ball, March 11. Brief readout of Rusk/Home/Gromyko discussions on disarmament in Geneva. No classification marking. 1 p. Kennedy Library, Ball Papers, Telephone Conversations, Disarmament.
97	Notes on telephone conversation between Kaysen and Ball, March 11. Geneva discussion concerns. No classification marking. 1 p. Kennedy Library, Ball Papers, Telephone Conversations, Disarmament.
98	Notes on telephone conversation between Kaysen and Ball, March 11. Guidance to Geneva negotiators on treaty signing and linkage issues. No classification marking. 1 p. Kennedy Library, Ball Papers, Telephone Conversations, Disarmament.
99	Todis 35 to Geneva, March 12. Guidance on handling U.K. declaration on national detection systems. Confidential. 1 p. Department of State, Central Files, 700.5611/3–1262.

No.	Document Description
100	Memorandum from Fisher to Kaysen, March 13. U.S. position on disarmament measures at Geneva negotiations. Confidential. 4 pp. Kennedy Library, National Security Files, Kaysen Series, Disarmament, Position Papers, 2/62–3/62.
101	Message from Prime Minister Macmillan to President Kennedy, March 13. Agreement to bilateral working-level discussions. Top Secret. 2 pp. Department of State, Presidential Correspondence: Lot 66 D 204, Macmillan-Kennedy, 1961–1962.
102	Notes on telephone conversation between Fisher and Ball, March 14. Test ban issues with the British. No classification marking. 1 p. Department of State, Secretary's Memoranda of Conversation: Lot 65 D 330, U Telcon.
103	Disto 34 from Geneva, March 16. Summary of meeting with U.K. Delegation on nuclear test treaty positions. Confidential. 2 pp. Department of State, Central Files, 700.5611/3–1662.
104	Letter from Gilpatric to Fisher, March 16. Concern over possible erosion in U.S. position on nuclear test ban treaty. Secret. 1 p. Kennedy Library, National Security Files, Departments and Agencies Series, ACDA, Disarmament, 18-Nation Conference, Geneva.
105	Memorandum from Brown to McNamara, March 20. Joint U.S.–U.K. technical discussions on nuclear test ban questions. Attached is a draft of the agreed conclusions of U.S.–U.K. discussions. Secret. 4 pp. Washington National Records Center, RG 330, OSD Files: FRC 66 A 3542, Atomic 000.01–400.112, 1962, Box 57.
106	Notes on telephone conversation between Bundy and Ball, March 20. Patching up differences with U.K. on disarmament. No classification marking. 1 p. Kennedy Library, Ball Papers, Telephone Conversations, Disarmament.
107	Tosec 95 to Geneva, March 21. Text of message from Macmillan to President Kennedy. Pushing Khrushchev on verification issue. Top Secret. 4 pp. Department of State, Conference Files: Lot 65 D 533, CF 2059.



No.	Document Description
108	Tosec 103 to Geneva, March 21. Instructions to Rusk/Home on getting Gromyko rejection of international verification of test ban treaty on public record. Secret. 1 p. Department of State, Central Files, 700.5611/3-2162.
109	Letter from Fisher to Gilpatric, March 22. Changes in U.S. negotiating position on nuclear test ban treaty. Confidential. 1 p. Washington National Records Center, RG 330, OSD/OATSD (AE) Files: FRC 69 A 2243, 97 USP, Nuclear Test Suspension/Geneva, 1960-1962.
110	Notes on a telephone conversation between Bundy and Ball, March 22. Geneva negotiating issues and concerns. No classification marking. 2 pp. Kennedy Library, Ball Papers, Telephone Conversations, Disarmament.
111	Tosec 107 to Geneva, March 22. Macmillan's latest thoughts on nuclear test issues. Secret. 3 pp. Department of State, Central Files, 700.5611/3-2262.
112	Letter from Amb. Ormsby Gore to Bundy, March 24. Macmillan's thoughts on a proposed statement outlining Soviet non-acceptance of verification and his concerns on timing of warning to mariners. Attached is a suggested draft statement. Top Secret. 5 pp. Department of State, Presidential Correspondence: Lot 66 D 204, Macmillan-Kennedy.
113	Secto 107 from Geneva, March 25. Rusk concerns re notice to mariners, verification issue semantics, and joint statement. Secret. 2 pp. Department of State, Central Files, 700.5611/3-2562.
114	Memorandum from Bundy to Rusk, McNamara, and Seaborg, March 26. President's decision to issue notice to mariners April 4. Top Secret. 1 p. Kennedy Library, National Security Files, Subjects Series, Nuclear Weapons Testing, 2/17/62-4/4/62.
115	Memorandum of Conversation, March 26, between Rusk and Home. Disarmament discussion. Confidential. 3 pp. Department of State, Central Files, 600.0012/3-2662.

- | <b>No.</b> | <b>Document Description</b>   |
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| 116        | Memorandum of NSC Discussion, March 28. Soviet positions on nuclear testing, disarmament, and Berlin. Secret. 5 pp. CIA Files, Meetings with the President, 12/1/61–6/30/62.  |
| 117        | Note from Amb. Ormsby Gore to President Kennedy, March 30. Transmits Prime Minister Macmillan's March 30 message regarding possible letter to Khrushchev on nuclear tests. Attached is telegram 5349 to London conveying text of Macmillan letter. Top Secret. 4 pp. Department of State, Presidential Correspondence: Lot 66 D 204, Macmillan-Kennedy. |
| 118        | Memorandum of Conversation, March 30, among Rusk, Foster, and Amb. Ormsby Gore. Discussion of Macmillan's March 30 letter to Kennedy. Top Secret. 2 pp. Department of State, Central Files, 600.0012/3–3062.  |

*April 1962*

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| 119 | Memorandum from Kaysen to President Kennedy, April 5. Disarmament problems. Secret. 4 pp. Kennedy Library, National Security Files, Departments and Agencies Series, ACDA, Disarmament, 18-Nation Conference, Geneva, 4/1/62–4/11/62.   |
| 120 | Memorandum from Conger to Committee of Principals, April 6. Transmits copy of Foster's memorandum to Kennedy on disarmament issues for discussion at April 6 meeting. Covering note unclassified. Foster memorandum is Confidential. 8 pp. Kennedy Library, National Security Files, Kaysen Series, Disarmament, Basic Memoranda, 2/62–4/62.                  |
| 121 | Message from President Kennedy to Prime Minister Macmillan, April 6. Thoughts on proposed statement and U.K. letter to Khrushchev. Attached is a draft U.S.–U.K. statement on nuclear testing. Top Secret. 6 pp. Kennedy Library, National Security Files, Subjects Series, Nuclear Weapons, Joint U.S.–U.K. Statement on Nuclear Testing 4/10/62, 3/62–4/62. |
| 122 | Letter from McCone to Foster, April 6. Military production facilities. Secret. 2 pp. CIA Files, Job 80B01285A, ER Files, DCI Chron, 1/1/62–12/31/62.  |

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No.	Document Description
123	Draft Notes of Committee of Principals Meeting, April 11. Discussion centered on arms reduction, fixed launching pads, armaments for reserve forces, civilian controls, replacement production, and B-47 concerns. Secret. 5 pp. Kennedy Library, National Security Files, Kaysen Series, Disarmament, Basic Memoranda, 2/62-4/62.
124	Telegram 5441 to London, April 12. Text of message from Prime Minister Macmillan to President Kennedy on joint approach to Khrushchev. Secret. 3 pp. Department of State, Central Files, 700.5611/4-1262.
125	Table, April 12. Comparative methods of reducing armaments. Table is an attachment to an April 12 memorandum from Kaysen to President Kennedy on disarmament issues. Secret. 1 p. Kennedy Library, National Security Files, Kaysen Series, Disarmament, Basic Memoranda, Memorandum to the President 4/12/62.
126	Letter from Seaborg to President Kennedy, April 12. Atmospheric testing program issues. Secret. 2 pp. Kennedy Library, National Security Files, Nuclear Weapons Testing, 4/5/62-7/30/62.
127	Memorandum from Battle to Bundy, April 27. World reaction to U.S. resumption of nuclear atmospheric tests. No classification marking. An attached memorandum from Hilsman to Rusk provides an abstract and specific country reactions. Secret. Also attached is an April 27 paper describing the initial Free World press reaction. Official Use Only. 27 pp. Department of State, Central Files, 711.5611/4-2762.
<i>May 1962</i>	
128	Memorandum from Raskin to Bundy, May 7. Views on ACDA's paper on the Economic and Social Consequences of Disarmament. No classification marking. 2 pp. Kennedy Library, National Security Files, Departments and Agencies Series, ACDA, Disarmament, 18-Nation Conference, Geneva, 5/62-6/62.

No.	Document Description
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| 129 | Memorandum from Col. Smith to Gen. Taylor, May 31. Evaluation of NIE on Soviet Nuclear Weapons Stockpile. Top Secret. 2 pp. National Defense University, Taylor Papers, WYS Chron File, July–September 1962. |
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*June 1962*

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| 130 | Memorandum of the President's Decisions, June 20. Decisions on various aspects of nuclear testing. Top Secret. 2 pp. Kennedy Library, National Security Files, Subjects Series, Nuclear Weapons Testing, 4/5/62–7/30/72. |
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*July 1962*

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| 131 | Memorandum from McNaughton to Nitze, July 3. Readout of ACDA meeting on test ban issues. Confidential. 2 pp. Washington National Records Center, RG 330, OSD/OATSD (AE) Files: FRC 69 A 2243, 97 USP, Nuclear Test Suspension/Geneva, 1960–1962. |
| 132 | Telegram 378 to London, July 17. Text of Rusk letter to Home on Geneva issues. Top Secret. 2 pp. Department of State, Presidential Correspondence: Lot 66 D 204, Secretary Rusk's Conversations with U.K. Officials, 1961–1962, Vol. 1.          |
| 133 | Letter from Rep. Holifield and Sen. Jackson to President Kennedy, July 25. Concern regarding U.S. negotiating stance on the test ban talks. CIA Files, DCI, ER Subject Files, Congress.  |
| 134 | Memorandum for the Record Prepared by McCone, July 26. Discussion of atmospheric and comprehensive treaties by Committee of Principals, July 26. Secret. 4 pp. CIA Files, Job 80B01285A, DCI Memos for Record, 4/9/62–8/21/62.                   |
| 135 | Memorandum of NSC Meeting, July 27. Discussion of Soviet refusal to allow on-site inspections and Geneva negotiating strategy. Secret. 2 pp. CIA Files, Job 01676R, DCI Files, ER Subject Files, NSC etc, 7/1/62–7/31/62.                        |
| 136 | Memorandum of Discussion Prepared by McCone, July 27. Meeting with Dr. Teller regarding verification issue. Secret. 1 p. CIA Files, Job 80B01285A, DCI Memos for the Record, 4/7/62–8/21/62.   |

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| 137 | Memorandum for the Record Prepared by McCone, July 27. Meeting with Dr. Northrup on seismic detection technology. Secret. 2 pp. CIA Files, Job 80B01285A, DCI Memos for the Record, 4/7/62-8/21/62.                       |
| 138 | Letter from President Kennedy to Macmillan, July 27. Possible modification in proposals on test ban. Top Secret. 4 pp. Department of State, Presidential Correspondence: Lot 66 D 204, Kennedy-Macmillan, 1962, Vol. III. |

*August 1962*

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| 139 | Memorandum for the File Prepared by McCone, August 2. Readout of NSC meeting on Geneva test suspension negotiation procedures. Secret. 2 pp. CIA Files, Job 80B01258A, Meetings with President, 7/1/62-12/31/61.  |
| 140 | Personal Message from Prime Minister Macmillan to President Kennedy, August 1. Views on atmospheric ban, comprehensive treaty, and use of Christmas Island. Top Secret. 2 pp. Department of State, Presidential Correspondence: Lot 66 D 204, Macmillan-Kennedy, 1961-1962. |
| 141 | Memorandum of Conversation, August 8, between Rusk and Dobrynin. On-site inspection concerns. Confidential. 2 pp. Department of State, Central Files, 611.6112/8-862.   |
| 142 | Disto 727 from Geneva, August 16. Geneva negotiations: readout of informal exchange with Soviet delegation on on-site inspection issue. Secret. 3 pp. Department of State, Central Files, 700.5611/8-1662.  |

*September 1962*

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| 143 | Record of Action, 504th NSC Meeting, September 6. Results of 1962 nuclear test program to date and tests proposed for remainder of program. Secret. 1 p. Department of State, S/S-NSC (Miscellaneous) Files: Lot 66 D 95, Records of Action by National Security Council. |
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| 144                  | Letter from President Kennedy to Prime Minister Macmillan, September 7. U.S. atmospheric and underground nuclear testing schedule. Top Secret. 3 pp. Department of State, Presidential Correspondence: Lot 66 D 204, Kennedy-Macmillan, Vol. II.  |
| 145                  | Memorandum from Gen. Decker to McNamara, September 10. JCS views on review of U.S. disarmament policy during the Geneva Conference recess. Secret. 3 pp. National Defense University, Taylor Papers, Disarmament 3, 1962.   |
| 146                  | Note from Kaysen to Shepard, September 21. Recommends passing to President attached information on non-diffusion issue. Two attachments, both dated September 21, provide background information on status of current discussions with the Soviets and the probable German and French reactions to the proposal. No classification marking on covering note; attachments are Secret. 4 pp. Kennedy Library, National Security Files, Departments and Agencies Series, ACDA, Disarmament, Non-Diffusion of Nuclear Weapons, 8/62–7/63. |
| 147                  | Memorandum from Conger to Brubeck, September 27. Transmits copy of letter from Foster to McNamara on status of non-diffusion issue for Rusk's information. Attached letter from Foster to McNamara is dated September 26. Confidential. 4 pp. Department of State, Central Files, 397.5611–GE/9–2762.   |
| <i>October 1962</i>  |   |
| 148                  | Report of Foreign Weapons Evaluation Group Meeting, October 4. Discussion of current series of Soviet detonations. Top Secret. 5 pp. Kennedy Library, National Security Files, Bromley Smith Safe, Drawer 1, Bethe Report, 10/4/62.   |
| <i>November 1962</i> |   |
| 149                  | Memorandum from Gen. Taylor to McNamara, November 10. Military impact of U.S. initiative to propose nuclear-free or missile-free zones worldwide. Secret. 5 pp. Washington National Records Center, RG 330, OSD Files: FRC 69 A 926.  |

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| 150        | Memorandum for the Record Prepared by McCone, November 12. Meeting with Dr. Teller on nuclear testing program. Top Secret. 2 pp. CIA Files, JOB 80B01285A, DCI Memos for the Record, 9/24/62–12/31/62.                  |
| 151        | Telegram 525 to Djakarta, November 13. U.S. support for U.N. General Assembly resolution on nuclear free zone in Latin America. Confidential. 3 pp. Department of State, Central Files, 600.0012/11–1262.               |
| 152        | Memorandum of Conversation, November 30, between Rusk and Mikoyan. Discussion of Latin America atom-free zone. Secret. 3 pp. Department of State, Secretary's Memoranda of Conversation: Lot 65 D 330.                  |
| 153        | Memorandum of Conversation, November 30, between Rusk and Mikoyan. Discussion on measures against surprise attack. Secret. 2 pp. Department of State, Secretary's Memoranda of Conversation: Lot 65 D 330.              |
| 154        | Memorandum of Conversation, November 30, between Rusk and Mikoyan. Discussion of nuclear test ban and non-proliferation issues. Secret. 5 pp. Department of State, Secretary's Memoranda of Conversation: Lot 65 D 330. |

*December 1962*

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| 155 | Letter from Rusk to Couve de Murville, December 12. Approach to French on non-diffusion proposal. Secret. 2 pp. Department of State, Conference Files: Lot 65 D 533, CF 2200.                      |
| 156 | Draft Non-Transfer Declaration, undated. General and complete disarmament under effective international control. Confidential. 2 pp. Department of State, Conference Files: Lot 65 D 533, CF 2200. |

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| 157        | Letter from Dean to Rusk and Foster, December 28. Transmits a December 27 memorandum on possible solutions to a nuclear test ban treaty. Also appended is a January 3 note from Brubeck to Swank seeking approval to send copy of Dean memorandum to Bundy for President's use. Secret. 9 pp. Department of State, Central Files, 700.5611/12-2862. |
| 158        | Memorandum of Conversation, December 28, between Dobrynin and Harriman. Khrushchev acceptance of principle of on-the-ground inspections. Confidential. 1 p. Department of State, Central Files, 700.5611/12-2862.   |

*January 1963*

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| 159 | Aide-mémoire, January 10. Soviet Government views on American draft declaration on non-transfer of nuclear weapons. Secret. 8 pp. Department of State, Presidential Correspondence: Lot 77 D 163, More Pen Pals, 1963.  |
| 160 | Message from Prime Minister Macmillan to President Kennedy, January 13. British desire to participate in U.S.-U.S.S.R. talks on nuclear test ban. Top Secret. 1 p. Department of State, Presidential Correspondence: Lot 66 D 204, Macmillan-Kennedy, 1963.   |
| 161 | Message from President Kennedy to Prime Minister Macmillan, January 13. Agreement to British participation in talks with Soviets. Top Secret. 1 p. Department of State, Presidential Correspondence: Lot 66 D 204, Kennedy-Macmillan, Vol. II, 1962–1963.   |
| 162 | Memorandum of Conversation, January 16, among Foster, Fedorenko, and Tsarapkin. Nuclear testing: on-site inspections. Two attachments provide a listing of Soviet fixed seismic stations and Foster's comments on automatic seismic stations and procedures for on-site inspection. Secret. 14 pp. Department of State, Central Files, 700.5611/1-1663. |
| 163 | Memorandum of Conversation, January 22, among U.S.S.R., U.K., and U.S. Interlocutors. Nuclear test ban issues. Two attachments provide a listing of proposed locations in U.S.S.R. and in U.S., including noise levels, for automatic seismic stations. Secret. 12 pp. Department of State, Central Files, 700.5611/1-2263.                             |



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| 164                  | Memorandum of Conversation, January 31, among U.S.S.R., U.K. and U.S. Interlocutors. Continuing discussion of on-site inspections and automatic seismic stations. An attachment provides data on noise levels in locations proposed by Soviets for installation of automatic seismic stations. Secret. 8 pp. Department of State, Central Files, 700.5611/1-3163.  |
| <i>February 1963</i> |  |
| 165                  | Memorandum of Conversation, February 9, among Rusk, Alphand, and Greenhill. Non-proliferation of nuclear weapons: readout of Rusk-Dobrynin discussions. Secret. 4 pp. Department of State, Central Files, DEF 18-6.  |
| 166                  | Memorandum from Wiesner to Fisher, February 12. Resolving problems in the test ban negotiations. Confidential. 3 pp. Kennedy Library, National Security Files, Subjects Series, Nuclear Testing 3, 12/62-8/63.   |
| 167                  | Memorandum from Gen. Taylor to McNamara, February 16. JCS concerns regarding ACDA's paper on the "U.S. Position on the Nuclear Test Ban Treaty." An attached appendix provides an item-by-item comment on the ACDA paper. Also attached is a table showing nuclear weapon capabilities of particular countries. Top Secret. 10 pp. Kennedy Library, National Security Files, Departments and Agencies Series, ACDA, Disarmament, General, 2/15/63-2/28/63. |
| 168                  | Memorandum from Col. Smith to Gen. Taylor, February 18. "Probabilities and a Nuclear Test Ban." Secret. 2 pp. National Defense University, Taylor Papers, WYS Chron, January-March, 1963.  |
| 169                  | Todis 806 to Geneva, February 18. Negotiating instructions on substance of a test ban treaty. Confidential. 6 pp. Department of State, Central Files, DEF 18-3 SWITZ (GE).   |

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| 170        | Memorandum for the Record, February 19. Readout of Principals meeting on nuclear testing. Attached is a February 18 McCone drafted rebuttal paper on ACDA's paper on the U.S. and the test ban treaty. Also attached is a February 17 memorandum from Fisher to the Committee of Principals' members transmitting a copy of the revised ACDA paper (not attached). Secret. 4 pp. CIA Files, Job 80B01285A, McCone Files, Meetings with President, 1/1/63–3/31/63. |
| 171        | Telegram 3127 from New York, February 25. Transmits text of February 23 letter from Dean to Foster regarding Dean's Conversation with Soviet Deputy Fon-Min Kuznetsov in New York on number of automatic stations on Soviet territory. Confidential. 9 pp. Department of State, Central Files, DEF 18–3 SWITZ (GE).   |
| 172        | Addendum to December 20 Report of NSAM 205 Committee, February 27. Concludes that Soviet advances in sub-megaton yield range are not of major military capability significance. Two attached tables provide a listing of additional December Soviet tests and yield-to-weight ratios on the sub-megaton yield tests. Top Secret. 4 pp. Kennedy Library, National Security Files, Meetings and Memoranda Series, NSAM 205, Box 339.                                |

*March 1963*

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| 173 | Disto 1129 from Geneva, March 1. Partial text of Foster statement on Dean-Kuznetsov Conversations. Official Use Only. 3 pp. Department of State, Central Files, DEF 18–3 SWITZ (GE).   |
| 174 | Letter from Macmillan to President Kennedy, March 16. Securing a test ban agreement: past and present realities and suggestions for a satisfactory conclusion. Top Secret. 13 pp. Department of State, Presidential Correspondence: Lot 66 D 204, Macmillan-Kennedy Correspondence, Vol. IV. |

No.	Document Description
<i>April 1963</i>	
175	Memorandum for the Record, April 4. Readout of meeting with President: Chinese nuclear capability, supersonic plane issues, nuclear test ban concerns, French bilateral relations, economic issues, European security issues, and U-2 shoot down contingency plans. Secret. 2 pp. CIA Files, Job 80B01285A, McCone Files, Meetings with President, 4/1/63-6/30/63.
176	Notes on telephone conversation between Rusk and Bundy, April 11. Test ban negotiations: Soviet and French concerns. No classification marking. 1 p. Department of State, Rusk Files: Lot 72 D 192, Telephone Conversations.
177	Notes on telephone conversation between Rusk and Bundy, April 11. Discussion of response to Macmillan on non-diffusion issue with the Soviets. No classification marking. 1 p. Department of State, Rusk Files: Lot 72 D 192, Telephone Conversations.
178	Memorandum of Conversation, April 12, between Rusk and Dobrynin. Nuclear non-proliferation issues. Secret. An attached copy of the draft non-transfer declaration with an appended minute provides additional information on the declaration. Confidential. 10 pp. Department of State, Secretary's Memoranda of Conversation: Lot 65 D 330.
179	Note from Smith to Rusk, April 13. Transmits copy of April 13 message from Macmillan to Kennedy conveying Macmillan's suggested changes in proposed letters to Khrushchev. Appended to Macmillan's message is the redraft of paragraph 6. Top Secret. 5 pp. Department of State, Presidential Correspondence: Lot 66 D 204, Macmillan-Kennedy, 1963.
180	Memorandum of Conversation, April 17, among members of Committee of Principals. Nuclear test ban treaty issues. Secret. 9 pp. Kennedy Library, National Security Files, Departments and Agencies Series, ACDA, Disarmament, Committee of Principals, 3/61-11/63.

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| 181 | Actions Taken at Committee of Principals meeting, April 17. Decisions made on explosions for peaceful uses and on tabling the draft treaty at Geneva. Secret. 2 pp. Kennedy Library, National Security Files, Departments and Agencies Series, ACDA, Disarmament, Committee of Principals, 3/61–11/63.   |
| 182 | Memorandum from Gould to the Assistant to the Secretary of Defense (Atomic Energy), April 19. Report of the Foreign Weapons Evaluation Group. Two attachments provide a copy of the February 15 report and an amendment to the report, dated March 8. Top Secret. 11 pp. Washington National Records Center, RG 330, OSD/OATSD (AE) Files: FRC 69 A 2243, 99 USP, USSR Weapons Evaluation (Bethe). |
| 183 | Telegram 2720 from Moscow, April 24. Meeting with Khrushchev: agriculture, Kennedy-Macmillan letters, issues related to securing a nuclear test ban agreement. Secret. 10 pp. Department of State, Central Files, POL UK–USSR.   |
| 184 | Telegram 2727 from Moscow, April 25. Amendments to Moscow telegram 2720 on Conversation with Khrushchev. Secret. 1 p. Department of State, Central Files, POL UK–USSR.   |

*May 1963*

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| 185 | Memorandum from Kaysen to President Kennedy, May 20. Provides background information on the high yield nuclear weapon situation and general Defense and ACDA views. The attached background paper discusses feasibility of U.S. developing large yield weapons based on new technology. Top Secret. 6 pp. Kennedy Library, National Security Files, Kaysen Series, High Yield. |
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*June 1963*

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| 186 | Notes on telephone conversation between Rusk and Kaysen, June 9. Comments on draft of President's speech at American University. No classification marking. 1 p. Department of State, Rusk Files: Lot 72 D 192, Telephone Conversations. |
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- | No.              | Document Description  |
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| 187              | Memorandum of Decisions, June 19. Decisions made at test preparations meeting, June 18: yield size; Plowshare announcement; overseas atmospheric tests; improvements at Johnson Island; and site preparation for an upcoming nuclear test. Secret. 2 pp. Kennedy Library, National Security Files, Subjects Series, Nuclear Weapons Testing, 1/63-7/63.         |
| 188              | Message from President Kennedy to Macmillan, June 21. Notes second suspicious event in Semipalatinsk area and invites Macmillan's comments on Hailsham-Harriman mission. Top Secret. 2 pp. Kennedy Library, National Security Files, Departments and Agencies Series, ACDA, Test Ban Correspondence, 3/63-6/63.   |
| 189              | Message from Macmillan to President Kennedy, June 22. Provides comments on possible Soviet testing, damage control if suspicious events leaked, wisdom of a private message to Khrushchev, and Hailsham-Harriman mission. Top Secret. 3 p. Kennedy Library, National Security Files, Departments and Agencies Series, ACDA, Test Ban Correspondence, 3/63-6/63. |
| 190              | Memorandum of Conversation, June 24, between President Kennedy and German Chancellor Adenauer. Forthcoming test ban negotiations in Moscow. Secret. 2 pp. Department of State, Central Files, POL 7 US/Kennedy.   |
| <i>July 1963</i> |   |
| 191              | Memorandum of Conversation, July 8, among meeting of Committee of Principals. General approach of U.S. policy in disarmament negotiations. Top Secret. 13 pp. Kennedy Library, National Security Files, Departments and Agencies Series, ACDA, Disarmament, Committee of Principals, 3/61-11/63.  |
| 192              | Paper, July 9. "Points to be Explored with the Russians." Attached is a list of points for discussion with the President. Secret. 2 pp. Library of Congress, Manuscript Division, Harriman Papers, Test Ban Background III.   |

No.	Document Description
193	Telegram 233 from London, July 12. Harriman's discussions with Hailsham on negotiating tactics in Moscow. Secret. 1 p. Department of State, Central Files, POL 7 US/Harriman.
194	Telegram 234 from London, July 12. Harriman's meeting with Home to review decisions reached with Hailsham. Secret. 1 p. Department of State, Central Files, POL 7 US/Harriman.
195	Telegram 236 from London, July 12. Harriman's continuing discussions with UK colleagues on Moscow agenda. Secret. 2 pp. Department of State, Central Files, POL 7 US/Harriman.
196	Unsigned memorandum to McNamara, July 16. JCS views on the Khrushchev test ban proposal. Top Secret. 6 pp. Kennedy Library, National Security Files, Departments and Agencies Series, ACDA, Disarmament, Test Ban, U.S. Military View.
197	Telegram 154 from Moscow, July 16. Readout of Harriman/Hailsham discussions with Khrushchev on July 15. Secret. 20 pp. Department of State, Central Files, DEF 18–3 USSR (MO).
198	Telegram 183 from Moscow, July 18. Status of test ban negotiations following plenary and drafting committee sessions. Unclassified. 3 pp. Department of State, Central Files, DEF 18–3 USSR (MO).
199	Telegram 184 from Moscow, July 17. Full report of test ban discussions at plenary session, July 17. Secret. 3 pp. Department of State, Central Files, DEF 18–3 USSR (MO).
200	Telegram 186 from Moscow, July 17. Readout of meeting with Gromyko delegation. Secret. 12 pp. Department of State, Central Files, DEF 18–3 USSR (MO).
201	Memorandum of Conference with President Kennedy, July 18. Discussion of Moscow telegrams and revised instructions for Harriman. Secret. 2 pp. Kennedy Library, National Security Files, Departments and Agencies Series, ACDA, Disarmament, Test-Ban Negotiations, Harriman Trip.

No.	Document Description
202	Telegram 211 from Moscow, July 18. Meeting with Gromyko: Discussion centered on Kennedy's July 17 statement, Khrushchev's July 2 statement and the importance to Soviets of non-aggression pact. Secret. 4 pp. Department of State, Central Files, DEF 18-3 USSR (MO).
203	Telegram 223 from Moscow, July 19. Meeting with Gromyko: U.S.-U.K. views on Soviet withdrawal clause. Secret. 5 pp. Department of State, Central Files, DEF 18-3 USSR (MO).
204	Telegram 224 from Moscow, July 19. Text of U.S. tabled "package deal." Unclassified. 2 pp. Department of State, Central Files, DEF 18-3 USSR (MO).
205	Telegram 239 from Moscow, July 20. Meeting with Gromyko: resolving the finer points of acceptable language. 7 pp. Department of State, Central Files, DEF 18-3 USSR (MO).
206	Telegram 247 from Moscow, July 22. Correction of error contained in Moscow telegram 239. Secret. 1 p. Department of State, Central Files, DEF 18-3 USSR (MO).
207	Memorandum from Ball to President Kennedy, July 22. Proposed offer of nuclear assistance to de Gaulle. Secret. 12 pp. Department of State, Central Files, DEF 18-8.
208	Telegram 271 from Moscow, July 22. Readout of July 22 meeting with Gromyko. Secret. 5 pp. Department of State, Central Files, DEF 18-3 USSR (MO).
209	Telegram 274 from Moscow, July 23. Readout of Harriman/Hailsham private session with Gromyko on French issue and signing considerations. Secret. 6 pp. Department of State, Central Files, POL 7 US/Harriman.
210	Telegram 295 from Moscow, July 23. Further private discussions with Gromyko on non-aggression pact considerations, acceptance of test ban treaty, and possibilities for reducing future tensions. Secret. 5 pp. Department of State, Central Files, POL 7 US/Harriman.

No.	Document Description
211	Telegram 333 from Moscow, July 25. Private meeting with Gromyko: non-exchange of Harriman/Gromyko letters, Soviet objections to unrecognized regimes ratifying the treaty, treaty adherence issues, limited nature of test ban treaty, and Harriman's statement to the Senate. Secret. 8 pp. Department of State, Central Files, DEF 18–4.
212	Telephone conversation between Bundy and Kaysen, July 25. Guidance on issue of unrecognized regimes depositing instruments of ratification, timing of acceptance of agreement, and return travel plans. No classification marking. 3 pp. Kennedy Library, National Security Files, Kaysen Series, Disarmament, Harriman Mission, Records/Action.
213	Harriman's personal notes on meeting with Gromyko, July 25. Oral understanding with Gromyko, telephone call to White House, U.S. ready to initial. Secret. 3 pp. Library of Congress, Manuscript Division, Harriman Papers, Test Ban 12, Post-Trip.
214	Telegram 347 from Moscow, July 26. Successful conclusion to negotiations realized. Secret. 2 pp. Department of State, Central Files, DEF 18–3 USSR (MO).
215	Letter from Gen. Taylor to Rusk, July 27. Requests Department of State assistance in preparation for Congressional hearings on test ban treaty. Attached is a list of political questions JCS would like to have answered. Top Secret. 2 pp. Kennedy Library, National Security Files, Departments and Agencies Series, ACDA, Disarmament, Test Ban, Congressional Relations I, 5/63–7/63.
216	Summary Record of NSC Standing Group Meeting No. 11, July 30. Harriman report, Senate ratification issues, Teller reservations, and public affairs issues. Secret. 1 p. Kennedy Library, National Security Files, Meetings and Memoranda Series, Standing Group Meeting, Box 315, 7/30/63.
217	Memorandum from Barnett to Sullivan, July 30. Duncan Wilson's report on Moscow test ban negotiations. No classification marking. 2 pp. Kennedy Library, National Security Files, Departments and Agencies Series, ACDA, Disarmament, Test Ban-General.



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No.	Document Description
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*August 1963*

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| 218 | JCS Statement on the three-environment Nuclear Test Ban Treaty, August 12. Notes concerns, but supports Treaty ratification. Secret. 8 pp. Library of Congress, Manuscript Division, Harriman Papers, Test Ban 15, Post-Trip.  |
| 219 | Addendum to December 20, 1962 Report of the NSAM 205 Committee, August 15. Implications of Soviet fission weapons testing. Top Secret. 3 pp. Kennedy Library, National Security Files, Meetings and Memoranda Series, NSAM 205, Box 339.                                       |
| 220 | Memorandum for the Record, August 21. "Events Leading up to the Harriman Moscow Mission." Top Secret. 3 pp. National Defense University, Taylor Papers, WYS Chron, April–September, 1963.  |
| 221 | Table, August 23. "Programmed and Augmented Capabilities of AEDS to Detect and Identify Nuclear Tests with 60–90% Probability." Top Secret. 1 p. Kennedy Library, National Security Files, Departments and Agencies Series, ACDA, Disarmament, Test Ban and the U.S. Military. |

*October 1963*

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| 222 | Memorandum of Conversation, October 8, among Committee of Principals. Discussion of U.S.-Soviet arrangement on refraining from placing weapons of mass destruction in orbit. Top Secret. 11 pp. Kennedy Library, National Security Files, Departments and Agencies Series, ACDA, Disarmament, Committee of Principals, 3/61–11/63. |
| 223 | Record of Committee of Principals meeting, October 8. Conclusions reached on U.S. position regarding weapons of mass destruction in orbit. Top Secret. 1 p. Kennedy Library, National Security Files, Departments and Agencies Series, ACDA, Disarmament, Committee of Principals, 3/61–11/63.                                     |
| 224 | Memorandum of Conversation, October 10, between Rusk and Gromyko. Disarmament issues. Secret. 5 pp. Department of State, Central Files, DEF 18.  |

No.	Document Description
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*December 1963*

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| 225 | Table comparing FY 1964 effort and proposed program for FY 1965. Represents DOD's portion of the "safeguards" program. Secret. 1 p. Washington National Records Center, RG 330, OSD/OATSD (AE) Files: FRC 69 A 2243, 388.3, 58 AWT USSR Tests, 1961–1963. |
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## **National Security Policy**

*January 1961*

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| 226 | Memorandum prepared by Boggs, January 5. Discussion at 473d National Security Council meeting on intelligence directives. Top Secret. 13 pp. Eisenhower Library, Whitman File, NSC Records.   |
| 227 | Record of Action, January 10. NSC Action No. 2373 on reserve mobilization requirements. Confidential. 1 p. Department of State, S/S–NSC (Miscellaneous) Files: Lot 66 D 95, Records of Action by the National Security Council.   |
| 228 | Memorandum prepared by Boggs, January 13. Discussion at 474th National Security Council Meeting. Top Secret. Polaris program, codification of U.S. arms control/nuclear testing policy, disclosure of classified information to foreign governments, foreign intelligence activities, shelter from radioactive fallout, and rental payments for overseas bases. 25 pp. Eisenhower Library, Whitman File, NSC Records. |
| 229 | National Intelligence Estimate, NIE 1–61, January 17. "Estimate of the World Situation"; introduction and report on Soviet progress and policy. Secret. 22 pp. CIA Files, Job 79R01012A, ODDI Registry.   |
| 230 | Record of Action, January 19. NSC Action No. 2395: Attack warning channels and procedures for civilians. Secret. 1 p. Department of State, S/S–NSC (Miscellaneous) Files: Lot 66 D 95, Records of Action by the National Security Council.  |

No.	Document Description
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*March 1961*

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| 231 | Memorandum from Col. Chapla to Bundy, March 3. Transmits report on "Evaluation of Strategic Offensive Weapon Systems." Top Secret. 28 pp. Kennedy Library, National Security Files, Subjects Series, WSEG 50, Smith.   |
| 232 | Memorandum from Gen. Lemnitzer to Clifton, March 3. Transmits copy of JCS memorandum to Secretary McNamara on developing a counter-guerrilla capability. Secret. 5 pp. Kennedy Library, National Security Files, Departments and Agencies File, Spec. Warfare. |

*April 1961*

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| 233 | National Intelligence Estimate, NIE 11-61, April 6. "Probable Intelligence Warning of Soviet Attack on the United States." Top Secret. 22 pp. CIA Files, Job 79R01012A, ODDI Registry.   |
| 234 | Memorandum from Rostow to President Kennedy, April 21. Thoughts on how to get U.S. foreign policy back on track following Cuban setback. Top Secret. 6 pp. Kennedy Library, National Security Files, Meetings and Memoranda Series, Pol Plan 2/11/61-5/61. |

*May 1961*

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| 235 | Memorandum from Schlesinger to President Kennedy, May 18. Secret. CIA Files, Schlesinger Papers, 4/21/61-6/19/61. 6 pp. of source text not declassified. |
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*June 1961*

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| 236 | Memorandum from Gen. Lemnitzer to McNamara, June 15. Policy guidance on plans for central war. Top Secret; Restricted Data. 7 pp. National Archives and Records Administration, Record Group 218, JCS Records, JMF 3001, BNSP (5 May 1961), Sec. 2. |
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<b>No.</b>	<b>Document Description</b>
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*July 1961*

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| 237 | National Intelligence Estimate, NIE 11–3–61, July 11. “Sino-Soviet Air Defense Capabilities Through Mid-1966.” Printed in part in the print volume as Document 36. Top Secret. 34 pp. CIA Files, Job 79R01012A, ODDI Registry. |
| 238 | Memorandum from Kaysen to Bundy, July 22. Top Secret. Kennedy Library, National Security Files, Kaysen, BNSP 7/61–11/61. 2 pp. of source text not declassified.  |

*August 1961*

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| 239 | Memorandum from Gen. Lemnitzer to McNamara, August 7. JCS recommendations on “Central War Offensive Forces, Program Package I.” Top Secret. 3 pp. National Archives and Records Administration, JCS Records, JMF 7000 General (6 May 61), Sec. 3. |
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*September 1961*

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| 240 | Memorandum from Gen. Cabell to Gen. Taylor, September 6. Transmits memorandum on “Current Status of Soviet and Satellite Military Forces and Indications of Military Intentions.” Top Secret. 15 pp. CIA Files, Job 80B0676R, DCI/EA Files, White House, Sep–Dec 61. |
| 241 | Memorandum from Gen. LeMay to SAFS, September 18. Recommendations on long-range nuclear delivery forces, 1963–1967. Top Secret. 3 pp. Washington National Records Center, Records Group 330, OSD Files: FRC 71 A 3470, Misc Budget.                                  |
| 242 | Memorandum from Gen. Taylor to Gen. Lemnitzer, September 19. Transmits list of questions for General Power’s use in his meeting with President Kennedy. Top Secret. 5 pp. National Defense University, Taylor Papers, 33 66 NATO.                                    |
| 243 | National Intelligence Estimate, NIE 4–3–61, September 21. “Nuclear Weapons and Delivery Capabilities of Free World Countries Other Than the US and UK.” Secret. 16 pp. CIA Files, Job 79R01012A, ODDI Registry.  |

- | No. | Document Description  |
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| 244 | National Intelligence Estimate, NIE 11-8-61, September 21. "Strength and Deployment of Soviet Long Range Ballistic Missile Forces." Printed in part in the print volume as Document 45. Top Secret. 29 pp. CIA Files, Job 79R01012A, ODDI Registry.   |
| 245 | Memorandum from Bundy to President Kennedy, September 28. Conveys information on personnel matters; McNamara and the military budget; management of foreign aid; and news from Syria and Berlin. Secret. 3 pp. Kennedy Library, National Security Files, Departments and Agencies Series, CIA General 9/61-11/61. |

*October 1961*

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| 246 | Memorandum from Maj. Smith to Gen. Taylor, October 2. McNamara's rationale on long range nuclear delivery forces. Secret. 2 pp. National Defense University, Taylor Papers, 30, T-357-64. |
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*November 1961*

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| 247 | Memorandum from Gen. Taylor to President Kennedy, November 13. "FY 1963 Defense Budget Issues." Top Secret. 12 pp. National Defense University, Taylor Papers, 30, T-357-69. |
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*December 1961*

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| 248 | Memorandum from McGhee to Under Secretary, December 5. Conveys draft "Basic National Security Policy" paper. Printed in part in the print volume as Document 62. Secret. 85 pp. Department of State, S/S-NSC (Miscellaneous) Files: Lot 66 D 95, BNSP 1961-1962.                               |
| 249 | Memorandum from Bissell to Bundy, December 11. Conveys report of the Counter-Guerrilla Warfare Task Force on "Elements of US Strategy to Deal with Wars of National Liberation." Secret. 20 pp. Kennedy Library, National Security Files, Departments and Agencies Series, CIA General, 12/61. |

No.	Document Description
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| 250 | Memorandum from Komer to Bundy, December 12. Discussion of Counter-Guerrilla Warfare Task Force report and recommendations regarding same. Secret. 2 pp. Kennedy Library, National Security Files, Komer, 11/61–12/61. |
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*January 1962*

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| 251 | Memorandum from McNamara to President Kennedy, January 2. Recommendations on implementation of Army reorganization proposal. Secret. 4 pp. Washington National Records Center, Record Group 330, OSD Files: FRC 71 A 3470.  |
| 252 | Memorandum from McCone to President Kennedy, January 8. Transmits requested information on Soviet missile program. Top Secret. 4 pp. CIA Files, DCI (McCone) Files, Job 80B01285A, Mtgs w/Pres, 12/1/61–6/30/62.  |
| 253 | Memorandum prepared by McCone, January 9. Read-out of Congressional briefing on Cuba, Vietnam, and Soviet nuclear missile capabilities. Secret. 3 pp. Attached is a paper on "Soviet Long-Range Ballistic Missiles." Top Secret. 4 pp. CIA Files, DCI (McCone) Files, Job 80B01285A, Memos for the Record, 11/29/61–4/5/62. |
| 254 | Memorandum from Coyne to Bundy, January 15. Transmits draft directive on the responsibilities of the Director of Central Intelligence. No classification marking. 3 pp. Kennedy Library, National Security Files, Departments and Agencies Series, CIA General 1/61–2/62.   |
| 255 | Memorandum from President Kennedy to McCone, January 16. Guidance on McCone's responsibilities as Director of Central Intelligence. No classification marking. 2 pp. Kennedy Library, National Security Files, Departments and Agencies Series, CIA General 1/62–2/62.  |
| 256 | Letter from Rusk to McNamara, January 20. Rusk's concerns regarding possible force reductions abroad. Secret. 2 pp. Kennedy Library, National Security Files, Departments and Agencies Series, Army Reorg. Proposal 12/61–1/62.   |

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| 257 | Memorandum from Kaysen to Bell, January 23. Conveys President's request that Bell, Taylor and McNamara meet to discuss Army force requirements. No classification marking. 1 p. Transmits copy of Presidential memorandum to McNamara on FY 1963 Army preparedness and force strength. Secret. 2 pp. Kennedy Library, National Security Files, Departments and Agencies Series, DOD 1/62-3/62. |
| 258 | Memorandum from Kaysen to Gen. Taylor, January 23. Relays President's interest in having Taylor talk with McNamara. No classification marking. 1 p. Kennedy Library, National Security Files, Departments and Agencies Series, DOD 1/62-3/62.  |
| 259 | Memorandum from Helms to McCone, January 25. Transmits report on "New Emphasis on Strengthening Soviet Strategic Missile Capabilities." Top Secret; NoForn/No Dissem Abroad/Limited/Background Use Only. 4 pp. CIA Files, Job 80B01285A, Mtgs w/ President, 12/1/61-6/30/62.   |
| 260 | Memorandum for the Record prepared by Maury, January 26. Comments on special report on "New Emphasis on Strengthening Soviet Strategic Missile Capabilities." Secret; Eyes Alone. 2 pp. CIA Files, Job 80B01285A, Mtgs w/President, 12/1/61-6/30/62.   |

*February 1962*

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| 261 | Memorandum from CA/PRG to CA/C/PMG, Central Intelligence Agency, February 2. Background and genesis of the "Counter-Guerrilla Warfare Task Force Report." Secret. 3 pp. CIA Files, Job 8300D30R.   |
| 262 | Memorandum from Earman to Deputy Director for Intelligence, Central Intelligence Agency, February 12. Extract of McCone's February 8 conversation with President Kennedy passed for information and necessary action. Top Secret; Eyes Only. 1 p. CIA Files, Job 80B01285A, Mtgs w/President, 12/1/61-6/30/62. |

No.	Document Description
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*March 1962*

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| 263 | Memorandum from Hughes to Rostow, March 6. INR comments on the "Basic National Security Policy" paper. Secret. 9 pp. Department of State, S/S–NSC (Miscellaneous) Files: Lot 66 D 95, BNSP, 1961–1962. |
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*April 1962*

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| 264 | Memorandum from Gen. Taylor to President Kennedy, April 17. Provides background information for Kennedy's meeting with McNamara on U.S. Army force reductions in FY 1963. Secret. 2 pp. Kennedy Library, President's Office Files, 94B, DEF 4/62–6/62.   |
| 265 | Memorandum from the Secretaries to the Joint Chiefs of Staff, April 24. Circulates copy of a memorandum from Gen. Lemnitzer to McNamara on "Nuclear Superiority of the US Vis-à-Vis the Soviet Union" for their information. Top Secret/Restricted Data. 12 pp. National Archives and Records Administration, RG 218, JCS Records, JMF 2210. |
| 266 | National Intelligence Estimate, NIE 13–2–62, April 25. "Chinese Communist Advanced Weapons Capabilities." Printed in part in the print volume as Document 81. Top Secret. 30 pp. CIA Files, Job 79R01012A, ODDI Registry.  |
| 267 | Memorandum for the Record, April 25. Readout of White House staff meeting concerning McNamara's upcoming speech; the role of tactical nuclear weapons in U.S. national security policy; Berlin; Burma; and Dobrynin's views on arms control. Secret. 2 pp. National Defense University, Taylor Papers, WH Mtgs.                              |
| 268 | Memorandum of Discussion prepared by McCone, April 30. Readout of April 28 meeting among Kennedy, Macmillan, McCone, and McNamara on TKH photography. Secret; Eyes Only. 1 p. CIA Files, Job 80B01285A, Mtgs w/President 12/1/61–6/30/62.  |



<b>No.</b>	<b>Document Description</b>
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*May 1962*

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| 269 | Letter from Kennan to Rostow, May 15. Encloses his comments on U.S. military policy in Europe as it affects NATO, West Germany and the Warsaw Pact. Unclassified. 3 pp. Department of State, S/P Files: Lot 69 D 121, BNSP Draft, 3/26/62. |
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*June 1962*

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| 270 | National Security Action Memorandum No. 165, June 16. "Assignment of Additional Responsibility to the Special Group." Confidential. 1 p. Department of State, S/P Files: Lot 69 D 121, NSAMs 62.  |
| 271 | Draft Paper, June 22. "Basic National Security Policy." Printed in part in the print volume as Document 93. Secret. 186 pp. Department of State, S/P Files: Lot 69 D 121, BNSP Draft 6/22/62.   |
| 272 | Memorandum from Gen. Taylor to President Kennedy, June 22. "Military Force Levels and Nuclear Planning" Secret. 2 pp. Kennedy Library, National Security Files, Meetings and Memoranda Series, Taylor 6/62-8/62.  |
| 273 | Memorandum from Gen. Taylor to President Kennedy, June 22. Conveys comments on the attached McNamara memorandum "US and Soviet Military Buildup and Probable Effects on Berlin Situation." Top Secret. 4 pp. Kennedy Library, National Security Files, Departments and Agencies Series, DOD IV. |

*July 1962*

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| 274 | Memorandum from Gen. Taylor to President Kennedy, July 2. Delegation of authority in the transfer, release and use of U.S. nuclear weapons. Secret. 3 pp. Kennedy Library, National Security Files, Meetings and Memoranda Series, Taylor 6/62-8/62.       |
| 275 | Memorandum from Gen. Taylor to President Kennedy, July 12. Taylor's comments on McNamara's memorandum to Kennedy on the readiness of the Strategic Army Force. No classification marking. 2 pp. Kennedy Library, President's Office Files, Def 7/62-12/62. |

<b>No.</b>	<b>Document Description</b>
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*August 1962*

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| 276 | Memorandum from McNamara to President Kennedy, August 11. Provides information on the status of the "Strategic Army Force in the United States" and a summary table of "Army Strength Planned as of June 30, 1963." Secret. 3 pp. Kennedy Library, National Security Files, Departments and Agencies Series, DOD, 7/62–8/62. |
| 277 | Memorandum of Discussion, August 17. McCone's personal notes of the August 16 discussion of the appointment of a chairman for the Special Group. Secret; Eyes Only. 1 p. CIA Files, Job 80B01285A, DCI Memos for Record 4/7/62–8/21/62.  |
| 278 | Letter from McCone to Gen. LeMay, August 22. Ideas on resolving the differences in SAC and USIB estimates of the threat facing America. Secret. 3 pp. CIA Files, Job 80B01285A, ER Files-DCI Chron, 1/1–12/31/62.  |

*September 1962*

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| 279 | Paper prepared by the Department of State, September 1962. "United States Overseas Internal Defense Policy." Printed in part in the print volume as Document 106. Secret. 40 pp. Department of State, S/S-NSC Files: Lot 72 D 316, NSAM 182. |
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*November 1962*

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| 280 | Memorandum from President Kennedy to McNamara, November 9. Questions posed by the President on status of U.S. and Soviet fighter aircraft production. Top Secret; Sensitive. 3 pp. Washington National Records Center, OSD Files: FRC 71 A 6489, 452 Tactical 1962. |
| 281 | Memorandum from Joint Chiefs of Staff to McNamara, November 14. 17 pp. of source text not declassified. Top Secret. National Archives and Records Administration, RG 218, JCS Records, JMF 3105 (22 Jun 62) Sec 1.  |
| 282 | Memorandum of Discussion prepared by McCone, November 16. Readout of McCone's briefing of President Kennedy for his upcoming meeting with former President Eisenhower. Secret; Eyes Only. 2 pp. CIA Files, Job 80B01285A, Mtgs. w/President, 7/1/62–12/31/62.       |

No.	Document Description
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*January 1963*

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| 283 | Memorandum from Col. Legere to Col. Ewell, January 16. Forwards comments and draft paper on tactical nuclear weapons. Secret. 3 pp. National Defense University, Taylor Papers, WH Staff Mtgs.   |
| 284 | Notes on Remarks of President Kennedy, January 22. A review of national security problems: Cuba; Europe; the Neutrals; domestic affairs; foreign aid, and military issues. Top Secret. 7 pp. Department of State, Central Files, 711.5/1-2363.   |
| 285 | Memorandum for the Record prepared by Gen. Taylor, January 22. Summary of President Kennedy's remarks to National Security Council on January 22. Top Secret. 3 pp. National Defense University, Taylor Papers, Taylor CJCS Memos.   |
| 286 | Notes on Remarks of President Kennedy prepared by a "CIA Rapporteur," undated. President Kennedy's remarks to National Security Council on January 22. Secret. 7 pp. Kennedy Library, National Security Files, Meetings and Memoranda Series, 508th NSC Meeting.   |
| 287 | Memorandum for the Record prepared by Col. Legere, January 23. White House staff meeting concerning the tactical nuclear weapons study, the nuclear test ban agreement, and Kennedy's January 22d comments to the National Security Council. Secret; Eyes Only. 3 pp. National Defense University, Taylor Papers, WH Staff Mtgs. |

*February 1963*

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| 288 | Memorandum from Maj. Smith to Gen. Goodpaster, February 6. "US Policy on Tactical Nuclear Weapons in Europe." Top Secret. 4 pp. National Defense University, Taylor Papers, Tac Nuc I.                    |
| 289 | Memorandum for the Record prepared by unknown drafter, February 7. "Views of Dr. Enthoven on Tactical Nuclear Warfare." Top Secret. 6 pp. National Defense University, Taylor Papers, Tac Nuc Wpns Study. |

No.	Document Description
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*March 1963*

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| 290 | National Intelligence Estimate, NIE 11–4–63, March 22. “Soviet Military Capabilities and Policies, 1962–1967.” Printed in part in the print volume as Document 130. Top Secret; Controlled Dissem. 62 pp. Johnson Library, National Security File, Intelligence File, National Intelligence Estimates. |
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*April 1963*

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| 291 | Report by the Special Studies Group, Joint Chiefs of Staff, April 1963. “Further Study of Requirements for Tactical Nuclear Weapons.” Top Secret; Restricted Data. 37 pp. Kennedy Library, National Security Files, Kaysen, 4/63. |
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*May 1963*

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| 292 | Memorandum from McNamara to President Kennedy, May 27. McNamara’s comments regarding adequacy of U.S. tactical aircraft capabilities. Attachments provide written analysis and comparison tables. Top Secret; Sensitive. 21 pp. Washington National Records Center, RG 330, OSD Files: FRC 71 A 3470, 452 Tactical 1963. |
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*June 1963*

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| 293 | Memorandum from Gilpatric to McNamara, Bundy, and Rostow, June 3. Transmits Maj. Gen. Lansdale’s strategy paper on the cold war for their information. Secret. 12 pp. Department of State, S/P Files: Lot 70 D 199, Pol & Psych Warfare. |
| 294 | Memorandum from Johnson to Bundy, June 21. Provides information on expenditures for nuclear weapons systems. Secret. 2 pp. Kennedy Library, National Security Files, Meetings and Memoranda Series, CE Johnson 5/62–9/63.                |

*July 1963*

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| 295 | National Intelligence Estimate, NIE 11–9–63, July 15. “Soviet Capabilities and Intentions to Orbit Nuclear Weapons.” Printed in part in print volume as Document 134. Secret; Restricted Data. 24 pp. Johnson Library, National Security File, Intelligence File, National Intelligence Estimates. |
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- | No. | Document Description   |
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| 296 | Memorandum from Forrestal to Bundy, July 19. Reassignment of Kaysen's portfolio. No classification marking. 2 pp. Kennedy Library, National Security Files, Meetings and Memoranda Series, Staff Memoranda, Carl Kaysen.                         |
| 297 | Special National Intelligence Estimate, SNIE 13-2-63, July 24. "Communist China's Advanced Weapons Program." Printed in part in print volume as Document 138. Secret; Controlled Dissem. 16 pp. Department of State, INR/EAP Files: Lot 90 D 99. |
| 298 | Paper prepared by unknown drafter, July 31. Provides background information on the Defense Intelligence Agency. No classification marking. 2 pp. Kennedy Library, National Security Files, Departments and Agencies Series, CIA Gen, 4-8/63.     |

*September 1963*

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| 299 | Memorandum from Maj. Smith to Gen. Taylor, September 20. Comments on Rostow's paper on the present state of the world. Confidential. 3 pp. National Defense University, Taylor Papers, 40B2-B4. |
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*October 1963*

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| 300 | Memorandum from Gen. Taylor to Members of the Special Group, October 15. Recommends a review of U.S. programs in support of foreign paramilitary forces. Secret. 1 p. Department of State, S/S Files: Lot 70 D 258, SGCI General 1963.                    |
| 301 | National Intelligence Estimate, NIE 11-8-63, October 18. "Soviet Capabilities for Strategic Attack." Printed in part in the print volume as Document 144. Top Secret; Restricted Data; Controlled Dissem. 58 pp. CIA Files, Job 79R01012A, ODDI Registry. |
| 302 | Note from Kaysen to Bundy, October 25. Provides comments on McNamara's strategic forces memorandum. Top Secret. 10 pp. Johnson Library, National Security File, Agency File, Def Bud 65.  |

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| 302a | Memorandum for President Kennedy, Washington, November 7. Source: Department of Defense, JCS Records, JMF 7000 (3 Jan 64). Top Secret. 7 pages of source text not declassified. |
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*November 1963*

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| 303 | Draft Paper prepared by unknown drafter, November 8. "Basic National Security Policy." Top Secret. 14 pp. Department of State, S/P Files: Lot 70 D 199, TS-BNSP.   |
| 304 | Memorandum from Keeny to Bundy, November 15. Provides comments and agenda for November 15th budget meeting with McNamara. No classification marking. 5 pp. Johnson Library, National Security File, Agency File, Def Bud 65. |
| 305 | Memorandum from Maj. Smith to Bundy, November 22. Provides analysis and information for November 15th budget meeting. Secret. 5 pp. Johnson Library, National Security File, Agency File, Def Bud 65.                        |
| 306 | Memorandum from Rostow to Members of Policy Planning Council, November 29. Addresses input from regional bureaus on key issues. Secret. 4 pp. Department of State, S/P Files: Lot 70 D 199, Secretary's PPMs.                |
| 307 | Memorandum from Keeny to Bundy, November 30, 1963. Readout of November 27th budget meeting with McNamara. Secret. 5 pp. Johnson Library, National Security File, Agency File, Def Bud 65.                                    |

*December 1963*

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| 308 | Memorandum to Members of Policy Planning Council, December 6. Highlights of December 3d Policy Planning Meeting. Secret. 4 pp. Department of State, S/P Files: Lot 70 D 199, Secretary's PPMs.          |
| 309 | Memorandum from Gordon to President Johnson, December 9. Provides rationale for adjustments to Minuteman program. Top Secret. 4 pp. Johnson Library, National Security File, Agency Series, Def Bud 65. |

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| 310        | Memorandum for the Record of the Special Group Meeting, December 12. Secret; Eyes Only. 2 pp. of source text not declassified. CIA Files, Job 80B01285A, 303 Committee 1963. |

## **General Foreign Economic Policy**

### *December 1960*

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| 311 | Report by Task Force on the Balance of Payments to President-elect Kennedy, December 27. Balance of payments/reserve problems and recommended solutions. No classification marking. 11 pp. Kennedy Library, National Security Files, Kaysen Series, Balance of Payments, General, 12/60-6/62, Box 362. |
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### *November 1961*

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| 312 | Memorandum from Dillon to President Kennedy, November 7. Third report on balance of payments and Treasury actions. Confidential. 4 pp. Kennedy Library, President's Office Files, Treasury, Balance of Payments, 10/61-12/61, Box 94E.    |
| 313 | Memorandum from Heller to President Kennedy, November 28. "The Balance of Payments Dilemma." No classification marking. 3 pp. Kennedy Library, National Security Files, Kaysen Series, Balance of Payments, General, 12/60-6/62, Box 362. |

### *December 1961*

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| 314 | Letter from Dutton to Rep. O'Hara, December 13. Relationship between U.S. aid and the deficit. No classification marking. 2 pp. Department of State, Central Files, 811.10/12-161. |
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### *January 1962*

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| 315 | Memorandum from Dillon to President Kennedy, January 18. "Fourth Quarter Balance of Payments Figures." Confidential. 3 pp. Kennedy Library, President's Office Files, Treasury, Balance of Payments, 1/62-8/62, Box 94E. |
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No.	Document Description
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*March 1962*

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| 316 | Memorandum from Dillon to President Kennedy, March 28. Time frame/solutions to balance of payments problem. Secret. 4 pp. Kennedy Library, President's Office Files, Treasury, Balance of Payments, 1/62–8/62, Box 94E. |
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*April 1962*

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| 317 | Memorandum from Coppock to Ball, April 18. Recommends Ball convene meeting of Interdepartmental Committee of Under Secretaries to provide status report on foreign economic policy. Official Use Only. Two attachments provide agenda and briefing material for May 2 meeting. 9 pp. Department of State, E Files: Lot 65 D 68, ICFEP. |
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*June 1962*

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| 318 | Summary minutes of Interdepartmental Committee of Under Secretaries on Foreign Economic Policy meeting, June 13. International private long-term capital movement and markets. Official Use Only. 8 pp. Department of State, E Files: Lot 65 D 68, ICFEP, June 13, 1962. |
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*July 1962*

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| 319 | Memorandum from McNamara to Secretaries of Military Departments, the Director of Defense Research & Engineering, the Joint Chiefs of Staff, the Assistant Secretaries of Defense, and the General Counsel, July 10. Revised Project Eight list. Confidential. 11 pp. Kennedy Library, National Security Files, Meetings and Memoranda Series, NSAM 171, Box 337. |
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*April 1963*

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| 320 | Memorandum from Dillon to President Kennedy, April 5. Forwards report by Cabinet Committee on Balance of Payments. Prospects and solutions. Secret. 6 pp. Kennedy Library, President's Office Files, Treasury, Balance of Payments, JFK Reading, 4/17/93, Box 94E. |
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No.	Document Description
321	Memorandum from Heller to President Kennedy, April 6. "Monetary Policy Today." No classification marking. 4 pp. Kennedy Library, National Security Files, Kaysen Series, Balance of Payments, Cabinet Committee, 7/62-2/63, Box 363.
322	Telephone conversation, April 8, between Heller and Ball. State views on a Treasury meeting and report (no subject mentioned). No classification marking. 3 pp. Kennedy Library, Ball Papers, Ball Telephone Conversations, Balance of Payments, 1963, Box 1.
<i>May 1963</i>	
323	Memorandum from Klein to Bundy, May 10. "Redeployment of U.S. Forces in Europe." Secret. 2 pp. Kennedy Library, National Security Files, Subjects Series, Balance of Payments and Gold, 6/62-9/63, Box 292.
324	Memorandum from Rostow to Rusk, May 15. "Military Cut-Backs and Balance of Payments." Secret. 2 pp. Kennedy Library, National Security Files, Subjects Series, Balance of Payments and Gold, 4/63-7/63, Box 291.
325	Memorandum from Rostow to Rusk, May 18. "Troop Withdrawals from Europe." Secret. 2 pp. Kennedy Library, National Security Files, Subjects Series, Balance of Payments and Gold, 6/62-9/63, Box 292.
326	Memorandum from Kaysen to Bundy, May 20. Status report on DOD's proposals to reduce expenditures on foreign accounts. Secret. 6 pp. Kennedy Library, National Security Files, Subjects Series, Balance of Payments and Gold, 4/63-7/63, Box 291.
327	Memorandum from Bullitt to Executive Committee of Cabinet Committee on Balance of Payments, May 29. Assigns Agency responsibility for specific actions to address balance of payments deficit. Confidential. 3 pp. Kennedy Library, Herter Papers, Balance of Payments, Box 6.

No.	Document Description
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*June 1963*

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| 328 | Letter from Rusk to McNamara, June 22. Response to McNamara's proposals for balance of payments savings. Secret. 1 p. Department of State, Central Files, FN 12. |
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*July 1963*

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| 329 | Memorandum from U. Alexis Johnson to Rusk, July 2. Background information for meeting with McNamara on DOD's deficit reduction plans. Secret. 2 pp. Department of State, Central Files, FN 12.  |
| 330 | Memorandum from McNamara to Rusk, July 3. Solicits Department of State comments on attached memorandum to the President regarding DOD actions to reduce expenditures abroad. Secret. 10 pp. Department of State, Central Files, FN 12 US.         |
| 331 | Memorandum from Meyers to Kitchen, July 8. Item-by-item review of McNamara's proposals outlined in his July 3 memorandum to Rusk. Secret. 3 pp. Department of State, Central Files, FN 12 US.   |
| 332 | Telephone conversation between Kaysen and Ball, July 9. Proposed Presidential announcement on balance of payments. No classification marking. 3 pp. Kennedy Library, Ball Papers, Ball Telephone Conversations, Balance of Payments, 1963, Box 1. |
| 333 | Letter from Ball to Dillon, July 9. Ball's concerns about President's statement on balance of payments. Secret. 4 pp. Department of State, Central Files, FN 12 US.   |
| 334 | Memorandum of conversation, July 15, among Rusk, McNamara, and Ball. "DOD Balance of Payments Proposals." Top Secret. 11 pp. Department of State, Secretary's Memoranda of Conversation: Lot 65 D 330.  |
| 335 | Memorandum from Kitchen to Rusk, July 24. "Status Report on Balance of Payments and Troop Withdrawals." Secret. 3 pp. Department of State, Central Files, FN 12 US.   |

- | <b>No.</b>            | <b>Document Description</b>  |
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| 336                   | Memorandum from Schaetzel to Kitchen, July 24. "Balance of Payments and Force Withdrawal." Secret. 2 pp. Department of State, Central Files, DEF 6-8 US/NATO.  |
| <i>September 1963</i> |  |
| 337                   | Memorandum from U. Alexis Johnson to Rusk, September 16. Analysis of DOD balance of payments reductions. Top Secret. 12 pp. Department of State, Central Files, FN 12.   |
| 338                   | Tables 1 and 2, September 19. Table 1 represents Fiscal Year DOD expenditures and receipts entering the international balance of payments. Table 2 reflects U.S. Air Force tactical aircraft with home bases overseas. These tables are attachments to McNamara's September 19 memorandum to Kennedy on reducing annual military expenditures abroad. Top Secret. 3 pp. Kennedy Library, National Security Files, Subjects Series, Balance of Payments and Gold, 8/63-9/63, Box 292. |

## **Financial and Monetary Policy**

*January 1961*

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| 339 | Paper, January 10. "Proposed Settlement of Vested German Assets Problem." Confidential. 7 pp. Department of State, Central Files, 811.10/1-1361.  |
| 340 | Letter from Anderson to Dillon, January 18. Outgoing administration thoughts on possible measures to reduce balance of payments deficit. No classification marking. 4 pp. Kennedy Library, Dillon Papers, Miscellaneous History, Box 41.  |
| 341 | Memorandum from Ball to Rusk, January 30. German negotiations on U.S. balance of payments and settlement of vested German assets question. Attached is a February 1 letter from Rusk to Dillon noting reservations about a U.S. commitment to compensate Germany for vested assets. Confidential. 8 pp. Department of State, Central Files, 811.10/2-161. |

No.	Document Description
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*February 1961*

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| 342 | Memorandum from Rashish to Ball, February 7. Tax-sparing provisions in LDC double taxation treaties. Attachment provides additional background information. Official Use Only. 8 pp. Department of State, Central Files, 611.00431/2–761.              |
| 343 | Letter from Ball to Dillon, February 22. Meeting sought to affirm State-Treasury position on inclusion of tax-sparing clause in U.S. tax treaty program with the LDC's. Official Use Only. 2 pp. Department of State, Central Files, 611.00431/2–2261. |

*April 1961*

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| 344 | Memorandum of conversation, April 5, between President Kennedy and Prime Minister Macmillan. "International Economic Problems." Secret. 4 pp. Department of State, Presidential Memoranda of Conversation: Lot 66 D 149, January–April 1961. |
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*June 1961*

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| 345 | Memorandum of conversation, June 14, among Stikker, Ball, and Fessenden. Balance of payments issues. Confidential. 2 pp. Department of State, Central Files, 811.10/6–1461.                         |
| 346 | Memorandum of conversation, June 20, among Rusk, Dillon, and Prime Minister Ikeda. U.S.-Japanese balance of payments issues. Confidential. 4 pp. Department of State, Central Files, 811.10/6–2061. |

*November 1961*

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| 347 | Telegram 2670 from Paris, November 18. U.S.-French draft re creation of IMF special resources fund. Official Use Only. 5 pp. Department of State, Central Files, 398.13/11–1861. |
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*December 1961*

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| 348 | Telegram 3001 from Paris, December 9. Further discussion of IMF borrowing arrangement. Official Use Only. 2 pp. Department of State, Central Files, 398.13/12–961. |
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| 349                  | Telegram 3064 from Paris, December 13. Results of discussions on supplementary resources for IMF. Official Use Only. 2 pp. Department of State, Central Files, 398.13/12-1361.  |
| 350                  | Telegram 3067 from Paris, December 13. Text of exchange of letters on supplementary resources for IMF. Official Use Only. 4 pp. Department of State, Central Files, 398.13/12-1361.   |
| <i>February 1962</i> |   |
| 351                  | Memorandum from Dillon to President Kennedy, February 28. Hill action on tax bill adopting provisions on foreign income. No classification marking. 2 pp. Kennedy Library, Dillon Papers, Memos to President, 1/62-4/62, Box 8. |
| <i>March 1962</i>    |   |
| 352                  | Memorandum from Trezise to Acting Secretary, March 20. "Ways and Means Committee Bill on Tax Treatment of Foreign Income." Official Use Only. 2 pp. Department of State, Central Files, 811.112/3-2062.                         |
| <i>May 1962</i>      |   |
| 353                  | Memorandum from G. Griffith Johnson to U. Alexis Johnson, May 18. Objectives, provisions, and status of proposed tax legislation. Official Use Only. 2 pp. Department of State, Central Files, 811.11/5-1862.                   |
| 354                  | Memorandum from G. Griffith Johnson to U. Alexis Johnson, May 25. Further information on proposed tax legislation. Official Use Only. 2 pp. Department of State, Central Files, 811.11/5-2562.                                  |
| <i>August 1962</i>   |   |
| 355                  | Memorandum from Sorensen to President Kennedy, August 10. "Report of Subcommittee on Gold and Monetary Agreement." No classification marking. 1 p. Kennedy Library, President's Office Files, Treasury, 8/10/62, Box 94E.       |

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*January 1963*

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| 356 | Notes on Dillon's conversation with McNamara, January 23. U.S. dollar outlays abroad; DOD deficit proposals; and importance of balance of payments to administration. Confidential. 2 pp. Kennedy Library, Dillon Papers, Memcons, 1963, Box 15. |
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*February 1963*

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| 357 | Table, February 4. "Official Gold and Dollar Holdings of Selected Countries in Relation to Foreign Trade and Total Payment Obligations in 1961." Secret. 1 p. Kennedy Library, Dillon Papers, Memos to President, 2/62–3/63, Box 8. |
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*March 1963*

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| 358 | Memorandum from Bullitt to the Cabinet Committee on Balance of Payments, March 19. Provides read-out of Roosa's recent European discussions on balance of payments. Confidential. 6 pp. Kennedy Library, Herter Papers, Balance of Payments, Box 1. |
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*May 1963*

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| 359 | Memorandum of conversation between President Kennedy and German Federal Minister Krone, May 15. "Balance of Payments and Trade Problems." Confidential. 3 pp. Department of State, Central Files, FN 12. |
| 360 | Minutes of meeting at Embassy Paris, May 31. Force levels and balance of payments problems. Secret. 7 pp. Department of State, Secretary's Memoranda of Conversation: Lot 65 D 330.                      |

*June 1963*

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| 361 | Memorandum from Ball to President Kennedy, June 21. Talking points for the President's conversation with German Vice Chancellor Erhard. Secret. 9 pp. Department of State, Central Files, POL 7 US/KENNEDY. |
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*July 1963*

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| 362 | Memorandum from Heller to President Kennedy, July 8. CEA's program for the balance of payments. No classification marking. 4 pp. Kennedy Library, National Security Files, Kaysen Series, Balance of Payments, General, 4/63-7/63, Box 362. |
| 363 | Telegram 255 to Moscow, July 19. U.S. troop reductions in Europe. Secret. 2 pp. Department of State, Central Files, FN 12 US.   |
| 364 | Memorandum of conversation between Ball and Japanese Ambassador Takeuchi, July 29. Interest equalization tax. Limited Official Use. 2 pp. Department of State, Secretary's Memoranda of Conversation: Lot 65 D 330.                         |

*October 1963*

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| 365 | Memorandum from President Kennedy to Martin, October 14. Martin's participation in meetings to review U.S. position on evolution of international monetary system. Confidential. 2 pp. Kennedy Library, National Security Files, Subjects Series, Balance of Payments and Gold, 10/63-11/63, Box 292. |
| 366 | Memorandum from Dillon to Ball, Martin, Heller, and Bundy, October 17. Questions to be addressed by the Deputies in Group of Ten study. Limited Official Use. 5 pp. Department of State, Central Files, FN 1 US.  |

## **Foreign Assistance Policy**

*March 1961*

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| 367 | Memorandum from Rostow to President Kennedy, March 13. Thoughts on foreign aid message: getting the Congress and Allies on board. Confidential. 4 pp. Kennedy Library, National Security Files, Meetings and Memoranda Series, Staff Memoranda, Rostow-Foreign Aid, 3/61. |
| 368 | Letter from Bowles to Goodwin, March 18. Concerns about present draft of President's message on foreign aid. No classification marking. 3 pp. Department of State, Central Files, 700.5-MSP/3-1861.   |

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| 369 | Memorandum of conversation, March 20, between Ball and German State Secretary van Scherpenberg. Aid commitments and proposals for Fourth Development Assistance Group meeting. Confidential. 6 pp. Department of State, Conference Files: Lot 65 D 366, CF 1819. |
| 370 | Memorandum of conversation, March 20, between Ball and van Scherpenberg. Continued discussion of aid proposals. Confidential. 4 pp. Department of State, Conference Files: Lot 65 D 366, CF 1819.  |
| 371 | Memorandum from Weiss to Bell, March 21. MAP study and Mr. Marshall's role. Secret. 2 pp. Department of State, Central Files, 700.5–MSP/3–2161.  |
| 372 | Telegram 1524 from Bonn, March 22. Readout of bilateral foreign aid discussions. Confidential. 3 pp. Department of State, Central Files, 611.62A/3–2261.   |

*May 1961*

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| 373 | Memorandum from Freeman to President Kennedy, May 5. "Agriculture and Problems of Foreign Policy." No classification marking. 5 pp. Washington National Records Center, RG 286, AID Administrator Files: FRC 65 A 481, Administration, FY 1962.   |
| 374 | "Current Economic Developments," May 9. Expansion of Food for Peace Program. Unclassified. 5 pp. Washington National Records Center, RG 59, E/CBA/REP Files: FRC 72 A 6248. <i>Current Economic Developments</i> .  |
| 375 | "Report of the Development Assistance Panel," President's Science Advisory Committee, May 18. Research and development unit to help manage the U.S. development assistance program recommended. Official Use Only. 5 pp. Washington National Records Center, RG 286, AID Administrator Files: FRC 65 A 481, White House, FY 1962. |
| 376 | Letter from Bowles to President Kennedy, May 22. Foreign aid bill and the Hill: Bowles conversation with Fulbright. No classification marking. 4 pp. Department of State, Central Files, 700.5–MSP/5–2261.  |



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| 377              | Letter from Bowles to President Kennedy, May 23. President's Hill appearance in support of new economic aid program. No classification marking. 2 pp. Department of State, Central Files, 700.5-MSP/5-2361.  |
| 378              | Personal memorandum from Bundy to Rusk, May 25. Organization of AID. No classification marking. 1 p. Kennedy Library, National Security Files, Departments and Agencies Series, AID, 1/61-12/61, Box 268.  |
| 379              | Letter from Freeman to Rusk, May 25. Agriculture's role in the new AID Agency. No classification marking. 2 pp. Department of State, Central Files, 411.0041/5-2561.   |
| 380              | Telegram 5184 to Paris, May 27. Terms of U.S. assistance loans. Confidential. 4 pp. Department of State, Central Files, 700.5-MSP/5-2761.  |
| 381              | Letter from Martin to McGovern, May 31. Proposal to exchange wheat and feed grains for imported foods. Attached is a copy of a May 9 memorandum from McGovern to Kennedy explaining proposal. No classification marking. 3 pp. Department of State, Central Files, 800.03/5-961. |
| <i>June 1961</i> |  |
| 382              | Letter from Humphrey to Rusk, June 12. Garst's Food for Peace ideas. No classification marking. 4 pp. Department of State, Central Files, 800.03/6-1261.   |
| 383              | Memorandum of conversation, June 14, among Stikker, Saint-Mleux, Kohler, and Finletter. Military aid programs. Confidential. 2 pp. Department of State, Central Files, 740.5-MSP/6-1461.   |
| 384              | Memorandum from Bowles to Rusk, June 14. Improvement needed in administration of foreign policy. No classification marking. 7 pp. Yale University Library, Bowles Papers, Box 300, Folder 536.   |
| 385              | Letter from Freeman to Bowles, June 30. Agriculture and the Food for Peace program. No classification marking. Attached is a June 29 letter from Freeman to Sorenson on Freeman's remarks on Food for Peace program. 2 pp. Department of State, Central Files, 800.03/6-3061.    |

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*July 1961*

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| 386 | Memorandum from Rostow to U. Alexis Johnson, July 11. Request for embassy information on USG and host government allocation of military resources for local civil works/economic projects. No classification marking. 1 p. Department of State, Central Files, 700.5–MSP/8–561. |
| 387 | Letter from Rusk to Humphrey, July 22. Comments on Garst's Food for Peace proposal. No classification marking. 1 p. Department of State, Central Files, 800.03/6–1261.  |

*August 1961*

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| 388 | Letter from Rusk to Freeman, August 3. USDA and the foreign aid program. No classification marking. 1 p. Department of State, Central Files, 411.0041/5–2561.   |
| 389 | Memorandum from U. Alexis Johnson to Rostow, August 5. Interim response for information on use of local military forces and equipment in civil works and economic projects. Secret. 5 pp. Department of State, Central Files, 700.5–MSP/8–561.                                  |
| 390 | Note from Pezzullo to May, August 21. No reply necessary to correspondence from Secretary Freeman to Mr. Bowles. No subject mentioned. No classification marking. 1 p. Washington National Records Center, RG 286, AID Administrator Files: FRC 65 A 481, Agriculture, FY 1962. |

*September 1961*

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| 391 | Note from Rusk to Bowles, September 1961. "Go ahead" guidance on coordinated approach to rural development. No classification marking. 7 pp. Two attachments provide background material. Yale University Library, Bowles Papers, Box 300, Folder 536.  |
| 392 | Memorandum from Joseph S. Toner to Bell, September 20. Secretary Freeman's proposals on administering the agricultural portion of foreign assistance. No classification marking. 3 pp. Washington National Records Center, RG 286, AID Administrator Files: FRC 65 A 481, Agriculture, FY 1962. |

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*October 1961*

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| 393 | Letter from Tetro to Gardner, October 6. USDA and jurisdictional problems of multilateral economic aid. No classification marking. Attached is an October 18 reply from Gardner to Tetro. 3 pp. Department of State, Central Files, 811.0000/10-661.   |
| 394 | Letter from McGovern to Hamilton, October 7. Food for Peace: Off-shore food storage proposal/survey team. No classification marking. 4 pp. Washington National Records Center, RG 286, AID Administrator Files: FRC 65 A 481, Food for Peace, FY 1962. |
| 395 | "Current Economic Developments," October 10. Economic Highlights of the First Session, 87th Congress. Official Use Only. 9 pp. Washington National Records Center, RG 59, E/CBA/REP Files: FRC 72 A 6248, <i>Current Economic Developments</i> .       |
| 396 | Memorandum from Battle to Bundy, October 28. Transmits for McGovern's reaction a draft on the UN Food for Economic Development Program. Official Use Only. 2 pp. Department of State, Central Files, 800.03/10-2861.                                   |

*November 1961*

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| 397 | Memorandum from McGovern to Rusk, November 2. Multilateral food surplus programs and the UN system. Official Use Only. 4 pp. Washington National Records Center, RG 286, AID Administrator Files: FRC 65 A 481, Agriculture, FY 1962.                              |
| 398 | Letter from McGovern to Rusk, November 6. Congressional concern regarding loans and grants in PL-480 Title I agreements. No classification marking. 2 pp. Washington National Records Center, RG 286, AID Administrator Files: FRC 65 A 481, Agriculture, FY 1962. |
| 399 | Memorandum from Hamilton to Rusk, November 17. Status report on outstanding requests for assistance. No classification marking. 4 pp. Washington National Records Center, RG 286, AID Administrator Files: FRC 65 A 481, State Department, FY 1962.                |

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*December 1961*

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| 400 | Memorandum from Dungan to Hamilton, December 8. AID internal problems and possible resolution. No classification marking. 2 pp. Washington National Records Center, RG 286, AID Administrator Files: FRC 65 A 481, White House, FY 1962.                       |
| 401 | Steering Group Report Conclusions, December 12. MAP policy guidelines. Secret. 6 pp. Department of State, S/S-NSC Files: Lot 70 D 265, Guidelines for Military Aid Program.  |
| 402 | Letter from McGovern to Freeman and Hamilton, December 20. Food for Peace and overseas school lunch program. No classification marking. 2 pp. Washington National Records Center, RG 286, AID Administrator Files: FRC 65 A 481, Executive Secretary, FY 1962. |

*January 1962*

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| 403 | Memorandum from Komer to President Kennedy, January 17. "Report on Long-Range MAP Guidelines." Secret. 5 pp. Kennedy Library, National Security Files, Meetings and Memoranda Series, NSC Meetings, No. 496, Box 313.                                |
| 404 | Memorandum from McGovern to Waters, January 22. Role and function of the White House Food for Peace Office. No classification marking. 1 p. Washington National Records Center, RG 286, AID Administrator Files: FRC 65 A 481, Agriculture, FY 1962. |

*February 1962*

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| 405 | Check points from Komer to Hamilton, February 1. Meeting on mix of military and other forms of aid. Secret. 1 p. Kennedy Library, National Security Files, Departments and Agencies Series, AID, 1/62–8/62, Box 268.              |
| 406 | Memorandum from Ball to Hamilton, February 8. Terms of AID Development Loans. No classification marking. 5 pp. Washington National Records Center, RG 286, AID Administrator Files: FRC 65 A 481, Development Financing, FY 1962. |

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*April 1962*

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| 407 | Memorandum from Hansen to the Director of the Bureau of the Budget, April 3. Statement of State/AID Relationships. Administratively confidential. 2 pp. Kennedy Library, National Security Files, Kaysen Series, Foreign Aid, General, 5/62–11/63, Box 373. |
| 408 | Unofficial Record of Discussion, April 5. “Development Loan Terms.” Official Use Only. 1 p. Washington National Records Center, RG 286, AID Administrator Files: FRC 65 A 481, Development Financing, FY 1962.  |

*May 1962*

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| 409 | Memorandum from Komer to Coffin, May 2. AID draft on improving coordination of military and economic aid programs. Secret. 4 pp. Kennedy Library, National Security Files, Kaysen Series, Foreign Aid, General, 5/62–11/63, Box 373. |
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*June 1962*

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| 410 | Memorandum of conversation, June 6, among Hamilton, Nitze, Coffin, Bundy, and Defense representatives. Military assistance program clearance procedures. No classification marking. 3 pp. Washington National Records Center, RG 286, AID Administrator Files: FRC 65 A 481, Military Assistance, FY 1962. |
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*July 1962*

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| 411 | Memorandum from Saunders to Komer, July 5. Police Committee meeting readout. Secret. 1 p. Kennedy Library, National Security Files, Kaysen Series, Foreign Aid, General, 5/62–11/63, Box 373.   |
| 412 | Memorandum from Cooper to Kaysen, July 13. Observations on Galbraith’s views on effect of aid on the balance of payments. Confidential. 3 pp. Kennedy Library, National Security Files, Kaysen Series, Balance of Payments, AID, Box 362. |

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| 413 | Memorandum from Kaysen to G. Griffith Johnson, July 13. Transmits copy of a July 13 memo from Kaysen to Kennedy on Galbraith's latest aid proposals. Confidential. 4 pp. Department of State, E Files: Lot 64 D 452, AID, General. |
| 414 | Memorandum from Dillon to President Kennedy, July 17. Observations on Galbraith's proposals on aid and the balance of payments. Confidential. 1 p. Kennedy Library, President's Office Files, Treasury, 7/62, Box 94E.             |
| 415 | Memorandum from Coffin to the Special Group (CI), July 18. "AID Supported Counter-Insurgency Activities." Secret. 6 pp. Kennedy Library, National Security Files, Departments and Agencies Series, AID, 1962, Box 268.             |
| 416 | Cedto 137 from Paris, July 31. Annual aid review. Confidential. 3 pp. Department of State, Central Files, 800.0000/7–3162.   |

*August 1962*

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| 417 | Letter from President Kennedy to Hamilton, August 7. AID's role in launching the Police Assistance Program. Secret. 1 p. Kennedy Library, National Security Files, Meetings and Memoranda Series, NSAM 177, Police Assistance Programs, Box 338. |
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*October 1962*

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| 418 | Memorandum from Coffin to Bundy, October 30. "Use of U.S. Military Engineers on A.I.D. Projects." Confidential. 1 p. Kennedy Library, National Security Files, Meetings and Memoranda Series, NSAM 150, Using U.S. Military Engineers as Contracting Agents on AID Projects. |
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*November 1962*

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| 419 | Memorandum from Moorman to AID Administrator, November 9. Discussion of Coffin's October 30 memorandum on use of military engineers. Confidential. 3 pp. Washington National Records Center, RG 286, AID Administrator Files: FRC 67 A 1530, Chron Files, Nov. 9–19, 1962. |
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| 420 | Cedto 505 from Paris, November 28. OECD Ministerial: Development Assistance. Official Use Only. 4 pp. Department of State, Central Files, 374.800/11-2862. |
| 421 | Cedto 507 from Paris, November 28. OECD Ministerial: Trade and Aid. Official Use Only. 4 pp. Department of State, Central Files, 374.800/11-2862.          |

*December 1962*

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| 422 | Memorandum from Taylor to Bundy, December 7. AID's compliance report on police assistance programs. Confidential. 1 p. Kennedy Library, National Security Files, Meetings and Memoranda Series, NSAM 177, Police Assistance Programs. |
| 423 | Memorandum from Forrestal to Bundy, December 10. Thoughts on AID's handling of Police Assistance Program. Secret. 2 pp. Kennedy Library, National Security Files, Meeting and Memoranda Series, NSAM 177, Police Assistance Programs. |

*February 1963*

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| 424 | Memorandum from Kaplan to McGhee, February 11. "Geographic Distribution of Bilateral Economic Assistance by DAC Countries Other than the United States." Official Use Only. 4 pp. Department of State, Central Files, AID 1.   |
| 425 | Circular Airgram CA-241 to certain diplomatic missions, February 14. "Policy Guidelines for AID Administration in Countries Receiving Communist Bloc Aid." Confidential. 6 pp. Department of State, Central Files, AID (US) 1. |

*March 1963*

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| 426 | Memorandum from Forrestal to Bundy and Dungan, March 11. Comments on the Clay Committee Report. Secret. 3 pp. Kennedy Library, National Security Files, Subjects Series, Foreign Aid, Clay Committee, 3/11/63-9/27/63, Box 297. |
| 427 | Memorandum from Komer to Dungan, March 14. Comments on Blank Report on U.S. aid programs. Secret. 1 p. Kennedy Library, National Security Files, Kaysen Series, Foreign Aid, Clay Report.                                       |

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| 428 | Memorandum from Forrestal to Kaysen, March 19. Comments on most recent draft of Clay Report. Secret. 1 p. Draft report not attached. Kennedy Library, National Security Files, Subjects Series, Foreign Aid, Clay Committee, Drafts of Report, Box 297. |
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*April 1963*

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| 429 | Memorandum from Reuter to Freeman, April 2. Positive impact of agricultural commodity sales under PL-480 on balance of payments. No classification marking. 10 pp. Kennedy Library, National Security Files, Kaysen Series, Balance of Payments, Cabinet Committee, 3/63–7/63. |
| 430 | Memorandum for Interdepartmental Committee of Undersecretaries on Foreign Economic Policy, April 3. Background material for April meeting. No classification marking. 4 pp. Department of State, E Files: Lot 64 D 452, ICFEP, 1963.   |
| 431 | Circular airgram CA-11942 from Rusk to certain diplomatic missions, April 24. Bell's responsibilities under Section 622(c) of Foreign Assistance Act. Confidential. 3 pp. Department of State, Central Files, AID (US) 1.  |

*August 1963*

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| 432 | Memorandum from Bell to Wolf, August 22. Unhappiness with content of AID report to Special Group on Counter-Insurgency Activities. Secret. 1 p. Washington National Records Center, RG 286, AID Administrator Files: FRC 67 A 1530, Special Group (CI).                             |
| 433 | Memorandum from Bell to Executive Secretary, Special Group (CI), August 22. "AID Progress Report on Counter-Insurgency Activities, January 1–August 1, 1963." Secret. 2 pp. Washington National Records Center, RG 286, AID Administrator Files: FRC 67 A 1530, Special Group (CI). |
| 434 | Circular Airgram CA-2258 to certain diplomatic missions, August 26. "Military Sales Policy." Confidential. 2 pp. Department of State, Central Files, DEF 12-5 US.   |



## Trade and Commercial Policy

No.	Document Description
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*February 1961*

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| 435 | Memorandum from Martin to Jones, February 2. Export promotion: Congressional interest in a stronger Department of Commerce role. No classification marking. 3 pp. Department of State, Central Files, 102.7/2-261. |
| 436 | Memorandum from Martin to Ball, February 10. "Export Promotion." Two attachments provide background material. Official Use Only. 5 pp. Department of State, Central Files, 400.11/2-1061.                          |

*April 1961*

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| 437 | Ecbus 416 from Brussels, April 15. US-EEC Article XXIV:6 negotiations; impasse continues. Official Use Only. 3 pp. Department of State, Central Files, 394.41/4-1461.   |
| 438 | Aide-Mémoire, April 29. Démarche to EEC on rejection of U.S. agricultural package. No classification marking. Attached memo from Martin to Ball provides background information for Ball's meeting with Belgian Ambassador. Official Use Only. 5 pp. Department of State, Central Files, 394.41/4-2961. |

*May 1961*

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| 439 | Letter from Udall to Ball, May 1. Domestic lead-zinc industry relief and foreign policy considerations. No classification marking. 2 pp. Department of State, Central Files, 411.004/5-161. |
| 440 | Circular telegram 1771 to certain diplomatic missions, May 10. Textiles: tentative U.S. approach. Confidential. 4 pp. Department of State, Central Files, 411.006/5-1061.                   |
| 441 | Memorandum from Palmer to Jones, May 11. U.S. trade promotion abroad. Official Use Only. 2 pp. Department of State, Central Files, 400.11/5-1161.   |

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| 442 | Memorandum of conversation, May 29, among Ball and his EEC counterparts. "Textile Problem." Confidential. 5 pp. Department of State, Conference Files: Lot 65 D 366, CF 1874A. |
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*June 1961*

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| 443 | Memorandum of conversation, June 19, between Ball and Nobuhiko Ushiba, Economic Affairs Bureau, Foreign Office, Japan. Discussion of textile problem. Confidential. 4 pp. Department of State, Central Files, 110.12BA/6–1961.                       |
| 444 | Letter from Hodges to Bowles, June 21. Establishment of a separate Foreign Commerce Corps. No classification marking. 1 p. Department of State, Central Files, 411.0041/6–261.   |
| 445 | Memorandum of conversation, June 21, between President Kennedy and Japanese Prime Minister Ikeda. "International Economic Groupings and US-Japan Economic Relationship." Secret. 3 pp. Department of State, Conference Files: Lot 65 D 366, CF 1914. |
| 446 | Memorandum of conversation, June 21, between Rusk and Japanese Foreign Minister Kosaka. "Liberalization of Trade and Payments." Confidential. 2 pp. Department of State, Conference Files: Lot 65 D 366, CF 1914.                                    |
| 447 | Memorandum of conversation, June 23–June 24, between Jacques and Feldman. "Textiles: Congressional Letters to the President." Limited Official Use. 2 pp. Department of State, Central Files, 411.006/6–2461.  |

*October 1961*

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| 448 | Memorandum from Schaetzel to Ball, October 6. Comments on Petersen's trade legislation proposals. Confidential. 2 pp. Department of State, Central Files, 411.0041/10–661.               |
| 449 | Memorandum from Kaysen to Petersen, October 7. Comments on Petersen's trade legislation proposals. Confidential. 4 pp. Kennedy Library, Petersen Papers, Trade Policy Memorandum, Box 2. |

- | <b>No.</b> | <b>Document Description</b>   |
|------------|---|
| 450        | Summary minutes of Interdepartmental Committee of Under Secretaries on Foreign Economic Policy, October 18. Discussion of Petersen proposals. Official Use Only. 6 pp. Department of State, E Files: Lot 65 D 68, ICFEP, Trade Proposal.                  |
| 451        | Memorandum from Ball to President Kennedy, October 23. Trade legislation: Ball's counterproposal. Confidential. 15 pp. Department of State, Central Files, 411.0041/10-461.   |
| 452        | Memorandum from Petersen to President Kennedy, October 26. Transmits analysis of differences between Ball and Petersen approaches to foreign trade legislation. Confidential. 6 pp. Kennedy Library, Petersen Papers, Trade Legislation, 1/13/62-11/5/62. |

*November 1961*

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| 453 | Despatch 416 from Tokyo, November 13. Record of first meeting of Joint U.S.-Japan Committee on Trade and Economic Affairs. Official Use Only. 25 pp. Department of State, Central Files, 411.9441/11-1361. |
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*December 1961*

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| 454 | Memorandum of conversation, December 2, between Rusk and Japanese Newsmen Watanabe. Trade with Japan. Official Use Only. 2 pp. Department of State, Secretary's Memoranda of Conversation: Lot 65 D 330. |
| 455 | Telegram 1470 to Tokyo, December 8. Strategy to blunt Japanese criticism of cotton textile equalization fee. Confidential. 3 pp. Department of State, Central Files, 411.006/12-861.                     |

*May 1962*

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| 456 | Letter from Ball to U.S. Ambassadors, May 11. Establishment of Commercial Specialist Program within the Foreign Service. No classification marking. 2 pp. Department of State, Central Files, 611.0041/5-1162. |
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No.	Document Description
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*July 1962*

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| 457 | Minutes of Cabinet Textile Advisory Committee, July 18. Discussion of import restrictions. Attached is a June 27 letter from President Kennedy to Congressman Vinson on textile concerns. Confidential. 13 pp. Department of State, Central Files, 100.4/7–2762. |
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*August 1962*

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| 458 | Memorandum from Ball to President Kennedy, August 21. "Woolen Textile Problem." Confidential. 3 pp. Department of State, Central Files, 411.006/8–2162. |
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*September 1962*

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| 459 | Letter from Hodges to Ball, September 14. Conveys minutes of August 27 meeting of President's Cabinet Textile Advisory Committee. Confidential. 6 pp. Department of State, Central Files, 394.41/9–1462. |
| 460 | Letter from Hodges to Feldman, September 19. Woolen import situation. No classification marking. 3 pp. Kennedy Library, Feldman Papers, Wool, Box 26.  |

*October 1962*

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| 461 | Letter from Rusk to U.S. Ambassadors, October 19. Trade promotion efforts. No classification marking. 2 pp. Department of State, Central Files, 400.116/10–1962. |
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*November 1962*

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| 462 | Memorandum of conversation, November 27, between Herter and Schaetzel. "Trade Expansion Act." Confidential. 4 pp. Department of State, Central Files, 411.0041/11–2762. |
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No.	Document Description
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*March 1963*

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| 463 | Paper on "The Wool Textile Import Problem," March 4. Commitments enumerated and current status of problem. No classification marking. Attached tables reflect amounts of raw wool and all-fiber import totals for years 1957–1962. Official Use Only. 4 pp. Kennedy Library, National Security Files, Kaysen Series, Trade Policy, Trade Expansion, 10/62–3/15/63, Box 378. |
| 464 | Memorandum from Herter to President Kennedy, March 7. Background paper on wool textile problem for Kennedy's meeting with Senator Pastore. No classification marking. 2 pp. Kennedy Library, National Security Files, Kaysen Series, Trade Policy, Trade Expansion Act, 10/62–3/15/63, Box 378.   |
| 465 | Paper prepared in White House for President Kennedy, March 7. Background information for meeting with Senator Pastore on wool textiles. 2 pp. No classification marking. Kennedy Library, National Security Files, Kaysen Series, Trade Policy, Trade Expansion Act, 10/62–3/15/63, Box 378.  |

*April 1963*

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| 466 | Letter from Herter to President Kennedy, April 17. Transmits April 17 memorandum requesting decisions on upcoming tariff and trade negotiation matters. Secret. 4 pp. Kennedy Library, Herter Papers, Memoranda to the President, USTR, Box 4. |
| 467 | Memorandum from Feldman to Herter, April 24. President's decisions on Herter's April 17 memorandum. Secret. 3 pp. Kennedy Library, Herter Papers, Memoranda to the President (10), Box 4.  |

*May 1963*

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| 468 | Memorandum of conversation, May 1, between Ball and Luxembourg Foreign Minister Schaus. "EEC and Trade Negotiations." Confidential. 5 pp. Department of State, Secretary's Memoranda of Conversation: Lot 65 D 330. |
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- | No.                | Document Description  |
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| 469                | Telegram 259 to Luxembourg, May 2. Readout of Schaus' meeting with Ball on trade negotiations. Confidential. 3 pp. Department of State, Central Files, FT 7 GATT.   |
| 470                | Memorandum of conversation, May 3, among Herter and his EEC Counterparts. "Agricultural Problems in Forthcoming Trade Negotiations." Confidential. 5 pp. Kennedy Library, National Security Files, Kaysen Series, Trade Policy, Trade Expansion Act, 5/1/63–5/15/63, Box 379. |
| 471                | Memorandum of conversation, May 3, among Herter and his EEC Counterparts. Trade negotiation matters. Confidential. 10 pp. Kennedy Library, National Security Files, Kaysen Series, Trade Policy, Trade Expansion Act, 5/1/63–5/15/63, Box 379.                                |
| 472                | Circular Telegram 1903, May 7. EEC Discussions: Rey-Marjolin visit. Limited Official Use. 3 pp. Department of State, Central Files, FT 7 GATT.  |
| <i>August 1963</i> |   |
| 473                | Letter from Rusk to U.S. Ambassadors, August 2. Report summarizing Mission's export promotion activities requested. No classification marking. 3 pp. Department of State, Central Files, FT 4 US/TEA.   |
| 474                | Telegram 1080 to London, August 15. Approach to HMG on an international wool textile arrangement. Confidential. 1 p. Department of State, Central Files, INCO-WOOL UK.  |
| 475                | Letter from eleven Congressmen to President Kennedy, August 21. Domestic wool textile industry deterioration. No classification marking. 4 pp. Kennedy Library, Herter Papers, Congressional Relations, Box 8.  |
| 476                | Memorandum from Roth to Bundy, August 28. Trade negotiations: policy issues and considerations. Limited Official Use. 7 pp. Kennedy Library, National Security Files, Subjects Series, Trade, General, 8/63, Box 309.   |

No.	Document Description
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*October 1963*

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| 477 | Memorandum from Feldman to President Kennedy, October 15. Wool trade and a multilateral agreement. No classification marking. 3 pp. Kennedy Library, National Security Files, Subjects Series, Trade, General, 10/11/63–11/7/63, Box 309. |
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*November 1963*

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| 478 | Memorandum of conversation, November 29, Ball and John Chadwick, British Embassy. "Kennedy Round." Confidential. 3 pp. Department of State, Secretary's Memoranda of Conversation: Lot 65 D 330. |
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*December 1963*

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| 479 | Telegram 2046 from Bonn, December 7. Poultry: German reaction to U.S. suspension of tariff concessions. Confidential. 6 pp. Department of State, Central Files, INCO-POULTRY US.  |
| 480 | Draft paper by Auchincloss, December 10. Trade negotiation tactics. Confidential. 5 pp. Kennedy Library, Herter Papers, K. Auchincloss (5), Box 1.  |
| 481 | Circular telegram 1053 to Bonn, December 11. Follow up to German reaction to tariff concession suspension. Confidential. 4 pp. Department of State, Central Files, INCO-POULTRY US.   |
| 482 | Memorandum from Read to Bundy, December 20. Transmits undated memorandum on U.S. wool textile imports and restrictions on Japanese wool textiles exported to Italy and UK. Also attached is a November 14 letter from 12 Senators to Kennedy expressing concern over wool textile and apparel imports. No classification marking on Read memorandum. Attachments are unclassified. 7 pp. Department of State, Central Files, INCO-WOOL 17 US-JAPAN. |

# Arms Control and Disarmament

January 1961

## 1. Record of Actions, 474th NSC Meeting, January 12<sup>1</sup>

NSC Actions Nos. 2374–2380

January 12, 1961

The President presided at this meeting. The Secretary of the Treasury and the Director, Bureau of the Budget, participated in the Council actions below. The Attorney General and the Chairman, Atomic Energy Commission, attended the meeting and participated in NSC Actions Nos. 2375, 2377 and 2378. The Administrator, Housing and Home Finance Agency, participated in NSC Action No. 2378. The Acting Director, U.S. Information Agency, attended the meeting.

ACTION  
NUMBER

SUBJECT

2374.	<u>SCOPE OF OPERATIONAL CAPABILITY OF THE POLARIS PROGRAM</u> (Memo for Special Assistant to the President for National Security Affairs from Secretary of Defense, same subject, dated January 10, 1961) Noted and discussed the President's approval at the recommendation of the Secretary of Defense that, as an exception to the general policy of the Department of Defense of not placing POLARIS missiles on cruisers, the POLARIS program be extended by the installation of 8 missiles on the nuclear-powered USS LONG BEACH, as indicated in the reference memorandum distributed at the meeting. NOTE: The above action, as approved by the President, subsequently incorporated in the revision by the NSC Planning Board
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<sup>1</sup> NSC Actions 2374–2377 on Polaris program, U.S. arms control/nuclear testing policy, disclosure of classified military information to foreign governments, and foreign intelligence activities. Top Secret. 2 pp. Department of State, S/S–NSC (Miscellaneous) Files: Lot 66 D 95, Records of Action by National Security Council.



of NSC 6021 (circulated as NSC 6108, “Certain Aspects of Missile and Space Programs”).

ACTION  
NUMBER

SUBJECT

2375. CODIFICATION OF U.S. POLICY ON ARMS CONTROL AND U.S. POLICY ON NUCLEAR TESTING  
(NSC 112; NSC 5906/1, paragraph 52; NSC Action No. 2215-c)  
Noted the President’s request that the Secretaries of State and Defense, in collaboration as appropriate with the Chairman, Atomic Energy Commission, expedite the preparation of the subject codifications in an effort to complete them during the next week.  
NOTE: The above action, as approved by the President, subsequently transmitted to the Secretaries of State and Defense and the Chairman, AEC, for appropriate implementation.
2376. DISCLOSURE OF U.S. CLASSIFIED MILITARY INFORMATION TO FOREIGN GOVERNMENTS AND INTERNATIONAL ORGANIZATIONS  
(NSC Action No. 2125-b)  
Noted the President’s request that the Secretaries of State and Defense expedite the preparation of the statement of policy on the subject pursuant to NSC Action No. 2125-b in an effort to complete it during the next week.  
NOTE: The above action, as approved by the President, subsequently transmitted to the Secretaries of State and Defense for appropriate implementation.
2377. FOREIGN INTELLIGENCE ACTIVITIES  
(NSC Action No. 2367; Memo for NSC from Executive Secretary, same subject, dated January 9, 1961, SPECIAL LIMITED DISTRIBUTION ONLY)  
*a.* Discussed the views of the Principals of the Joint Study Group regarding the Group’s report, as consolidated by the Director of Central Intelligence (transmitted by the reference memorandum of January 9, 1961); and took the following actions with regard to the recommendations of the Joint Study Group:  
(1) Concurred in Recommendations Nos. 3, 4, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 17, 19, 20, 25, 26, 27, 28, 29, 32, 33, 36, 37, 38, 39, 40, 41, 42 and 43.

[Here follow Actions 2378–80.]

February 1961

2. Memorandum of Conversation, February 21, among  
Wohlstetter, Wiesner, Owen, and Stern<sup>1</sup>

February 21, 1961

SUBJECT

Briefing for Mr. Acheson on Safety and Stability of Nuclear Weapons

PARTICIPANTS

Mr. Acheson  
Mr. Wohlstetter  
Dr. Wiesner, President's Science Adviser  
Mr. Henry Owen, S/P  
Dr. Marvin Stern, Assistant Secretary of Defense for Research and Engineering  
(Strategic Weapons)  
Colonel Dodge, Office of Assistant Secretary of Defense for R&E  
Mr. Millar, EUR/RA

Dr. Stern began by saying that he had been studying safety and stability of strategic nuclear delivery systems in the U.S. The problems he encountered were serious but they would be even more so in the case of nuclear weapons deployed for the support of NATO.

Top level command and control systems can be eliminated relatively easily by an enemy. Only a few weapons would be required to take out the top echelon in Washington, Omaha and Norfolk, and thus theoretically to prevent the "Go" signal ever being given to US strategic forces. Yet he has found that the military are not worried about the possibility of military inaction. They reason that aircraft commanders will know what to do as loyal Americans. They will know that a war is on and will proceed to attack. (Dr. Wiesner interjected that this discovery of potential elimination of top command is made annually and that the usual remedy is to advocate several million dollars worth of computers, etc). If General Powers speaks perfectly frankly, he will say that it is most unlikely that we will be caught completely flat-footed. Our Intelligence would have alerted us to the possibility of attack and he would say *[text not declassified]*.

There are two practical disadvantages to the foregoing pragmatic concept according to Dr. Stern. First, the haphazard military response based on uncoordinated action of lower echelon commanders is not

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<sup>1</sup> Safety and stability of nuclear weapons. Top Secret. 5 pp. Department of State, Central Files, 711.5611/2-2161.

likely to be effective since many targets will be missed. Secondly, there is a danger that a nuclear accident might be misinterpreted by an aircraft commander as a sign that the US has been attacked. Lincoln Air Force Base, for example, is only 40 miles from Omaha. If there were a nuclear accident at the airfield adjacent to SAC Headquarters, an aircraft commander on alert status at Lincoln AFB might so misinterpret a mushroom cloud visible from his base.

Dr. Stern found in the course of a recent six months study that there is a serious danger of nuclear accident. He cited the following examples:

a. On January 24, 1961 a B-52 flying over Goldsborough, North Carolina, lost a wing. This aircraft was carrying [text not declassified] weapons, each with safety devices. As one of the weapons fell out of the aircraft, lanyards tripped on [text not declassified] safety devices which then moved into an armed position.

b. On inspection of [text not declassified] weapons in a storage depot, Dr. Stern himself found one with at least one of the safety devices in the armed position.

c. There is a Nike-Hercules Battery [text not declassified] with 50% nuclear warheads and 50% HE warheads. There was an inadvertent launching of one of the missiles which fortunately was armed with an HE warhead.

d. A Matador [text not declassified] was inadvertently launched and all the safety devices moved into the armed position. Fortunately it only had a training warhead.

e. The warhead detonated off one of the Jupiter missiles [text not declassified] although there was no nuclear explosion.

In addition to such mechanical failures, he also mentioned human failures attributable to what he described as idiots and super patriots. He cited the example in Seneca, New York, where a service man at a depot screwed together two [text not declassified] of a warhead thus closing all of the circuits. It would have exploded immediately if it had had a [text not declassified] in it. Dr. Stern concluded this brief summary of the possibility of accidents with the observation that the situation is at least as bad in the NATO area.

There is one fairly elementary measure that has been taken in the U.S. to increase safety and stability which could be applied in the NATO area as well. As a part of the "Go" signal, [text not declassified] is transmitted to airborne bombers which can be applied [text not declassified] on the weapon. Unless this [text not declassified] the weapon (presumably newer types with such an adaptation) will not function. Furthermore, provisions have been made for alternative command posts. Thus a 2 or 3 star General is continually airborne over Omaha. Similar arrangements have been made for the communications cruiser Northampton which will be at sea until relieved.

Mr. Wiesner then cited a number of specific problems in the NATO area involving the additional factor of US custody.

a. *[text not declassified]* F-84Fs are on continual ground alert which means take off within five minutes. We are violating the law by keeping the *[text not declassified]* of the weapons which are hung on these two alert aircraft. The US maintains custody by having one US officer adjacent to a telephone, in the *[text not declassified]* pilot's ready room. There is a fence around the 2 aircraft and 4 *[text not declassified]* guards outside the fence. Within the fence is one US service man maintaining custody of the two weapons. It is clear that if *[text not declassified]* were so minded they could take off with these weapons on board the two aircraft.

b. *[text not declassified]* Mr. Wiesner pointed out that in addition to other problems there is a four-hour communication delay.

c. *[text not declassified]* We have programmed F-100s for *[text not declassified]*. They have or will receive Nike-Hercules which will be in an alert posture (fully armed at all times). These weapons also have a ground to ground capability. (My recollection from a talk at SETAF is that the range is 120 miles—JYM)

Dr. Stern said that an awareness of the problem of command and control in the US had led to the interlock-permissive link, device and arrangements for "raising the threshold of command" in the case of SAC and CINCLANT which have been described above. These same principles could be applied in NATO Europe. Dr. Wiesner said that the existence of *[text not declassified]* tactical nuclear weapons deployed in Europe constitute a highly unstable situation because of the reasons cited above. Their presence have a deterrent effect to be sure, since both sides are using extreme caution, but the situation is a little like putting a stick of dynamite in one's house in order to be conscious of the danger of fire.

Mr. Wohlstetter said existing control procedures should be changed and one way of increasing control would be to have the host countries also possess a "Go" code so that two would be necessary to authorize delivery.

Dr. Stern mentioned the incident of the Congressman finding the US "key" hanging on the wall of a control room to illustrate the fallibility of the "two key" theory.

Dr. Wiesner said that in conclusion it was clear that the US military have been operating illegally. President Eisenhower allowed dispersal to pass out of civilian hands and into the hands of the military. Thus Mr. Holifield is partly right in his concern and should not be regarded entirely as an obstructor. The Administration is in for a bad time from the JCAE. The President should be concerned with this problem and no doubt will be. Dr. Wiesner added incidentally that we seem to be

following legal procedures in the case of Honest Johns in Turkey and the UK Thors.

Mr. Acheson asked what nationality an airborne general in NATO should be, referring to the example of the SAC officer. The consensus was that it would not make any difference since physical control measures such as the [text not declassified] on the warhead could be devised to require inputs from several sources if desired. Mr. Acheson indicated that he was interested in further information on command and control. Dr. Stern said that up to this time he had been talking mostly of accidents.

Dr. Wiesner said in conclusion that his own opinion was that the use of tactical nuclear weapons in Europe was not feasible since it was bound to lead to escalation. Mr. Acheson had to leave for the White House at this point.

Mr. Owen asked a few more questions and was told that it would be perfectly feasible to arrange physical control of weapons which would require “Go” signals from SACEUR, the US and the host country and Mr. Wohlstetter said that possibly after countries had reflected more they would require some control of this kind.

March 1961

3. Letter from Fisk to McCloy, March 2<sup>1</sup>

March 2, 1961

Dear Mr. McCloy:

We submit herewith the final report of the Ad Hoc Panel on the Technical Capabilities and Implications of the Geneva System. All members of the Panel except General Loper have concurred in this report in full. While General Loper concurs in the first six sections of the report, he has not concurred with Section VII and will submit his comments to you separately. Dr. York concurred in the report in substance on the basis of an earlier draft, but he has not as yet had an opportunity to review the final report. The various members of the panel participated as individuals and not as representatives of their respective organizations.

Dr. J.B. Fisk, Chairman  
Dr. Nano A. Bothe  
General Austin Botts  
Dr. Harold Brown  
Mr. Spurgeon N. Keeny, Jr.  
Dr. Richard Latter  
General Herbert Loper  
Dr. J. Carson Mark  
Mr. Doyle Northrup  
Dr. Wolfgang K.H. Panofsky  
Dr. Frank Press  
Dr. Herbert Scoville  
General Alfred D. Starbird  
Dr. Herbert York

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<sup>1</sup> Transmits final report of Ad Hoc Panel on Technical Capabilities and Implications of Geneva System. Top Secret. 71 pp. Kennedy Library, National Security Files, Subjects Series, Nuclear, Fisk.

## Attachment

### INTRODUCTION

This report attempts to compile the technical material which has bearing on the broader questions of policy formulation in connection with the Geneva Conference on Cessation of Nuclear Tests.

We are submitting this report with the earnest desire that policy decisions on our future course be made with full *understanding* of the technical and related military considerations but with the realization that this is not a problem where positions should be *controlled* by the technical issues.

Policy on an arms limitation measure such as the test ban question is dependent on many technical, military, and political factors. Among these factors are:

1. The importance of the military considerations to all sides. These considerations must be analyzed for each of a variety of assumptions as to the response to an arms limitation agreement.

2. The technical means of verifying violations. Analysis of this question will naturally involve a mixture of well-established as well as speculative scientific information. In particular, we note that technical means of detection and of evasion are subject to change.

3. The unilateral technical and non-technical intelligence means of discovering violations.

4. Cost of the control operations.

5. Cost of evasion of a control system.

6. The judgment as to the degree of control which would “deter” a violator from evasion or make evasion relatively unproductive.

7. The degree of access provided by the control measures.

8. Growth potential of a control system to future arms limitation functions.

9. The relation of the negotiations to domestic and world opinion.

These and further purely political factors must be balanced with the risks or gain involved and thus form the basis of progress in this field.

This report deals with questions 1–5 in the above tabulation in relation to the proposed ban. Even under the restriction to these technical-military issues we meet questions where the results depend on over-all military policy. In such cases, we have attempted to give answers under alternate military assumptions. The report is divided into the following sections:

- I. *Capabilities of the Unilateral U.S. Long-Range Nuclear Test Detection System*

1. Present Capabilities

2. Programmed Improvements

### 3. Contributions of Other Intelligence Sources

## II. *Capabilities of the International Control System to Monitor a Nuclear Test Ban Agreement*

### 1. U.S. Proposed International Control System

- a. Atmospheric tests
- b. Underwater tests
- c. Underground tests
- d. High altitude tests
- e. Anticipated contributions from other intelligence sources

### 2. Cost of the U.S. Proposed Control System

### 3. Possible Control System Modifications

## III. *Estimated Changes in the Control System Capability from Future Research*

### 1. Changes Resulting from the Seismic Research Program

### 2. Changes Resulting from the High Altitude Research Program

## IV. *Present and Projected U.S. and Soviet Nuclear Weapons Developments*

The weapons developments are analyzed under various conditions as to test cessation and possibilities of evasion.

### V. *"Nth" Country Nuclear Weapon Developments*

### VI. *The Cost of Evasion*

A final section evaluating the impact of nuclear weapons development on U.S. and Soviet military weapons systems under a nuclear test ban as compared with continued unlimited testing is still under consideration by the Panel and is not included in this report.

## I. *Capabilities of the Unilateral U.S. Long-Range Nuclear Detection System*

### 1. *Present Capabilities*

The U.S. Long-range detection system consisting of acoustic, seismic, electromagnetic, and radioactivity detection components is presently deployed around the USSR and its satellites. This system has a 60 to 90 per cent probability for detecting and identifying nuclear explosions of 5 KT or greater conducted within the USSR and China on the surface or in the atmosphere up to 10 km altitude. For explosions occurring between 10 to 30 km it may not be possible to collect samples of radioactivity required for identification.

Underground nuclear explosions greater than 5 to 10 KT (Rainier coupling) in the USSR and 10 to 20 KT (Rainier coupling) in China can be detected, but not identified, with 60 to 90 per cent, or greater, probability. The system cannot identify underground explosions.



Underwater explosions (depths of about 500 feet) of  $\frac{1}{2}$  to 1 KT near the USSR and 1 to 2 KT near China can be detected seismically with 60 to 90 per cent probability. The probability of identification is uncertain.

The present system has essentially no capability for detecting high-altitude nuclear explosions (above 30–50 km).

Since the present system was designed to detect and identify atmospheric explosions carried out in the USSR, its capabilities for explosions outside the USSR and in other environments are limited. Atmospheric nuclear explosions as large as a few hundred kilotons or more might be missed if conducted in areas remote from the present detection system. Megaton explosions at extreme altitudes would not be detected.

## *2. Programmed Improvements*

The U.S. nuclear test detection system is currently being expanded to improve its capability to detect explosions in China, at high altitude and in space, and in the atmosphere of the Southern Hemisphere. By 1965, it is programmed to have the following improved capability.

a. 60 to 90 per cent probability of detecting and identifying atmospheric nuclear explosions (below 10 km) of about 5 KT in the USSR and China and of about 20 KT outside these areas.

b. 60 to 90 per cent probability of detecting underground nuclear explosions of 1 to 2 KT (Rainier coupling) in the USSR and China and a small probability of identifying large earthquakes.

c. 60 to 90 per cent probability of detecting underwater explosions near the USSR and China of 0.2 to 0.4 KT.

d. Substantial capability of detecting high-altitude unshielded nuclear explosions of 5 KT at altitudes between 30 km and about 105 km above the earth.

The capabilities in b. and d. above are based upon the assumption that the present estimated research results actually materialize in the next three years for the VELA program of the DOD.

## *3. Contributions of Other Intelligence Sources*

During the past twelve years other intelligence sources have made a significant contribution to the detection and acquisition of information on Soviet nuclear weapons test activities. This contribution has included:

(a) Alerting the US unilateral nuclear test detection system (NTDS) to the general location and timing of test preparations.

(b) Obtaining information from other sources on tests detected by the NTDS.

(c) [*text not declassified*]

During this period the intelligence community has no evidence that the Soviets have endeavored to conceal completely the geophysical

signals produced by Soviet tests. However, the Soviets have made an obvious attempt to maintain a high degree of security in test operations.

Although there has been no specific experience in detecting very high-altitude or space tests, a variety of intelligence sources can detect major Soviet missile and space launchings and high vertical firings with a high degree of probability from present test ranges, and a good probability from any new ranges in the USSR.

Intelligence sources were able to detect test-related naval maneuvers and logistical preparations for Soviet underwater tests and furnished collaborative information subsequent to these events. It is quite probable that future tests of this nature would be similarly detected and reported, particularly if the test site were located distant from the USSR.

*[text not declassified]*

## II. *Capabilities of the International Control System to Monitor a Test Ban Agreement*

### 1. *U.S. Proposed International Control System*

The U.S. proposed international control system is based on the report of the 1958 Conference of Experts. It consists of 170 control stations (21 in USSR, 14 in U.S. and 1 in U.K.) located about 1700 km apart in aseismic, and 1000 km apart in seismic regions. In addition, some control stations and 10 ships are equipped to detect underwater explosions. For the detection of high-altitude explosions, Technical Working Group I of the Conference on the Discontinuance of Nuclear Weapons Tests recommended the inclusion at control stations of specific ground-based instrumented earth satellites. Solar satellites were to be included if deemed necessary.

The U.S. proposed phasing for installation of the system requires half of the control stations installed in the USSR, U.S. and U.K. in 2 years, the remainder of the stations installed in the USSR, U.S. and U.K. in 4 years, and the worldwide system completed in 6 years. The recommendation of TWGI on the high-altitude detection system have as yet not been made a specific U.S. proposal. However, according to U.S. estimates, the Argus satellite system can be put up in 2 years, the far earth satellite system and the solar satellite system in 4 years.

After 6 years the capability of the system will depend upon the countries which participate and the agreed phasing for the high-altitude component.

Based on quite limited and uncertain information, the capability of the system has been estimated for the time periods, 2, 4 and 6 years (assuming all countries participate) after initiation of the system to be as follows:

a. *Atmospheric Explosions* (Surface to 10 km Altitude)

Table 1 summarizes the probability of detecting and identifying explosions of 1 and 5 KT set off in the atmosphere below 10 km altitude in USSR.

TABLE 1

Yield	2 years	4 years	6 years
1 KT	5–50%	15%–90%	same
5 KT	10–80%	60%–90%	

It should be noted that this average capability was estimated from predicted acoustic noise levels at control post locations selected in the USSR primarily on the basis of their being favorable seismic sites. The resulting degradation of performance from colocating the acoustic technique with the seismic results in an overall system capability in the USSR which is only about the same as that of the present unilateral U.S. detection system.

The range of probabilities in Table 1 corresponds to the limits in the capabilities of the system in going from the worst to the best area for detection in the USSR.

For explosions above 10 km the system will have an uncertain chance of obtaining a sample of radioactive debris required for identification. Its capability will depend upon whether sampling aircraft can reach the radioactive cloud.

At the end of six years it is expected that the worldwide system will have a capability similar to that in the USSR in other countries. There will, however, be a lower capability over certain large ocean areas. In these areas there are cases where it will only be possible to detect and identify 20 kiloton nuclear explosions with a probability of 60 to 90 per cent. The capability for detecting explosions occurring between 10 and 30 kilometers in these ocean areas may even be considerably less and identification as nuclear may not be possible.

b. *Underwater Explosions*

After the 6-year period the control system will be able to detect with high probability, underwater nuclear explosions of 1 KT and greater when set off in the deep ocean. A similar capability (not including certain large ocean areas remote from Phase I installations) will exist after 4 years. The system will have little probability for detecting explosions less than 20 to 100 tons when set off in some regions of the ocean.

Identification of an underwater explosion will require inspection of the site of the event. The explosion site can be located within an area less than 75 square kilometers if three stations observe the direct

hydro-acoustic signals, but the area may be as large as 7500 square kilometers if only reflected signals are detected at only three stations. For explosions conducted so that radioactive debris reaches the surface, inspection will have a high probability of success if undertaken within a few days after the event. Inspection can be made quite difficult and possibly ineffective by conducting the explosion at such a depth that radioactivity does not rise to, or near, the surface or by conducting the explosion under the polar icecap or in remote areas where adverse weather conditions extend the time for initiating inspection.

### *c. Underground Explosions*

There is no known way to identify an underground nuclear explosion by its seismic signals alone. Seismic control stations can only identify some earthquakes. A seismic event which is not identified as an earthquake by control stations could be suspected of being a nuclear explosion. Inspection of the site of the suspected event will be necessary to determine, if possible, the cause.

Table 2 summarizes the capability of the control system to detect and identify underground seismic events in the USSR. The identification capability of the Geneva system in phase IA, (10 stations in 2 years) exceeds that of the present U.S. unilateral system. However, the corresponding detection capability for events in certain unfavorable locations is comparable in phase 1. While identification requires new close-in stations, detection can use data from distant stations. The restrictions imposed by spacing criteria on the locations of the initial stations in the USSR may not permit optimal location in order to obtain minimum background noise. Therefore, the estimates in Table 2 conservatively assumed station noise levels in the USSR about 5 times as great as those at the quietest stations in the U.S. unilateral net. If optimal location can in fact be obtained within the agreed grid, there will be substantial improvement. If the stations are relocated to optimize identification and detection, the improved results in Table 4 are obtained even though noise levels are still assumed to be about 5 times as great as those at the quietest stations in the U.S. unilateral net. If, under these circumstances, sites with background noise comparable to the best stations in the unilateral U.S. net can be found, there will again be a substantial improvement.

If China is not in the control system at the end of 6 years, the number of unidentified events in the USSR will be increased by 10 to 30 per cent.

If the Soviet proposal of 15 stations in the USSR is accepted, the number of unidentified events in the USSR is increased by less than 10 per cent.

After 6 years, if China is in the system, there will be between 26 and 68 unidentified events per year in China above magnitude 4.75.

In the U.S. there will be between 120 and 165 events above magnitude 4.75. However, the numbers for the U.S. may be too high by a factor of 2 if more recent seismicity estimates prove correct.

It should be noted that these estimates are based on the average number of earthquakes per year. The number of earthquakes per year may fluctuate by a factor of two or so from year to year. The number of unidentified events can be expected to fluctuate by the same factor.

Identification of an event which is not identified as an earthquake will require inspection of the site of the event. Inspection can only be undertaken if the event is located (detected). Location accuracy may be within an area of about 200 to 500 square kilometers for an interior continental event and within an area greater than 500 square kilometers for a coastal event.

It is presently impossible to determine quantitatively the capability of on-site inspection to identify a clandestine underground test. However, there is a possibility, with imagination and thorough inspection, that such tests can be identified. This possibility of identification depends to a large extent on the persistence of the inspection team. If the team has some reason—possibly evidence either from the seismic network or from intelligence—that will indicate that a test had taken place in the area, it would then have the motivation required to perform a thorough, persistent, and exhaustive investigation, thus substantially increasing chances of identification.

Although through conventional intelligence there will be some chance of being aware of a possible violation, unless the event is detected by the system, inspection of the site and obtaining a radioactive sample as physical proof of a violation will not be possible.

d. *High Altitude Explosions* (above 30–50 km)

The capability of a control system to detect high-altitude nuclear explosion depends on the competition of the signals from nuclear explosions in space with the background noise signals. The direct radiation signals from a nuclear explosion in space are well understood, but knowledge of background noise signals is based on incomplete experimental information and theoretical considerations. The capability of a high-altitude detection system is limited by the statistical fluctuations of the background noise as well as by possible unexpected short-time noise signals. The occurrence of a detected signal (even when detected on more than one instrument) can only be a strong presumption of a nuclear explosion, rather than positive identification.

The development time for a reliable detection system can be shortened at the expense of system capability.

Table 3 presents recent estimates of the capability of a system for detecting high-yield explosions which might be achieved for various

time periods. The estimates apply to a system whose capability has been degraded over potential capabilities in the interest of system simplification and reliability. Two years have been added to the time estimated for the U.S. unilaterally to achieve the system as an estimate of the effect of internationalization of the system.

TABLE 2  
CAPABILITIES OF GENEVA SYSTEM (1) (2)

	2 years	4 years	6 years
Number of Unidentified Seismic Events Above (3)			
(a) Magnitude 4.75 (20 KT Rainier Coupling)	70–75	53–70	30–60
(b) Magnitude 4.35 (5 KT Rainier Coupling)	190–195	170–190	130–180
Detection Limit (4)			
(a) Equivalent Yield—Rainier Coupling	4–16KT(5)	0.9–3.3KT	6–1.8KT
(b) Equivalent Yield—Rainier Decoupled (6)	1200–4800KT	270–1000KT	180–540KT

(1) This table assumes station background noise levels about 5 times as great as those at the best stations in the US unilateral net.

(2) The numbers in this table are from a Rand study based on somewhat different assumptions on relative seismicity of the USSR and on station locations than those used in a similar [text not declassified] study. As a result the numbers are lower by about 25 percent in most cases than the [text not declassified] numbers but still within the fundamental uncertainty of “at least a factor of 2 up or down” which has been agreed between Rand and [text not declassified] to apply to all such numbers.

(3) The range of numbers in the tables expresses the uncertainty in the assumed noise conditions at the control stations and may vary by a factor of at least 2 up or down depending on the year selected.

(4) The detection limit refers to the minimum yield which can be located with 50 per cent probability when placed at the most unfavorable positions relative to the control posts.

(5) This detection limit depends on where stations are installed. In particular, this limit could be considerably improved, perhaps to 1–5KT by locating stations for detection.

(6) The full decoupling factor of 300 was assumed without regard to feasibility and cost of constructing the required cavity.

TABLE 3  
CAPABILITY FOR HIGH-ALTITUDE DETECTION SYSTEM RECENT ESTIMATES

Yield	2 years		4 years		6 years	
	100 KT	1 MT	100 KT	1 KT	100 KT	1 MT
Limit of detectable range— in kilometers					Capability dependent results of VELA research program.	
a. Unshielded	10 <sup>6</sup>	3 × 10 <sup>6</sup>	6 × 10 <sup>7</sup>	2 × 10 <sup>8</sup>		
b. Shielded (100–200 lb shield)	—	10 <sup>5</sup> – 10 <sup>6</sup>	10 <sup>6</sup>	3 × 10 <sup>6</sup>		
Capability for Detecting Explosions behind the Moon	None		Uncertain		Possible with solar satellites	
Other Limitations	Regions between control stations extending up to several hundred kilometers not covered. The 46 Phase I control posts will not provide coverage of high altitude explosions over considerable portions of the earth where no Phase I control posts are scheduled.		(1) Regions between control stations extending up to several hundred kilometers covered only by satellites.  (2) No solar satellites.		If solar satellites are included, the required shielding weights are increased to several thousand pounds.	

The capabilities expected after two and four years are shown separately in the Table. It is assumed that after two years only the Argus satellite and ground-based instrumentation in the U.S., USSR, and U.K. could be operative in the control system. It is assumed that at the end of four years, the ground stations could be increased in number and the remaining five to six earth satellites put in orbit. Improvement in the system capabilities beyond that predicted for the four-year period depends upon the use of solar satellites and on background measurements which at present have not been carried out. It is not possible to say whether the system will improve or worsen as a result of future information.

*e. Anticipated Contributions from Other Intelligence Sources*

Intelligence cannot be expected to provide advance warning of the time and precise location of a clandestine Soviet nuclear test. However, it has a strong capability to delineate areas within which such tests may be held and a poor-to-good capability to detect test preparations and to collect information about the event subsequent to its occurrence. Detection of preparations and collection of data on the occurrence of Soviet clandestine nuclear tests will be more difficult than in the past when no legal restraints against testing were in effect. Soviet attempts to evade the treaty would undoubtedly require tests in environments less susceptible to detection, i.e., underground and high-altitude/space.

*[text not declassified]*

Many intelligence sources have a good capability to detect Soviet space and high vertical missile firings which might serve to alert the treaty system for possible nuclear tests.

Present intelligence capabilities to detect tests in the atmosphere and underwater, particularly with respect to tests distant from the USSR are quite good. The latter situation would deny to the Soviets the advantages of their extremely effective internal security system.

Soviet officials planning an illegal, clandestine test will not know the precise extent and nature of intelligence detection capabilities. In view of a wide scope of intelligence detection possibilities and the uncertainty which they interject in Soviet evasion planning, the violation will undoubtedly assume a greater capability of intelligence than it does in fact have.

*[text not declassified]*

*2. Cost of U.S. Proposed Control System*

*a. Control Post System*

Table 4 shows numbers derived by an approximate prorating of the costs of central post. Headquarters and Regional Offices, Airborne Operations and Communication costs into the phasing pattern agreed



at Geneva. While the total installation and operating costs are based on extensive cost studies, the cost of each phase has not been examined in detail and the costs shown should be used only for a general idea of rate of expenditure during installation.

TABLE 4  
GROUND SYSTEMS COSTS  
(\$ in millions)

	Installation by Phases				Total Instal- lation	Total Annual Opera- tion
	IA	IB	II	III		
Hq. & Reg. Off.	16	8	32	24	80	38
Control Posts	260	130	520	390	1299	229
Ships	29	–	–	–	29	37
Air Sampling	36	–	142	–	178	35
Communications*	45	23	91	66	225	63
	<u>386</u>	<u>161</u>	<u>785</u>	<u>480</u>	<u>1811</u>	<u>402</u>

\* Assumes use can be made of existing national communications networks.

#### b. *Satellites Systems*

Costs of satellite-based detection systems, derived from TWG I considerations and subsequent studies, are listed in Table 5.

TABLE 5  
TOTAL SATELLITE SYSTEM COSTS  
(\$ in millions)

	<u>Initial Costs</u>	<u>Annual Operations</u>
ARGUS	14	10
FAR EARTH/SOLAR	100	80
Launch Facilities	100	34
Tracking & Data Acquisition	<u>20</u>	<u>8</u>
	<u>234</u>	<u>120</u>

Thus, the total cost of ground-based and satellite-based control equipment would be about 2 billion and the total annual operating cost would be \$500 million.

### 3. *Possible Control System Modifications*

a. It appears possible by slight, and possible politically acceptable, changes in the control system proposed by the U.S. to improve substan-

tially its capability for identifying earthquakes. The changes are, first, the dropping of the requirement on spacing of the control stations (1700 km in aseismic and 1000 km in seismic areas) imposed by the 1958 Conference of Experts; and second, the possible addition of 3 or 4 more stations into the USSR. If the 21 control stations in the USSR are relocated so that most of them are concentrated within the highly seismic areas of Kamchatka, Karafuto and the Pamirs and only a few stations are spread on a wide grid over the USSR for the purpose of locating small seismic events wherever they might occur within the USSR, then it has been estimated that the improved capability shown in Table 6 might be achievable.

Since the distribution of seismicity in the USSR is quite uncertain, further research may reveal a few other highly seismic areas which will also require some stations if the capabilities in Table 6 are to be achieved. This contingency can be met in part by maintaining the right to relocate stations as new data are required. It might also be necessary to increase the number of stations—perhaps by adding another 3 or 4.

TABLE 6  
*Capabilities Relocated Geneva Control System* (1) (2)

	2 years	4 years	6 years
--	---------	---------	---------

Number of Unidentified Seismic Events Above (3)			
(a) Magnitude 4.75 (20 KT, Rainier coupling)	56–62	14–20	14–18
(b) Magnitude 4.35 (5 KT, Rainier coupling)	160–170	46–60	46–60
Detection Limit			
(a) Equivalent Yield—Rainier coupling—	1.4–5.5 KT	1.3–4.8 KT	.5–1.4 KT
(b) Equivalent Yield—Decoupled (4)	420–1650 KT	390–1440 KT	150–420 KT

(1) This table assumes station background noise levels about 5 times as great as those at the best stations in the U.S. unilateral net.

(2) See footnote (1) to table II.

(3) The range of numbers in the tables expressed the uncertainty in the noise conditions at the control stations.

(4) The full decoupling factor of 300 was assumed without regard to feasibility and cost of constructing the required cavity.

b. The system capability for detecting high-altitude nuclear explosions would be enhanced by requiring pre-launch inspection of all space vehicles. There are many obvious political difficulties and some

technical difficulties which would have to be overcome. Pre-launch inspection of the space vehicle might require disassembly of the vehicle in order to detect the presence of fissionable material. In addition, in order to assure that all space vehicle launchings were actually announced for inspection, this system would presumably require a system to detect rocket launching unless a unilateral intelligence capacity was adequate and acceptable for this purpose.

### III. *Estimated Changes in the Control System Capability from Future Research*

Expected results from the moratorium research program (Project VELA) are heavily dependent on the form and degree of support at the top levels of Government. The present forecast of results is based on the assumptions:

a. The budget for seismic research under Project VELA is restored to its original level and for high-altitude research the budget is increased to the original level recommended by ARPA.

b. Approval is given to fire the planned underground nuclear explosions presently scheduled under Project VELA.

If either of these assumptions is not met, improvements will be much less likely and, for some aspects of the control problem, impossible.

#### 1. *Changes Resulting from the Seismic Research Program*

The capability of the system to detect and identify nuclear explosions depends on the following: (1) the number of unidentified earthquakes of a given magnitude; (2) the yield of nuclear explosions which corresponds in amplitude of signal to a particular magnitude; and (3) the probability of success and number of on-site inspections. In this context, the following estimates of the change of the performance of the control system have been made:

a. The seismic research program will remove many of the uncertainties which are presently involved in determining system capability. With reference to the capability described in Table 6 for a Geneva system with station relocation, it is reasonably possible that new seismic information obtained in two to three years will reduce the equivalent yield above which a given number of events will remain unidentified by a factor of about three. Some techniques are already foreseen wherein this might be accomplished.

b. Unmanned stations would result in a great deal of improvement in detection and identification of explosions. With a grid spacing of 200 km detection capability is about 10 tons. Identification capability for such a network is probably limited by natural events which are similar to explosions. Assuming 95% limit to identification capability,

this system would leave 60 unidentified events with equivalent yield greater than 150 tons. Location of epicenters would probably be better than 100 square km.

c. Many suggestions have been made for improvement which will be tested during the research program. This includes use of long waves, improved first motion criteria, depth of focus determination and other techniques which are difficult to evaluate at this early date but offer the possibility of major improvements. Experience gained in the operation of the Geneva network can also lead to improvements.

d. Progress in on-site inspection now offers the possibility of using aftershocks, precision epicenters and focal depth determination to localize the suspicious area to better than 50–100 km<sup>2</sup> and identify earthquake aftershocks by their greater depth. This improvement depends on the rapidity in reaching the suspicious area.

e. Degradation by improvement of decoupling beyond the factor of 300 is possible. Factors of 2–10 have been estimated for further decoupling. Confusion of the explosion source to simulate earthquakes is a remote possibility.

Table 7 gives rough estimates of improvements (with respect to Table 6) following a 2–3 year research program. Realization of the capability would require subsequent installation of appropriate hardware.

## *2. Changes Resulting from the High Altitude Research Program*

The primary outcome of the high altitude research program will be more complete information on background noise signals which interfere with detection. This information will allow more certain evaluation of the control system. It is not known whether the system capability will be better or worse, but in view of the conservatism of Table 3 it is more likely to be better. For example, ground-based techniques will probably cover completely the low altitude regions. A second outcome of the research program will be some new detection techniques. Two new ones are already promising, namely, the VLF phase shift method and the detection of the radio signal from x-ray shields. Others are still somewhat speculative. Finally, more effective x-ray shields, and possibly other concealment measures, might be found.

TABLE 7  
ESTIMATED CAPABILITY FOR DETECTION AND  
IDENTIFICATION IN USSR AFTER 2–3 YEARS RESEARCH  
PROGRAM

	Reasonably Possible
Detection	
About 20 control posts, relocated	½ KT

Identification	
About 20 control posts, relocated Plus ocean bottom seismographs (1)	
(Yield above which 60 unidentified events)	1½ KT
Detection	
Augmentation by unattended stations	
200 KM grid	10 Tons
Identification with unattended stations	
(Yield above which 60 unidentified events)	150 Tons (2)
Degradation beyond decoupling factor of 300	2–10
Confusion of source, earthquake triggering, etc. as to misidentify explosion	
	?

(1) Based upon only one ocean bottom measurement. 1½ KT identification will only be achieved if all installed stations have capabilities comparable to this measurement.

(2) Although theoretically this net would permit identification in excess of 99 per cent, a limitation of 95 per cent identification has been assumed to cover conservatively the case of seismic events which may have characteristics of explosions.

IV. *PRESENT AND PROJECTED U.S. AND SOVIET NUCLEAR WEAPON CAPABILITIES*

The present and future capabilities of the U.S. and the USSR in the nuclear weapons fields have been summarized as a function of the yields obtainable for different [illegible in the original] weight classes in Tables 8 and 9. In addition the respective capabilities in various specialized types of weapons, i.e., clean or radiation types, are also included. Extrapolations into the future have been made on several different assumptions which are compatible with various situations resulting from a nuclear test agreement, e.g., underground testing below a threshold, space tests, and several types of Soviet evasion.

The past tests of the Soviet Union and U.S. appear in Column I of the U.S. and Soviet tables respectively. Items presently scheduled for stockpile in the U.S. are listed in Column II. In Column III of each table are given the expected improvements possible in the U.S. and in the Soviet Union if testing is prohibited but laboratory experiments (hydro-nuclear tests) are permitted up to a nuclear energy release of 1 ton. In Column IV are listed the expected advances by each country with unlimited testing and in Column V with testing everywhere except in the atmosphere. It is expected that under both these latter situations the potential future weapons development in the two countries would tend to converge to the same final achievements. It should be pointed

out, however, that there could be considerable differences between the U.S. and the USSR in the rate of achievement of those capabilities, with specific times depending on their relative state now (and in some areas of development we have no specific information on the relevant situation for the Soviets), on the effort available, and on the experience with particular kinds of tests involved.

The remaining columns do not correspond for the two countries. For the U.S., Column VI represents achievements which could be made using legal tests which would be below the underground threshold. This is a seismic magnitude of 4.75, which corresponds to 20 KT with Rainier coupling, but represents considerably higher yield for decoupled experiments. It has been assumed that partial decoupling would then allow experiments up to 150 KT to be carried out. In Column VII are listed the developments which could be achieved under a high altitude threshold arrangement, i.e., about 1 KT.

Columns VIII, IX, and X represent what the Soviets would be able to accomplish by clandestine testing, that is, with evasion to an extent which would not be detected by the Geneva system. These three columns represent different levels of evasion involving different parts of the Geneva system and different efforts at evasion. Column VIII and IX assumed tests underground up to 1 KT and 5 KT. Column X allows experiments up to 50 KT, which would require decoupling, either partial or full, for the experiments in the range of 10's of KT and Column XI adds to this the possibility of evasion in outer space with experiments up to 200 KT.

In a situation involving no testing, there is an additional effect (not allowed for in the tables of this summary) deriving from espionage. As time passes and particularly as U.S. items go into production and deployment, some U.S. developments may become known to the USSR and in these cases the Soviet capability would converge beyond [illegible in the original] U.S.

Each column contains the yield, or other features which characterize that class of weapon which one might be able to achieve in a particular weight. Where relevant it also lists the materials (oralloy or reactor product) required. There is also a sub-column having to do with the number of tests required and their yields in order to achieve that capability. A time is given in some cases which represents a compounding (not necessarily addition) of the design time for experiments and the analysis of the data before the next experiments, with the time necessary to carry out the experiments, involving the construction of decoupling holes, launch of heavy payloads, etc. The times given correspond to the time at which the weapon design and testing could be completed. Additional time to reach initial stockpile will depend on development procedures and may be anything from two

years down to zero depending on how much the country involved is willing to commit the weaponization procedures before completing development.

The present and currently planned U.S. stockpile weapons can, of course, be established with a high degree of confidence, and in many cases longer range extrapolations of U.S. capabilities are reasonably reliable since these developments are based on already tested principles. Development of weapons in the various weight classes depends in varying degrees on testing, as shown in Table 8 and discussed later in this section. While no tests of [text not declassified] the [text not declassified] research is sufficiently advanced to give confidence that this class of weapon can be developed. [text not declassified] This can probably be done by calculation and hydronuclear experiments (maximum yield 1 ton). [text not declassified] The details on the number of tests required and time to achieve these or other advanced weapons are subject to large uncertainties. In this connection, it should be remembered that major advances often come from surprises and therefore do not permit sound forecasting.

In the case of Soviet weapons, the uncertainties are much greater, but at least in the larger yield categories the long-range detection system has permitted reasonably reliable activities of the minimum weights for the yields obtained in Soviet tests. [text not declassified] There is no evidence from any source [text not declassified]. Extrapolations into the future are subject to major uncertainties and are perforce based largely on U.S. weapon design principles. For instance, whether the Soviets could in fact reach the high performance indicated in Column X of the Table for [text not declassified] the figures given are based on the assumption that this experience is about the same as that of the U.S. It is known that the Soviets are continuing a vigorous weapons development program; but, although the Soviets could have conducted clandestine tests, intelligence does not support the thesis that the Soviets have in fact violated the moratorium.

## I. SPECIFIC WEAPON CLASSES

[text not declassified]

*Surprises:* It is by now trite to say that the greatest advances in the course of further nuclear weapons testing and design may come from surprises which by their nature, cannot be predicted. That testing can produce new ideas or invite attention to the significance of certain effects or new techniques is obvious from a history of such occurrences over the past fifteen years. [text not declassified] would probably not have been recognized or accepted without full scale testing. Limiting the scale or type testing may slow down or preclude the discovery and exploitation of new ideas. No matter how small the scale of testing,

some developments of usefulness not now foreseen will probably be found and exploited by the tester.

*[text not declassified]*

## V. "NTH" COUNTRY NUCLEAR WEAPONS DEVELOPMENTS

### INTRODUCTION

In considering possible "Nth" Country nuclear weapon developments, one must take into account technical and scientific capabilities, motivation, availability of test sites, test environments, and possible delivery vehicles for operational employment of nuclear weapons. These factors are considered in the discussion below for France, Communist China, and "other countries".

In the following it is assumed that there is no wilful communication of weapons know-how, or gift of fissile material for weapons purposes, by the nuclear powers to the non-nuclear ones.

In the first place, it should be noted that the principal difficulty in starting a weapons program is in acquisition of fissile material. This might be done either through gifts, its own production, or diversion from its peaceful nuclear power program. *[text not declassified]*

So far as developing advanced fission weapons is concerned, one can expect that a limitation to underground tests (space testing would presumably not be available to nth countries for a very long time) would not be very severe. Such a limitation might slow down development and make it more expensive. *[text not declassified]*

It is important to point out that in contrast to the situation at the start of the U.S. effort, there now exists in unclassified form a great deal of information important to the design of nuclear weapons. For example, the size, weight and yield of several U.S. designs have been released. Experimental techniques in hydrodynamics and neutronics have been described *[text not declassified]*. Neutron cross sections for all relevant materials are available. Finally, the calculational procedures in hydrodynamics, neutronics and radiation transport have been published, and computers to perform these calculations can be purchased.

*[text not declassified]* It is questionable, but not necessarily impossible, for them to succeed.

Thus, limitation to non-atmospheric testing would *[text not declassified]*.

### FRANCE

*[text not declassified]*

Underground test sites are available in Metropolitan France, and in the Sahara (pending the outcome of the Algerian problem). From the standpoint of the technical capabilities of the various detection



systems, French ability to evade detection would range from poor in Metropolitan France to fair in the Sahara. [*text not declassified*] In view of the high risk of detection, it is believed unlikely that the French Government would attempt evasion. However, it would probably continue overt testing as long as it is politically feasible.

#### COMMUNIST CHINA

China has the scientific and technical capability to develop nuclear weapons, light and medium bombers for delivery, and many possible test areas. China also is presumed to have a strong desire for such development.

[*text not declassified*]

China's capability for evasion is high, both from a technical and intelligence standpoint [*text not declassified*]. It is doubtful that China would consider herself bound by a treaty which she did not sign.

#### OTHER COUNTRIES

There are, of course, many other countries who have an actual or planned reactor capability which could produce plutonium for weapons. The most likely candidates are Israel, the UAR, Sweden, West Germany, and India. None have existing or planned delivery capabilities for large weapons. With the exception of West Germany's active gas-centrifuge development program, none are planning U-235 facilities and therefore are not in a position to stockpile gun-type weapons for many years.

Israel and the UAR have the strongest motivation for nuclear weapon development. Both are developing reactor facilities—Israel with considerable French help, the UAR with some Soviet and perhaps West German aid. Sweden is waiting the outcome of the Geneva negotiations before deciding to embark on a weapons program, [*text not declassified*]. India officially deplores nuclear weapons, but a demonstrated Chinese Communist capability may substantially change this position.

All of these countries except India have a poor to fair capability to evade detection from the technical standpoint, while for India it may be fair to good. [*text not declassified*]

The expense of decoupling would be a major factor in the consideration of all of these countries, and would be particularly important in the case of India and the UAR.

All of these countries, with the possible exception of the UAR, have the technical knowhow to design simple, implosion-type fission weapons which could probably be stockpiled without nuclear testing. These non-tested devices would be very large and heavy and none of these countries presently have a delivery capability for such a device.

While these countries would prefer an actual proof test, they would probably be willing to forego this since the principles are fairly well established by US, USSR, and UK successes. The development of advanced types of fission weapons or TN devices without tests is unlikely by these countries. This may not be a major factor in the security posture of these countries since the availability of a few nominal yield weapons would be the most critical factor.

#### VI. *The Cost of Evasion*

Any control systems, such as the ones described in Sections I–III of this Report will have natural limits of detection and identification. In addition, a determined violator can take specific measures which will broaden the range over which tests can be carried out and still escape detection by technical means. Such methods of evasion are:

- a) Small underground shots below the detection threshold followed by cover-up operation.
- b) Decoupled or partially decoupled underground events using the “large hole”.
- c) Tests in space beyond the capabilities of a detection system.
- d) Tests in space requiring specially deployed shields to escape detection.

Each of the evasion tactics imposes a penalty on the violator in the terms of one or more of the following: financial cost, stretched out time scale and/or reduced test effectiveness. In addition, there exists the risk of suspicion arising out of conventional intelligence.

Evasion costs have been analyzed only in a preliminary way since by necessity they are based only on studies.

##### 1) *Test effectiveness*

Underground clandestine operations including decoupled shots would not differ materially from our previous underground experience in the range of diagnostic methods which could be applied.

Space tests restrict the diagnostic tools which can be used but are still adequate for weapons development by measurements of yield and limited diagnostics.

##### 2) *Cost—Underground*

Table 10 gives the size of cavity required to achieve full decoupling and partial decoupling to the extent indicated. The specific case of a test for 50 KT in a overdriven sphere 400' in diameter at a depth of 2000' has been analyzed in some detail under a variety of site conditions. These conditions would give a decoupling factor of about 75.

Holes sufficient to decouple a 3 KT explosion exist. Although larger holes have not been excavated, it is considered possible to construct a

750 feet diameter hole in salt (sufficient to decouple 90 KT). The feasibility of larger cavities is uncertain.

In the case of a hole of sufficient size for complete decoupling, holes are almost certain to be re-usable to some extent. Contamination by the debris prevents re-use in less than six weeks. If radio-chemistry is considered desirable, the total number of shots in a given cavity may be limited. In the case of an overdriven cavity re-usability is less certain and subject to the same constraints as in the fully decoupled case.

In round numbers the cost of a 50 KT test program might be roughly \$7,000,000 per shot assuming three shots in a given hole. We might estimate that in the 50 KT neighborhood the decoupling operation increase costs by about a factor of 3–5.

If the yield is sufficiently small that the event would not be inspectable even without decoupling, the need for clandestine operation will increase costs much less, possibly by a factor of 2.

### 3) *Cost-Space tests*

Tests in space are in themselves a means of evasion; their difficulty and cost is directly dependent on the type of control they are to evade. With a ground-based control system, the evader, if he is to avoid all possibility of detection, is forced to distances of roughly  $10^6$  kilometers, which is a distance not involving large flight times; with the far-earth satellite system, an evader is forced to distances near  $10^8$  kilometers where flight times and vehicle requirements are much more substantial. Evasion with the use of shields, which again complicates the problem of evasion, might reduce these distances to  $10^6$  kilometers.

Using U.S. cost estimates, the cost to prepare for a space test in the  $10^6$  to the  $10^7$  kilometer range is roughly \$100 million, with a cost of \$10–12 million per additional launching. Actual test costs would depend on the reliability obtained, i.e., the number of launches required per successful test and the launch sites required. Costs to conduct one megaton test beyond  $10^8$  kilometers depend on detailed test requirements but may not be much larger than the shorter range costs unless waiting times are objectionable.

### 4) *Time delays*

Table 10 in the Appendix gives the construction and cover-up time scale for a 50-kiloton decoupled, pre-shot construction program; times under the various conditions vary from 2 to 5 years, after the initiation of preparation, assuming U.S. conditions. The delays in small clandestine tests not requiring decoupling are small.

The delays involved in space tests depend partially on vehicle availability and reliability; present USSR vehicles are adequate for space tests under the conditions considered. It has been estimated that

TABLE 10  
Table of yield in kilotons of test shots which can be placed in a cavity of a given size.

Sphere	Depth of Burial				Decoupling Factor
	Volume	Diameter	1000 Ft	2000 Ft	3000 Ft
	$1.9 \times 10^4$ cu yds	100'	[text not declassified]	[text not declassified]	[text not declassified]
	$1.6 \times 10^5$ cu yds	200'	[text not declassified]	[text not declassified]	[text not declassified]
	$1.3 \times 10^6$ cu yds	400'	[text not declassified]	[text not declassified]	[text not declassified]
	$4.2 \times 10^6$ cu yds	600'	[text not declassified]	[text not declassified]	[text not declassified]
	$1.9 \times 10^4$ cu yds	100'	[text not declassified]	[text not declassified]	[text not declassified]
	$1.6 \times 10^5$ cu yds	200'	[text not declassified]	[text not declassified]	[text not declassified]
	$1.3 \times 10^6$ cu yds	400'	[text not declassified]	[text not declassified]	[text not declassified]
	$4.2 \times 10^6$ cu yds	600'	[text not declassified]	[text not declassified]	[text not declassified]

space tests would stretch a test program out in time by a factor of two after the initial development program which might last 2–4 years, assuming long waiting times for vehicle travel and depending on the complexity of the evasion tactic required.

5) *Summary*

a. Underground evasion tactics will not restrict test diagnostics. Space tests will restrict diagnostics somewhat but are adequate for weapons development.

b. Cost in yield ranges requiring large-hole decoupling space tests are increased roughly a factor of 3–5. Small clandestine underground tests can be carried out without substantial cost penalty. Space tests increase costs by a factor of 3–10 depending primarily on reliability.

c. Time delays in clandestine tests requiring hole decoupling are 2–5 years. After construction holes might be reusable. Time delay in the space tests stretch a program out by possibly a factor of two after an initial development program of 2–4 years.

VII. *IMPACT ON U.S. AND USSR WEAPONS SYSTEMS*

A. *INTRODUCTION*

A nuclear test ban will place limits on both U.S. and Soviet nuclear weapons systems. An analysis of the significance of these limitations on the relative military positions of the two countries involves assumptions as to the extent of the limitations actually imposed by a ban and the nature of the military problem.

Among the large variety of possible responses to the outcome of the treaty negotiations, we have focussed on the following three:

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	TREATY	USA	USSR
Case I	No test ban	Unlimited testing	Unlimited testing
Case II	Total test ban	No testing	No testing
Case III	Total test ban	No testing	Maximum evasion possible technically under Geneva System

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*Note:* (The Nth country problem is not considered in this section)

From the strictly military point of view, the most conservative approach to the test ban problem rests on the comparison of the relative positions of the U.S. and the USSR assuming, on the one hand, unlimited testing (Case I) and, on the other hand, a test ban with no further testing by the U.S. but with maximum Soviet evasion (Case III) technically feasible under the Geneva System. Attention has therefore been

focussed on comparing Case I and Case III, realizing that Case III is the maximum possible risk rather than a certain development. It must, of course, be recognized that the conduct of tests in a clandestine manner would generally involve political risks and be more expensive and would retard progress both as a result of the physical circumstances required (discussed in Section 6) and the extreme security precautions involved to avoid detection by conventional intelligence. Such factors are difficult to evaluate in quantitative terms.

Although most weapons now in U.S. stockpile have not actually been proof tested, they are straightforward extrapolations of tested devices. In a weapons test ban, additional extrapolations will have to be made in the physics to correspond to engineering changes dictated by altering weapon environments and military requirements. Many of the changes of this kind now foreseen can be made with full assurance that the weapons performance will be as predicted. However, if over a period of ten or more years many of the weapons design developments were carried out in the absence of experiments involving nuclear explosions, substantial doubts might arise about weapons performance. With changes in personnel and loss of experience, some of these doubts might also apply to the "older" weapons designed in a period of testing or immediately thereafter, but not tested in exactly their stockpiled configuration. The relative effect of this factor depends on which alternatives are being considered.

The discussion which follows concentrates on the characteristics of specific weapons systems. There also has been an attempt to indicate where some of the unknown possibilities may lie. It must be pointed out, however, that in all weapons technology one of the most important considerations in further developments is a possibility of the appearance of actual surprises. In general, we believe that as far as yield to weight improvement is concerned, surprises are very unlikely in the strategic weapons beyond the developments predicted in Section IV. There could be considerable surprises in weapons effects of various kinds. Finally, in the area of tactical nuclear weapons, where the room for invention is large, the possibility of important surprises is correspondingly great.

The following military areas have been considered: (1) Strategic systems, (2) AICBM, and (3) Tactical Systems.

## B. STRATEGIC SYSTEMS

### 1. General

The effectiveness of the strategic weapon systems depends not only on weapons design factors such as yield-to-weight ratio, and materials requirements, but also on the delivery system design factors such as accuracy (CEP), reliability and vulnerability to enemy attack as well

as level of intelligence on enemy targets and enemy defence capabilities affecting penetration.

In addition to these technical questions, the problem is complicated by the differences in the impact of a test ban on a *deterrence* strategy as compared with a *counterforce* strategy.

It is difficult to evaluate the U.S. requirements for a *counterforce* strategy for nuclear weapons (even if it is conducted in a preemptive manner) since its effectiveness depends on firm and precise knowledge of the location of a very large proportion of Soviet strategic delivery vehicles. We do not now have this knowledge on Soviet missiles; and, even if increased intelligence capabilities through space or other means improves our knowledge of Soviet targets, the mobility of the Soviet strategic force presumably will also have increased by that time. Also, the U.S. will develop [text not declassified] thus, future Soviet counterforce strategy, if possible at all, must include extremely difficult new methods for determining the location of mobile U.S. systems, or very much larger force levels.

A *counterforce* strategy would emphasize attack on hard and mobile targets in addition to soft targets such as airfields. For attacks on hard and mobile targets an increase in yield is equivalent to a reduction in CEP or an equivalent increase in the number of weapons delivered on target as given by the following table: (For an area attack on mobile targets whose exact location is not known, such as Polaris, CEP is not important).

Yield increased by a factor	Equivalent reduction of CEP	Equivalent increase in number of weapons delivered on target
2	20%	1.6
3	30%	2.0
4	40%	2.5
10–20	50%–60%	5–7

It must be emphasized that, unless one is certain to take preemptive action and has accurate intelligence, increases in yield would not permit nearly as great a decrease in over-all force size as implied by the figures since such a reduction in force level would substantially reduce the ability of the system to survive an initial enemy attack and thereby decrease its second strike capability. In fact, if there is a question as to whether a sufficient force will survive an initial enemy attack to provide a deterrent, increases in yield would permit no reduction in force level and an improvement could only be found by increased force levels.

In a *deterrent* strategy, there is a requirement for a minimum number of delivery systems (missiles or aircraft) to survive any enemy attack and penetrate enemy defenses. Survival depends on such factors as hardness, readiness, reliability, mobility and secrecy. Decrease in warhead weight at a given yield has contributed to the mobility of deterrent systems. Increased mobility is at present of greater value for a deterrent strategy to the U.S. than to the USSR since secrecy of the USSR deterrent force has a similar effect as mobility on the U.S. force. This may decrease in value, however, depending on improved intelligence measures, including the Samos system.

In a *deterrent* strategy, an increase in the yield of a warhead at a given weight would in principle increase the effects from both blast and fallout against urban areas and industrial complexes more than against hard or mobile targets. However, these relations have significance only in the case of relatively small yields and levels of attack. In the case of blast damage, warheads of present yields delivered with the CEP's of existing systems would so completely over-kill the population and overdestroy the floor space of urban area targets by blast and fire, that further increases in yields would produce little additional damage. Similarly, probable attack levels during the period in question would result in such extremely high casualty levels from fallout with existing yields that further increases in fallout would produce only small increases in casualties in the surviving population.

The problem of accidental detonation or unauthorized use of nuclear weapons remains a matter of continuing concern. Prevention of such events involves both technical and non-technical problems. Some, but not all, of the technical devices that can substantially improve the degree of control without sacrifice in readiness can be incorporated into weapons without testing.

## 2. *Unlimited Testing (Case I)*

In the event that the U.S. and USSR both undertake unlimited testing, both are likely to achieve eventually (though not necessarily at the same time) comparable yield-to-weight ratios in the weight classes in which they are interested. The nuclear technology of both countries is sufficiently advanced that in the 1965–1970 time period, weapon yield [*text not declassified*].

In the case of a *counterforce* strategy, the increases in yield possible with unlimited testing would probably have the effect of reducing the counterforce capabilities of both the U.S. and the USSR. While the increase in yield for very large weapons [*text not declassified*] through testing would tend to improve counterforce capability somewhat against a static enemy force, this would be more than compensated by the increased mobility resulting from the substantially improved yield-to-weight ratio for the USSR in [*text not declassified*] and from the proba-



ble development of more mobile ICBM systems than they now have. However, the Soviets already have a larger degree of invulnerability as a result of their general secrecy. Therefore, the Soviet counterforce problem might be increased in difficulty by an even larger factor by the U.S. development of warheads in [text not declassified]. In addition, some members of the Panel seriously question whether such systems are desirable from the point of view of safety.

In general, improvements in missile technology can be achieved by ordinary engineering measures, but are aided substantially by decreases in warhead weight. [text not declassified]

The effectiveness of a strategic system is also determined by its ability to penetrate enemy defenses. In the case of strategic missiles, penetration through enemy AICBM's is aided by decoys, radar camouflage, maneuvering targets and multiple warheads. The use of multiple warheads which make the AICBM problem even more difficult than it is at the present time is strongly dependent on warhead weights. In addition, the use of a smaller weight warhead in a given system would permit the inclusion of additional decoys. [text not declassified] In this case, the potential of a non-nuclear kill by AICBM would become dominant. In any event, miss distance is not at present the determining parameter in the AICBM problem for the U.S.

Further testing will probably reduce costs to maintain a given strategic posture. The amount of reduction depends greatly on the posture desired and the cost reduction achieved may vary from a negligible to a substantial proportion of system cost.

In summary, continued testing would make a counterforce strategy more difficult through increased mobility and survivability of the second strike force. Continued testing could increase deterrence by adding, through lowered weapon weights, a factor toward achieving survival and penetration. This would be an essential factor to the U.S. only if our deterrence becomes marginal and [text not declassified] becomes the factor which makes the difference between a marginal and non-marginal deterrence. There is disagreement among members of the panel as to the likelihood of such a situation occurring.

### 3. No Further Tests (Case II)

If nuclear weapons of importance to strategic systems were stock-piled without further nuclear tests but after extensive laboratory tests, it is believed that the U.S. would have some initial advantage over the USSR in the yield of warheads [text not declassified].

As time passes and particularly as U.S. items go into production and deployment, some U.S. developments may become known to the USSR and in these cases the Soviet capability would converge toward that of the U.S.

With this spectrum of warheads, which could be stockpiled without test, the U.S. and the USSR would appear to have and to be able to maintain a very strong deterrent strategy by intelligent planning of delivery systems. However, such a deterrent position could in principle be unbalanced in favor of either party by the appropriate combination of difficult developments in ASW Air Defense, AICBM systems, or shortening to 15 minutes or less the time in which intelligence information can be available on the position of a large fraction of the mobile systems.

It is not possible to evaluate the adequacy of a counterforce strategy in terms of these weapons for the inherent reasons discussed above.

#### 4. *No Further U.S. Testing and Maximum Soviet Evasion (Case III)*

If there is a treaty barring tests and U.S. activities were limited to hydro-nuclear tests while the USSR evaded the treaty to the maximum extent possible by testing up to 50 KT underground with big-hole decoupling and up to 200 KT in outer space, there would still not be any significant developments by either country in weight classes [*text not declassified*].

In summary, under a test ban obeyed by the U.S. but evaded by the USSR to the maximum extent technically possible under the Geneva system, the preemptive counterforce capability of the U.S. would eventually be about the same as under the condition of unlimited testing. Consequently, the deterrent capability of the USSR would also eventually be about the same under these two conditions. On the other hand, the counterforce capability of the USSR would eventually be improved and the deterrent capability of the U.S. correspondingly degraded as compared with the condition of unlimited testing. The extent and significance of this change depends on how marginal U.S. deterrence is considered to become and how important very small warheads [*text not declassified*] are considered to be to assure survival of mobile systems.

#### 5. [*text not declassified*]

#### C. AICBM

Developments of AICBM techniques can also be regarded either as aiding counter forces (in case one intends a first strike and wants to defend against a retaliatory force) or as a pure defense (which depends on having a better AICBM than anyone now conceives of). An AICBM system could perhaps be considered more seriously as a pure defense in a situation where one has an agreed upon and observed limit on the number of missiles (at a rather low number).

Further nuclear tests have a bearing on the AICBM problem in the following areas:

- 1) Decreased warhead and missile weight and cost.

2) Possibilities of increased kill radii [*text not declassified*] and of using nuclear blast as a means of sorting out decoys.

3) The problem of “blackout” effects from a nuclear burst on AICBM radar and communications.

[*text not declassified*]

2. *The possibility of using nuclear blast as a means of sorting out decoys.*

Studies made on the use of nuclear blast in sorting out decoys are not encouraging. There exists the possibility that with additional theoretical work and nuclear tests [*text not declassified*] can be developed, (presumably both by the U.S. and USSR) in a period of four years or more. Tests are such that concealed underground testing is possible in the development phases of the device proper. Speculations concerning the effect predict large kill radii. However, for this improvement to be useful the decoy problem must be solved. [*text not declassified*]

3. *Special effects.*

The understanding of how radars, communication system, etc., behave when nuclear explosions take place at high altitudes is an important part of the AICBM problem. In principle, radar difficulties can be gotten around by going to higher frequencies to overcome the effects of blackout. Furthermore, the U.S. presumably knows more about such effects from the experimental point of view than do the Soviets, who are not known to have had any high altitude shots over 50,000 feet.

Some experiments in this area could be carried out clandestinely although with some risk of detection, until a high altitude control system is established, but probably not afterwards.

Beyond the “blackout” problem the main interest in high altitude tests focusses on better understanding of re-entry phenomena, study of the state of ionization of debris in a vacuum, study of magnetic trapping phenomena, etc. Whether such studies will have significant bearing on the AICBM problem is not clear.

4. The USSR has tested a number of warheads suitable for AICBM application. [*text not declassified*] without tests. Further development could be carried out by clandestine outer-space tests.

5. In summary, the present problems critical to the solution of the AICBM problem are not in the nuclear explosion field. It is unlikely that any good solutions will be found. Improvements in nuclear weapons would become very significant only if new inventions are made which reduce drastically the cost of target acquisitions, target tracking and data handling.

#### D. TACTICAL WEAPONS SYSTEMS

1. Tactical nuclear weapons are defined as ammunition for defensive and offensive systems whose primary purposes are the conduct

of operations, (ranging from very small use of force to large operations), short of a strategic exchange between the primary contestants. The weapons cannot be defined as to yield, size, methods of delivery or effects, but only as to purpose. Tactical nuclear systems can be considered in the role of a "deterrent" strategy to discourage enemy actions (either nuclear or non-nuclear) short of a strategic exchange. Alternatively, tactical nuclear weapons can be considered in the role of a "counterforce" strategy for actual use in large or small quantities on either a broad battlefield or in isolated limited engagements. While there exist strong differences of opinion as to whether nuclear weapons can be employed in many cases without escalation into general war, stated basic national policy at present is that main but not sole reliance should be placed on nuclear weapons. No attempt has been made here to judge this issue; however, conclusions depend significantly on the policies adopted.

2. *[text not declassified]*

In view of the number of possible theaters and areas within a theater where nuclear weapons could be used tactically, there are situations where stockpile limitations could become significant, even aside from competition while other requirements (Air Defense, ASW, and advanced strategic systems) or other possible production limitations.

*[text not declassified]*

3. It should be noted that the possibilities for further development and inventing of nuclear warheads for tactical weapons systems are substantial. The possibility of important surprises is correspondingly great. Current and proposed warheads are *[text not declassified]*.

4. *Unlimited testing.*

In the event that the US and the USSR both undertake unlimited testing, both would probably eventually, though not necessarily at the same time, achieve *[text not declassified]*.

With unlimited testing, it should eventually be possible to reduce the requirement *[text not declassified]*.

Such developments would provide the military commander with small, light-weight weapons systems whose warhead produces prompt incapacitation of troops within a well-defined radius of the explosion and without the attendant material damage and residual radiation associated with presently available nuclear warheads.

The rapid fall-off of radiation dose with distance might permit in certain tactical situations elimination of enemy troops with comparative safety to friendly ones, if the position of the latter is known, at separations where blast weapons would make this selectivity impossible. The penetrating nature of the radiation also would allow neutralization of such hard items as tanks or pillboxes. Such strong points could be

attacked by conventional nuclear weapons only by exploding those quite near the target, with risk of fallout and certainty of blast damage over a wide area which could include friendly troops or existing structures.

5. *No Further Tests.*

If nuclear weapons of importance to tactical systems were stockpiled without further tests, the US would have a wide range of yields, [text not declassified].

By hydronuclear experiment involving energy releases up to about a ton of high explosive equivalent and calculations, the US (and the USSR) could make substantial improvements in [text not declassified].

In some cases it would not be possible to design warheads of optimum size and weight for specific future weapons systems. Planned weapons systems for tactical warfare have not made full use of advanced low-yield warheads which have been designed but have not yet reached stockpile.

It should be noted that changes in requirements and tactics take place only after the deployment or even the use of such weapons in the hands of troops.

6. *No Further U.S. Testing and Maximum Soviet Evasion.*

If there were a treaty barring tests and U.S. activities were limited to hydronuclear experiments, while [illegible in the original] the [illegible in the original] even to the extent of 1-kiloton, experiments, the USSR could achieve all foreseen nuclear weapon developments in the [illegible in the original] and medium yields (up to 20–50 kilotons) relevant to [illegible in the original] warfare, while U.S. nuclear weapon developments would be limited to those improvements possible with laboratory experiments and calculations. This would mean that the USSR could, over a period of time, achieve the limits in economy of conventional fission weapons and thereby more than compensate for any relative deficiency in the availability of fissile material. However, the US, by that time, could have made large inventory of fissionable material, such of which would be available for tactical weapons.

[text not declassified] In this situation, the US would be at a disadvantage relative to the USSR in the field of tactical nuclear weapons. This disadvantage would be of importance in tactical situations such as the following:

1) Possibility of extensive use of nuclear weapons in multiple engagements requiring the deployment of [text not declassified].

2) The enemy is able to force a situation in which friend and foe are closely “diffused” so that large nuclear warheads cannot be used, but where a large number of small nuclear warheads can be effective.

3) The lethal radius must be sharply defined and material damage is to be avoided.

The US would, however, have a large inventory of fissionable material available in the 1965–70 time period. The Soviets would therefore still have to consider the possibility of U.S. response with those nuclear weapons to which Soviet tactics might be vulnerable, as well as the possibility of escalation of nuclear warfare outside the existing geographical boundaries or even into strategic war.

The panel members did not reach a consensus as to how important specific problems of this nature would be in the over-all picture of limited war tactics. In particular, no consensus was reached as to the degree of latitude available to the US to balance its strength and weakness by selection of alternative tactics.

#### AMENDMENTS TO SECTION VII

##### RISK PANEL REPORT ON U.S. AND U.S.S.R. WEAPONS SYSTEMS

The following changes and additions to Section VII are submitted as representing the views of the undersigned.

*Page 3—End of first full paragraph:*

*Add the following:*

For such an attack yield is important since there is a direct relationship between yield and the area effectively covered.

*Page 3—End of paragraph following the tabulation:*

*Add the following:*

However, the quantitative increase required would be determined by the effectiveness of the force expected to survive the attack. Thus, if the yield of the surviving weapons had been increased by a factor of four much smaller initial and surviving forces would be required.

*Page 4—*

*Omit the first full paragraph and substitute the following:*

A major effect expected of a deterrent strategy is the creation of casualties from fallout which may be measured in terms of total fission yield delivered by surface bursts. In this case the yield of the individual weapon makes little difference as long as the total fission yield is substantially the same and the distribution pattern is sufficient to cover the major population centers. As in the case of the counterforce strategy, a certain minimum surviving force is essential. One of the several yardsticks by which the effectiveness (and thus the essential strength) of the surviving force may be measured is the total yield deliverable by that force. If the strike second capability is marginal, individual weapon yield assumes considerable importance whether the deterrent strategy is based primarily on floor space destruction from fire and blast, upon the effects of fallout or both. Unfortunately, without accu-

rate intelligence as to the enemy's first strike capabilities, a measure of the actual margin of safety is impossible. A realistic approach to a greater margin of safety without increased numbers of delivery vehicles, and thus a significant increase in system costs, is an improvement of the effectiveness of each weapon.

*Page 5—First full paragraph, 2nd sentence:*

*Delete the parenthetical phrase, [text not declassified].*

*Page 6—*

*The 2nd and 3rd full paragraphs should be combined in the Summary and should read as follows:*

Further testing will certainly reduce costs to maintain a given strategic posture in the long term. The amount of reduction depends greatly on the posture desired and the cost reduction achieved may vary from a negligible to a substantial proportion of system costs. Continued testing would make a counterforce strategy more difficult in increased mobility and survivability of the strike second force. Continued testing could increase deterrence by adding, through lowered weapon weights, a factor toward achieving survival and penetration, or through higher weapon yields for a given payload by loading greater effectiveness to the surviving force. These factors would become essential if our deterrence becomes marginal. Aside from their contribution to cost reduction for the maintenance of a given strategic posture, these factors assume importance in relation to our ability to accurately appraise the margin of safety of our deterrent system. Accordingly, continued improvement of yield/weight ratios adds a factor of safety to compensate for our lack of intelligence concerning the enemy's capabilities. On the other hand, if our intelligence as to his capabilities is accurate, these factors assume importance in relation to a counterforce strategy.

*Page 7—First full paragraph:*

*Revise as follows:*

*[text not declassified]*

*Page 7—8th line from bottom:*

*Rewrite the sentence beginning with "Specifically" to read as follows:*

*[text not declassified]*

*Page 8—First full paragraph:*

*Revise to read as follows:*

In summary, under a test ban obeyed by the United States but evaded by the USSR to the maximum extent technically possible under the Geneva System, the attainment of an effective, preemptive counter-



force capability, if at all feasible, would require a much larger U.S. force structure than would be needed under the condition of unlimited testing. The deterrent capability of the USSR would remain about the same under these two conditions since the Soviets could apply their improvements in the lower weight classes to increased mobility and survivability in either case. On the other hand . . .

*Page 9—Last full paragraph:*

*Revise to read as follows:*

[text not declassified] It is particularly pertinent to observe that, although a nuclear stalemate seems to be approaching and is likely to remain for a considerable period, it must not be conceived as a static stalemate. It is essential that all promising avenues of research which might break the stalemate to our advantage, particularly in the AICBM area, should be vigorously pursued. The nation that can develop an effective anti-missile defense, even in the face of countermeasures, will be well on the way to achieving strategic superiority.

*Page 11—Second full paragraph:*

*Add the following phrase:*

However, it would not be to the advantage of the national economy to adopt this solution.

*Page 13—Second full paragraph:*

*Omit the first three sentences and substitute the following:*

[text not declassified]

*Page 13—Final paragraph:*

*Add the following sentence:*

Here, again, a large inventory of materials is not a desirable substitute for economy in their use.

*Page 14—Omit the penultimate paragraph and substitute the following:*

Assuming a continuation of production at approximately present levels, the United States will have a large inventory of special nuclear materials in the 1965–70 period. The adequacy of these prospective supplies to deal with the threat and potential capabilities of the Sino-Soviet Bloc in the area of tactical warfare, whether local or general, or indeed in any other area, cannot be judged independently of basic national policy with respect to the use of nuclear weapons nor the military force structure maintained as a consequence of that policy. In any case, as regards both strategies and tactical uses, the military value of the available materials may be appreciably enhanced by taking full advantage of weapon technology now available and greatly enhanced by improvements possible with future testing. If a cut-off of production



is negotiated and adequately monitored it may be assumed that both sides will endeavor to make maximum use of the materials available. In this case the advantage will rest with the side employing the most advanced technology.

Analysis of the three general cases considered in this report indicate that under Cases I and II, equivalent technologies may be developed by both sides in due course [*text not declassified*]. From the strictly military standpoint, therefore, Case III is most advantageous to the USSR and most disadvantageous to the United States.

**Herbert B. Loper**

*Assistant to the Secretary  
of Defense (Atomic Energy)*

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**4. Memorandum of Conversation, March 2, among Rusk,  
McCloy, McNamara, Seaborg, Wiesner, Dulles, and Bundy<sup>1</sup>**

March 2, 1961

SUBJECT

Meeting of Principals

PARTICIPANTS

STATE

Secretary Rusk

Mr. Bowles

Mr. Kohler

Mr. Gullion

Mr. Spiers

Mr. Baker

Mr. Goodby (reporting)

WHITE HOUSE

Mr. McCloy

Mr. Fisher

Dr. Wiesner

Mr. Keeny

Mr. Bundy

Dr. Fisk

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<sup>1</sup> Securing Soviet agreement during nuclear test ban talks. Secret. 13 pp. Department of State, Secretary's Memoranda of Conversation: Lot 65 D 330.

*DEFENSE*

Secretary McNamara

Mr. Nitze

General Lemnitzer

General Loper

General Dabney

Mr. Lanier

Admiral Dudley

*AEC*

Chairman Seaborg

General Betts

Dr. English

Dr. Walske

General Luedecke

Mr. Howard Brown

*CIA*

Mr. Dulles

Dr. Scoville

*US DEL*

Amb. Dean

Min. Stelle

*S/S*

Mr. Grant

*Secretary Rusk* noted that the President had indicated a serious interest in seeing what could be accomplished in getting an agreement in the nuclear test conference. The Principals had the task of putting Mr. Arthur Dean, the U.S. Representative to the Nuclear Test Talks, in a position both to protect American interests and to get agreement with the Soviets if this is possible. Secretary Rusk remarked that it would be important to find points of agreement genuinely satisfactory to both sides since we know there are many areas where this will be impossible. He then commented on the relevance of the nuclear test conference to disarmament, recognizing that while the history of disarmament had not been encouraging, our people and others hoped for the limitation of armaments at lower levels. Many dangerous problems were involved in disarmament; one was the tendency of democracies to disarm at the drop of a hat. Secretary Rusk nevertheless felt it might be in our interest to accept an arms control measure if it could be done at this time. Secretary Rusk then asked Mr. McCloy for his views on the nuclear test conference.

*Mr. McCloy* remarked that while everything had not been irrevocably decided with respect to seeking agreement in the nuclear test conference, the President had recognized that his request for postponement of the opening date of the negotiations implied that the U.S. intended to negotiate in good faith. Mr. McCloy further noted that considerable progress had already been made in the Geneva negotiations and that it would be unwise to strike out in a new direction in the negotiations.

Interdepartmental discussions had been held on the issues in the negotiations and four issues which had been unresolved after these discussions should be cleared up at this meeting. After disposing of these issues there could then be a report by Dr. Fisk on the contents of his panel's report. Mr. McCloy noted that the final version had become available only that morning but that then he had felt it necessary to parallel the efforts of the Fisk Panel by proceeding with a review of the U.S. positions in the conference. He had, of course, been aware of how the work of the Fisk Panel was proceeding. Finally, Mr. McCloy reported, considerable progress had been made in coordinating our positions with the British, who had a delegation here under the leadership of David Ormsby-Gore.

Mr. McCloy then turned to the first item on the agenda, namely, the question of *Safeguards for the Seismic Research Program*. In explanation, Mr. McCloy said that the U.S. would like to detonate certain nuclear devices in its seismic research program, but that the U.S. proposals for proving these shots were not weapons tests had not been accepted by the Soviet Union. After reviewing prior U.S. safeguards proposals, Mr. McCloy proposed that the Principals adopt as a U.S. position the unilateral opening for inspection of devices of obsolete design. Mr. McCloy noted that the agencies had in the past generally accepted the proposal he was making and he suggested that the Principals now adopt this approach and agree on a unified approach to Congress.

*Secretary McNamara* stated that he concurred in the proposal.

*Chairman Seaborg* stated that he concurred, but added that legislation was obviously necessary before this proposal could be implemented. AEC support of this proposal was on the understanding that the Administration would be very careful to keep in close touch with the Joint Committee on Atomic Energy on this question. Chairman Seaborg further remarked that the Administration should separate the weapon connotation from the devices used in the seismic research program. He felt some things might be done to the nuclear devices used so that the device could not be called a weapon but rather a nuclear explosive.

*Secretary Rusk* agreed with both points.

*Chairman Seaborg* observed that it would be desirable for the Joint Committee to be consulted before the Administration's position on safeguards became frozen. Another thought had also occurred to the AEC. Even if it agreed to the new U.S. safeguards proposal, the Soviet Union might later claim that the U.S. nuclear shots were, in fact, weapons tests. It therefore might be a good idea to have a competent neutral or a United Nations representative involved in the safeguarding operation so that this individual could certify the nuclear shot was not a weapon test.

*Mr. McCloy* said that he was worried about the proposal to involve a neutral since this might increase our difficulties with respect to the Nth country problem. He felt it might be considered strange that we could not show a nuclear device to the French, for example, but that we could show this to a neutral representative. Furthermore, the idea of declassifying the design of nuclear devices to be used in the research program had been repudiated because, among other things, it would involve showing the design to non-nuclear powers.

*Secretary Rusk* remarked that the Soviet Union had its own concept of which nations were neutrals; for example, the Soviets might not think of Switzerland or Sweden as neutral. He then asked whether *Mr. McCloy* would give some thought to this suggestion by *Chairman Seaborg*.

*Mr. McCloy* agreed that he would, but he thought this question of neutral or UN certification was a bridge we might cross when we come to it. Possibly if the U.K. said that the device was not a weapon, the Soviets would not have a very strong argument.

*Dr. Wiesner* said that since the nuclear devices in question were clearly obsolete, he failed to see how the question of weapons testing would arise. *Chairman Seaborg* replied that some of the devices to be used in the research program had not been exploded in the particular yields which were specified for the program; this might raise some question as to whether these devices were new weapons.

*Mr. Allen Dulles* stated that CIA had no objection to the proposal concerning disclosure of nuclear devices to be used since the Soviet Union had nuclear weapons which were much more sophisticated than the devices it was proposed to show the Soviets.

*Dr. Wiesner* remarked that the Soviet Union may object to the decoupling shots proposed for the research program on grounds that these shots would teach us how to evade the test ban agreement. There was some validity in this since a country which had not tried out decoupling would have to proceed very slowly and cautiously if it tried to evade the agreement in this manner. While he concurred in the proposal for unilateral disclosure, *Dr. Wiesner* wished to note that the decoupling shots were a weakness in the U.S. position. *Chairman Seaborg* noted that the decoupling shots were also for the purpose of learning whether these shots could be detected.

*Secretary Rusk* noted that the proposal for safeguarding a seismic research program could be taken as agreed and suggested that *Mr. McCloy* describe the next item on the agenda.

*Mr. McCloy* then turned to the question of *Peaceful Uses of Nuclear Explosives*. He proposed that the U.S. agree to give the Soviet Union the right to look at any devices which we use in our Plowshare program.

This of course would mean that we would have to use obsolete devices unless we were willing to open more advanced devices to Soviet scrutiny. We would resist the idea of giving the Soviet Union blueprints, but we would give the Soviets a chance to look at the devices. Mr. McCloy said he understood that a MARK 11 device could be used for some aspects of Plowshare but that this was not the device which the AEC would like to use. This proposal would limit the development of the Plowshare program and therefore the AEC would prefer to retain the “black box” concept of safeguards for this program.

*Secretary Rusk* inquired how much interest the Soviet Union had shown in the negotiations in the use of nuclear explosives for peaceful uses. *Mr. Stelle* and *Mr. Spiers* replied that the Soviet Union had shown no interest at all beyond tabling a treaty article on peaceful uses to counter an article which the U.S. had submitted. The Soviets considered that their acceptance in principle of peaceful uses detonation was a concession to the West.

*Secretary Rusk* then turned to the other Principals for their views.

*Secretary McNamara* stated that he concurred in Mr. McCloy’s proposal.

*Chairman Seaborg* stated that he would also accept Mr. McCloy’s proposal but he believes that an upper limit on the number of shots in the program during an agreed time period, as proposed by the State Department, was not necessary. *Dr. Wiesner* remarked that there might be a radiation problem for which reason a ceiling on the number of shots would be useful.

*Mr. McCloy* agreed that the U.S. need not propose initially an upper limit on the number of shots but should rather wait until we hear from the Soviet Union on our revised proposal.

*Mr. Dulles* said that he had no objection to the proposal.

*Mr. Bundy* inquired whether Plowshare was a sensitive issue with the Joint Committee. *Chairman Seaborg* replied that it was but that the more important question for the Joint Committee was that of opening of nuclear devices to inspection. *Mr. McCloy* concluded discussion of this item by expressing his feeling that the AEC had made a considerable concession in the interest of achieving an agreement in Geneva.

Mr. McCloy then turned to the next item on the agenda: the question of *Numbers of On-Site Inspections*. Mr. McCloy reviewed the history of the negotiations on the number of on-site inspections and stated that he now wished to propose that the Principals adopt a position calling for 10 on-site inspections annually in the territories of each of the original parties with an additional on-site inspection to be added to the quota for each 5 eligible seismic events beyond 50 and with a ceiling of on-site inspections to be set at 20 for each original party. Mr.

McCloy felt that this proposal would mean no significant change in the U.S. position if estimates of the number of seismic events in the U.S.S.R. were correct. Mr. McCloy stated that the scientists had not been able to tell him that any one specific number was the correct number of on-site inspections; while 20 on-site inspections had considerable merit, there was no magic in that number. The Soviet Union was able to argue that our quota number was just as political a figure as the Soviet proposal of 3. Furthermore, the U.K. had in a sense pulled the rug out from under us since Prime Minister Macmillan had told Khrushchev that a number of on-site inspections (which we thought to be something like eight) would be an acceptable quota. Mr. Ormsby-Gore had been very appreciative of the escalator proposal and felt that he could sell it to the U.K. government. *Mr. McCloy* felt that it was important that the position with which we returned to Geneva reflect a fully agreed Western position. The difficulty was that the number of 20 was looked on by some Congressional leaders as essential. Mr. McCloy concluded by recommending that the Principals adopt the escalator proposal with a ceiling of 20 and a floor of 10 and remarked that he felt that the security of the country would not be impaired by a quota number of something less than 20.

*Mr. Arthur Dean* stated that there had been two days of very constructive talks with the U.K. and complete agreement had been achieved on the positions which Mr. McCloy was now presenting to the Principals. Mr. Dean felt that if the Soviet Union sensed any disunity between the U.S. and the U.K. on the quota question, the Soviet Delegation would hammer at this point with the result that the importance of the other moves we were making would be downgraded. Mr. Dean believed that under the escalator proposal we would generally get the number of inspections which we wanted in any case. As to the ceiling of 20, this was a political fact of life unless we sought to repudiate a number which we had already tabled. *Secretary Rusk* commented that the key point on this proposal in his judgment was whether the Administration could take the treaty to the country in the sincere conviction that the control system agreed upon was genuine and not a sham. He then asked the other Principals for their views.

*Secretary McNamara* stated that he preferred to hear the views of others before commenting.

*Mr. McCloy* said he felt the proposal he was making constituted a substantial deterrent to Soviet violation. He further stated that it was his understanding that Dr. Kistiakowsky, after consideration of scientific factors involved, had concluded that 10 on-site inspections in the Soviet Union would be an acceptable deterrent.

*Dr. Wiesner* pointed out that there would be an intelligence contribution which would help us on this problem and that we would also

have unilateral capabilities for distinguishing between natural events and explosions. Dr. Weisner believed that one clandestine nuclear test would not be significant in changing U.S.-U.S.S.R. nuclear weapon capabilities. With something like 20% sampling, it was unlikely that a series of tests could go undetected. *Dr. Fisk* remarked that his committee had examined the question of how many unidentified events would occur in the Soviet Union and had concluded that there would be something like 70 to 75 unidentified events greater than 20 KT yield in the Soviet Union annually. This assumed control posts only in the 3 original parties and assumed no decoupling. This number would be cut in half if the entire world-wide Geneva system were installed.

*Chairman Seaborg* felt that the question of the number of on-site inspections was the most important part of the whole treaty. It was the most important safeguard we had against Soviet violation. In this connection, he shared the concern expressed by Secretary Rusk about the support of the American people for the treaty. Chairman Seaborg also understood that there was a scientific basis for the U.S. proposal on the number of on-site inspections. Utilizing certain analytical techniques, the number of really unidentified events in the U.S.S.R. could be reduced to about 20. If the escalator proposal were to be put forward, Chairman Seaborg believed the upper limit of 20 inspections should be deleted.

Mr. Bundy inquired whether Chairman Seaborg's comment concerning 20 suspicious events meant that there would be a one-for-one inspection of the really suspicious events with our present proposal for 20 inspections in the Soviet Union. *Chairman Seaborg* agreed that this was so and felt that because of this the treaty could be acceptable to the American people. *Mr. Stelle* remarked that the U.S. had already, in fact, suggested this proposal in Geneva when we had proposed that 20% of all located events be inspected. The difference was that we had not suggested a floor of 10 inspections. The Soviet Union had already rejected this proposal.

*Dr. Wiesner* said that he personally would like to hold to the flat number of 20 on-site inspections if the UK would go along with us. *Secretary Rusk* inquired whether the Soviet Union had provided us with any data as to the numbers of unidentified seismic events. *Dr. Wiesner* and *Mr. Keeny* said that the Soviet experts had agreed with seismicity figures which we had given them. *Secretary Rusk* commented that he had thought the escalator proposal would result in about 20 on-site inspections being carried out in the Soviet Union annually.

*Secretary McNamara* said that because of the fact that in some years there were many more than 100 seismic events in the Soviet Union, he felt it would be desirable to have a cumulative upper limit. In this way, we could take care of the years in which the numbers of earth-



quakes greatly exceeded the number of 100 by accumulating on-site inspections which we might not wish to use in the low seismicity years.

*Dr. Wiesner* stated that he had talked with Mr. Ormsby-Gore and had told him of his belief that the U.S. should stick with the 20 on-site inspections; he had also been told by certain Soviet scientists that if everything else were agreed in the treaty there might be no problem with 20 on-site inspections in the Soviet Union. He was somewhat surprised, therefore, that Mr. McCloy and Mr. Dean had received different impressions from the British.

*Mr. Dulles* said he would not comment on this proposal except to say that he felt his agency could be of some help in the problem of deciding which events to inspect. This would depend on the amount of work involved in an attempt at clandestine testing. For example, if large amounts of earth movement were necessary for a decoupling shot, intelligence might be able to pick up this activity.

*Secretary Rusk* concluded that the question of numbers of on-site inspection was such a sensitive one that, regardless of whether agreement could be reached among the Principals, it should be discussed with the President. This was generally agreed.

*Secretary McNamara* added that the Principals should speak to the range in frequency of seismic events so that the whole picture could be seen. *Dr. Wiesner* remarked that he felt the method of sampling seismic events was a tremendous deterrent and that a one-for-one inspection of seismic events was not necessary.

Mr. McCloy then turned to the last item on the agenda: *High Altitude*. He remarked that in 1959 a committee of U.S., U.K. and U.S.S.R. experts had set up a theoretical control system for monitoring outer space. Mr. McCloy proposed that the Principals adopt a proposal for a full ban on weapons tests at high altitudes and in outer space and install the experts' control system to monitor this environment. This system would be installed in phases, and components could be changed by agreement among the original parties. He felt that joint U.S.-U.S.S.R. cooperation in putting in a control system for monitoring outer space could be a way of advancing our common knowledge. Mr. McCloy said he had concluded that we would not be losing very much by agreeing to a ban on weapons tests in outer space.

*Secretary McNamara* said he was not clear as to what kind of research program would be carried out in connection with the outer space monitoring system. *Mr. McCloy* replied that the U.S. and U.S.S.R. would cooperate in putting up a satellite system and establishing ground equipment; the data derived from this and from our own research would be made available to the U.S.S.R. We would expect to obtain similar data from the U.S.S.R. *Dr. Wiesner* remarked that a research program for outer space monitoring would not involve nuclear detona-



tions. Mr. Nitze inquired whether it was not true that the Soviet Union could evade a test ban agreement in outer space. In this connection *Dr. Fisk* noted that the capabilities talked about in the control system proposed by the experts was detection out to a distance on the order of 1 million kilometers for unshielded detonations. *Mr. McCloy* added that he understood that it would require about a year to get a nuclear device out to this distance for a test. *Secretary McNamara* then stated that he would concur in Mr. McCloy's proposal.

*Secretary Rusk* inquired as to the feasibility of the control system suggested by the experts. *Dr. Fisk* replied that it was within the state of the art but that the components required did not exist at the present time. There was no further objection by the other Principals to Mr. McCloy's proposal.

*Secretary McNamara* then stated that he would like to raise two questions which he thought the Principals ought to discuss. The first was how we could disengage from the Treaty in the event of certain actions by other countries. The second was how we could disengage from the present moratorium on tests. *Mr. Spiers* replied that in the case of the first question there was a duration clause in the treaty which provided that the U.S. could withdraw from the Treaty in case it was not being fulfilled. Of relevance, also, was a phasing provision which required installation of control posts on a world-wide basis on a specified schedule. On the second question, *Mr. McCloy* believed that the President did not wish to set a date for discontinuing the moratorium but that he did contemplate a resumption of tests if it became apparent that the Soviets were stalling on reaching an agreement. *Secretary Rusk* stated that it was the position of the Department of State that the moratorium should not be continued indefinitely if agreement were not reached. *Secretary McNamara* said that he strongly felt the moratorium should not be extended indefinitely and he wondered whether it were possible to plan in advance on how the moratorium could be broken off in the event of failure to agree on a treaty. *Dr. Wiesner* felt that such a plan in existence at this time would torpedo the conference. *Mr. Dean* remarked that as far as a plan for presenting the revised Western position was concerned, he anticipated about two weeks of detailed presentation at the end of which time the new western position would be fully exposed to the Soviet Union.

*Secretary Rusk* inquired how much of a lag there would be between the signal to go ahead with preparation for nuclear shots and the time of detonation. *Chairman Seaborg* and *Gen. Betts* replied that tunnels were ready and that approximately 3 to 6 months would be required for installing instrumentation and making final preparations. *Secretary Rusk* then stated that it seemed to him there was great merit in standing on statements which the President had previously made on this ques-

tion of the relation between the effort toward agreement and the resumption of tests. He felt that how we handled a break in the moratorium would depend on developments in the conference since disputes over specific issues would have to be handled in different ways.

*Mr. McCloy* said that it would be very difficult to work out a plan now that would be worthwhile. Further developments in the conference would be of great importance in determining what we do. He had, however, given thought to this matter and had certain ideas as to what should be done.

*Secretary McNamara* then said he would pose the question in a different way: would we in fact resume tests if agreement in Geneva were not possible?

*Mr. Bundy* said that in any event, this would be a poor time to make the decision. *Secretary Rusk* said he had supposed the U.S. would resume tests if agreement in Geneva could not be reached. *Mr. Bundy* said that he felt *Secretary Rusk's* suggestion of staying within previous statements by the President on this question was wise and should be followed by the Administration. *Secretary Rusk* asked that a paper be drawn up compiling the statements by the President on this question.

*Secretary McNamara* inquired what we expected from France in connection with this treaty. *Secretary Rusk* replied that there was a phasing provision in the treaty which called for world-wide installation of a control system and that this envisaged nearly universal adherence to the treaty. *Mr. Spiers* stated that the objective had always been to obtain a world-wide system, to be installed in phases. It had been felt that by making common cause with other nuclear powers, we could put pressure on other countries to join the treaty. Otherwise there was little we could do so stop Nth countries. *Secretary McNamara* then inquired whether France could test for four years if its presence as a member of the treaty was not required until Phase II. *Mr. Stelle* replied that under U.S. proposals, the Control Commission could invite France to join the treaty at any time; if the French refused to join, the duration clause of the treaty could be invoked. While this problem pertained to France, it also pertained much more importantly to China. *Secretary Rusk* asked that *Mr. McCloy* draw up a paper specifying the conditions under which the U.S. could withdraw from the treaty.

Referring to certain other issues in connection with the nuclear test conference, *Chairman Seaborg* commented that there should be a tightening up of the provisions pertaining to participation of "other side" nationals in special flights and on-site inspections teams. He felt that at least one-half of the personnel on such special flights and inspection teams operating in U.S.S.R. territory should consist of U.S.-U.K. nationals, rather than leaving this open as had been suggested. *Chairman Seaborg* also questioned whether the U.S. representative in

the Control Commission should be given authority to change the treaty obligation as regards phasing of the control system and installation of components within phases. Furthermore, he felt it would be dangerous for the U.S. delegation to attempt to determine whether the Soviets were interested in combining other arms control measures with the nuclear test ban agreement, as had also been suggested. *Secretary Rusk* replied that the staff would work on these problems in connection with further preparation by the Department of State of instructions for the U.S. delegation. As far as the authority of the U.S. representative on the Control Commission was concerned, that person would act in accordance with the wishes of the U.S. Government and subject to Constitutional processes. *Mr. Dean* remarked that on the question of Soviet interest in other arms control measures in connection with the test ban agreement, it was envisaged that negotiations with the Soviet Union might still go on even if the U.S. broke off the moratorium. This, therefore, would not prolong the moratorium.

Secretary Rusk then asked Dr. Fisk to summarize the report of his committee. *Dr. Fisk* said that the report had been agreed to except for the last chapter which concerned the difficult question of what could be said of the effect of a test cessation on our military posture. This last chapter had been drafted to indicate that there was a spectrum of opinion on certain matters. Gen. Loper had not agreed to the last chapter and would submit a separate comment. Dr. Fisk then briefly reviewed the report, pointing out that there were varying views within his committee as regards the importance of very light weight strategic weapons and the importance of seeking further improvements in the technology of tactical nuclear weapons.

*Gen. Loper* stated that he wished it known that he had dissented from the last chapter of the report because he felt that it had not dealt with the problem of cost effectiveness, a matter which could be handled and which was of great importance to the national economy. *Secretary Rusk* expressed his appreciation to Dr. Fisk for the work he and his committee had done.

*Mr. Bundy* then inquired as to the timing of further actions in connection with the nuclear test conference. He remarked that he understood there was a certain urgency attached to seeing Congressional leaders and he inquired whether the Fisk Report should be made available to Congress.

*Mr. McCloy* replied that he had not addressed himself as yet to the problem as to what dissemination to make to the Fisk Report. *Chairman Seaborg* remarked that it did not seem to him that we could look for favorable legislative action if Congress could not review the Fisk Report.

After some discussion, the Principals agreed that the President should be consulted as soon as possible in regard to further action to

be taken in preparing for the resumption of the nuclear test talks, and particularly on the unresolved question of numbers of on-site inspections.

The meeting adjourned at 6:40 p.m.

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## **5. Notes on Telephone Conversation between Cleveland and Rusk, March 14<sup>1</sup>**

March 14, 1961

### TELEPHONE CALL FROM MR CLEVELAND

The Sec returned the call and C reported on his talks with the President and Bundy. The Pres had seen Stevenson's cable and wanted to know about the Indian res and asked if we could take it. C said he would look at it and consult with the disarmament people and give him an answer. (Conversation around me and I missed a bit here.) C said when he called back that he thought the best thing at this point would be to go ahead with the cable to Stevenson—not make a deal on the Indian res at this stage but work out a symbolic res ourselves. Use part of the Indian and Canadian res and give credit to all the drafters. C explained to the Pres and Bundy there has been a reluctance around town particularly at the Pentagon and at State to separate the symbolic from the real. We should find a way of agreeing with the Russians and underdeveloped countries about the definition of Utopia. Then we say o.k. we agree on that and then let's see what to do next. The Sec said he thought our res did that. C thinks we won't get away with it. The Sec asked about the parliamentary position. C said Stevenson is talking with Gromyko about a deal on what we will do in the GA on disarmament and S feels we should give an answer—stick to the instructions at the WH now or go beyond the Indian res. C thinks we should go ahead on this cable and have another saying we can't go along with this but we will work something out in the course of the GA. C thinks it will be o.k.'d at the WH. The Sec thinks we should get an instruction out to Stevenson.

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<sup>1</sup> Instructions to Stevenson on Indian Resolution. Confidential. 1 p. Department of State, Central Files, 600.0012/3-1461.

**6. Telegram 1703 to USUN, March 14<sup>1</sup>**

March 14, 1961

RE: Disarmament

Confirming our meeting March 12, following are instructions on handling disarmament in relation to resumed GA:

1. Approach should be made to Gromyko in New York based on our willingness to agree in advance on GA resolution containing following points:

(a) Preamble would make clear that resolution is based on statements by representatives of US, UK, USSR and France regarding resumption of disarmament negotiations;

(b) Resolution would welcome announced intention of four powers to reconvene 10-nation Committee on Disarmament with certain officers of Conference as might emerge from negotiation on point 2 below;

(c) Resolution would welcome announced intention to resume disarmament negotiations in this body on or before August 1, 1961 in Geneva.

2. Re composition of forum, we would prefer as first bargaining position to stick with 10-nation forum already agreed by four Foreign Ministers in 1959. In probable event no agreement could be achieved on simply reconfirming 10-nation forum, we would be prepared accept either of following arrangements in this order of preference:

(a) Ten nations plus two other nations, presumably Mexico and India, each of whom would designate distinguished citizens to serve as Chairman and Vice Chairman-Rapporteur, respectively. They would be officers of conference, but would not vote or participate in substantive debate.

(b) Same as (a) but with three officers rather than two.

3. In explaining date, both to Gromyko and later generally to UN delegations, you might well make clear our view that, as other delegates will appreciate, formal negotiating conference approached with serious intent requires great deal of informal advance discussion among parties to it. Any attempt to set date for formal negotiations unrealistically early should be read as intention merely to make propaganda rather than progress. FYI. Our intention is to have bilateral talks with Soviets in early summer, in full consultation with UK, France, Canada, and Italy for our part. You may indicate to Gromyko intention to discuss disarmament informally with Soviets in first instance, but there should be no repeat no discussion this procedure with other delegations in

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<sup>1</sup> Guidance on handling disarmament issue in General Assembly. Secret. 4 pp. Department of State, Central Files, 600.0012/3-1461.

New York and no repeat no implication substantive disarmament discussions will take place in UN channels. END FYI.

4. Re QUOTE principles UNQUOTE or QUOTE directives UNQUOTE, we would prefer relatively simple statement merely defining general purpose of negotiations to be conducted in agreed forum. Something along following line might do (these clauses would follow QUOTE welcoming UNQUOTE clauses in para. 1 above):

(a) Declares that objective of further negotiations should be development of program for achievement of secure and peaceful world in which there is complete and general disarmament under effective international control, agreed and reliable procedures for just settlement of disputes without resort to force, and effective arrangements for maintenance of peace in accordance with principles of Charter of United Nations;

(b) Urges parties concerned to seek and to implement in shortest possible time widest area of agreement that can be defined on measures directed toward foregoing objective;

(c) Urges further that parties concerned should not cease their efforts until full program for achievement of this objective has been agreed for submission to General Assembly for consideration.

5. Existing resolutions which have been filed in General Assembly (Canadian, Indian, etc.) might be handled by including in resolution on date and forum paragraph which would take note of all resolutions filed in 15th GA on this subject, and commend them to scrutiny of new agreed disarmament forum.

6. Following points FYI not for discussion Gromyko.

7. When disarmament is discussed in public, in connection with above resolution or otherwise, it is our thought that we would do so in context of following closely related subjects, further investigation of which we are now undertaking:

(a) US position at nuclear test ban talks Geneva, of which you will be fully apprised.

(b) Possible US proposal, in general terms at first, regarding nature of international agency which will be required to administer and control program looking toward general disarmament. We will be working further on this here.

(c) Possible US proposal to revive active discussions in establishment of UN force under Charter Articles 43 to 47.

(d) Possible US proposal for special UN commission to consider establishment regional machinery in order to avert arms races in such areas as Africa and Latin America. President Eisenhower's proposals on Africa in this regard (second point of his African program in GA address of Sept. 22, 1960) appear to have been greeted with deafening silence by nations which are nevertheless anxious for disarmament talks among big powers. Seems useful to have disarmament talks pro-

ceed among smaller powers concurrently with discussions of disarmament by big powers in major Geneva forum.

Would welcome your views on para. 7.

8. We have advised UK, French, Canadian and Italian Embassies here re approach set out in paras 1 through 5 above and will undertake inform NATO at appropriate time.

**Rusk**

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## **7. Nusup 1083 to Geneva, March 15<sup>1</sup>**

March 15, 1961

Following instructions are for guidance of USDEL at Conference on Discontinuance of Nuclear Weapon Tests resuming March 21.

1. *Objective.* Objective is to determine as early as practicable whether treaty along general lines called for by United States positions is negotiable with USSR, and if so, to conclude negotiations rapidly on this basis. While seeking agreement, USDEL should also build basis which will permit maximum flexibility for future US actions in event of failure to agree.

2. *General Tactics.* Our tactics in initial stage should be designed to present to Soviets and to world, fully and persuasively, new US proposals on test ban treaty and attendant commitments with view to determining whether an agreement can be reached on the basis of those proposals. Accordingly, in early meetings of resumed negotiations US representative should place on conference record in form suitable for subsequent public scrutiny detailed explanation of position and its rationale. Full account of US positions should be made public through press briefings as positions are tabled in conference. USDEL should make clear its expectation that early response to these proposals will be forthcoming from SovDel. Informal consultations should be held as appropriate with Soviet Del.

3. *Specific Positions.* USDEL should submit new proposals as follows:

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<sup>1</sup> Conference on Discontinuance of Nuclear Weapon Tests: guidance for USDEL. Confidential. 9 pp. Department of State, Central Files, 397.5611-GE/S-1561.



(a) *Safeguards for seismic research program.* USDEL should propose removing the requirement from our present position which calls for joint contribution of nuclear weapons to a pool. USDEL should also offer to permit inspection by original parties of detailed drawings or blueprints of the devices used as an aid to the actual inspection of device. Pertinent data obtained from the seismic research program would be published. USDEL should make clear that implementation of this proposal on the part of the US is subject to Congressional authorization. USDEL may further inform SovDel that when safeguards arrangement for the research program can be agreed and Congressional authorization obtained we would expect to begin and carry out a program which the US may deem necessary to ascertain system capabilities or potential for improvement with Sov participation but with no right to veto any part of the program.

(b) *Moratorium.* USDEL should modify present proposal by stating that since research program will be extended to three years (including a three-month review period) moratorium should be correspondingly lengthened to coincide with length of research program. Moratorium will be effective on date of signature of treaty. USDEL should point out, as appropriate, that US hopes treaty can be concluded in near future and that research program will begin at same time but that US may wish seek agreement that seismic research program begin before signature of treaty. Towards end of research program, during review period, original parties should consult to determine whether or not the moratorium should be continued and/or whether the threshold should be changed. USDEL should make clear parties regain freedom of action at the end of the research program as regards further obligation below threshold.

(c) *Number of control posts.* If initial attempt to obtain agreement on basis dropping two posts from Phase IB in USSR (for total of 19) is not successful, USDEL may agree that total of 17 control posts will be installed in territories of Soviet Union, including one on Soviet island. Two posts will be located in the European part of Soviet Union and 14 in Asian part of Soviet Union. Number of posts in North American territory of United States will be reduced from 11 to 10. Six control posts will be established on US islands. Condition for modifying our original proposal should be that control posts which we previously proposed be located just within national borders of US and Soviet Union will be located in adjoining countries in later phase. Phasing of installation of control posts should be: USSR: Nine continental posts plus one island post to be established in Phase IA (0–2 years after treaty enters into force); seven continental posts to be established by end of Phase IB (0–4 years after treaty enters into force). US: Six continental posts plus six island posts to be established in Phase IA; four continental



posts in Phase IB. Number and phasing of control posts for UK will remain as previously described, but we would be ready to follow any arrangements satisfactory to UK on posts in Australia and Africa requested by USSR for Phase I. On-site inspections will begin as soon as events can be certified eligible for inspection which will, in any event, be no later than the end of Phase IA.

(d) *Number of On-Site Inspections.* USDEL should initially reaffirm previous US proposals for number of on-site inspections (i.e. 20%–30% formula and flat number of 20). US proposal of twenty annual on-site inspections in USSR should be buttressed by appropriate technical argumentation; Soviet proposal of 3 inspections should be attacked as entirely inadequate deterrent in light of frequency of seismic events in USSR. At discretion of USDEL, fallback position may be introduced as follows: USDEL should propose that the minimum annual quota for each original party will be 10 inspections, but after 50 seismic events in any one year above seismic magnitude 4.75 have been located by application of the criteria as eligible for inspection in the territories of any of the original parties, one additional inspection will be added to the quota for each increment of five located events. Total number of on-site inspections which may be carried out annually on territory under jurisdiction or control of an original party shall not exceed 20. In presenting this proposal USDEL should point out it combines advantage of fixed number, as advocated by Soviets, with advantage of adjusting number according to actual frequency of seismic events. Treaty language, including provision for Control Commission review of number of on-site inspections, will be sent in separate telegram.

(e) *High Altitude.* USDEL should propose that treaty provide for discontinuance of nuclear weapons tests at high altitude and in outer space. Control system shall include equipment suggested by high altitude technical working group. Treaty shall provide for installation during first phase of high altitude equipment in control posts, of Argus satellite, and of far earth satellites recommended by high altitude technical working group. USDEL should point out that additional research (e.g., background measurements in outer space) will be required to confirm estimates of capabilities specified by high altitude technical working group. US prepared to carry out such research independently and through control system and hopes USSR will do likewise. Purpose of research should be to ensure high altitude detection capability at least as great as that indicated by TWG-I experts. USDEL should introduce specific treaty language to be sent in separate telegram. Study being made to determine whether present treaty language adequate to allow for parties' being released from high altitude treaty obligation in event subsequent research shows control system will fail to meet estimates of capability made by TWG-I experts.

(f) *Composition of Control Commission.* USDEL may state that it is prepared to accept 4-4-3 control commission contingent on agreement on control system which is reliable, rapid, and effective and which in its day-to-day tasks as regards, at the very least, the original Parties operates largely independently from control commission participation.

(g) *Peaceful Uses of Nuclear Explosions.* USDEL should state that US will drop "black-box" method of preventing peaceful detonations from being used for military purposes. US adheres to alternative method of full disclosure of internals of devices used and will permit examination by original parties of detailed drawings or blueprints of devices used, as an aid to actual inspection of device. USDEL should also seek inclusion of provision authorizing Control Commission, with assent of original parties, to prescribe alternative safeguard procedures for peaceful uses explosions.

(h) *Parties to the Treaty.* USDEL authorized drop reference to "authorities". Specific treaty language to follow in separate telegram.

(i) *Budget and Finance.* USDEL should propose that conference accept idea of unanimity of original parties in voting on total amount of budget; we would not accept veto of individual items of budget. This conditioned on understanding that annual contribution of US and USSR would be equal, while UK contribution would be smaller. Also, if 4-4-3 Control Commission composition adopted, voting on financial questions other than total budget must be by simple majority vote to avoid giving Sov bloc de facto veto.

5. *Other Issues.* USDEL should generally adhere to existing US positions on following matters except for modifications noted:

(a) *Nationality of Inspection Teams.* As fallback position to be used at USDEL's discretion, proposal may be made to add prohibition on service on teams by nationals of countries allied with host country and to drop requirement that teams in original party territory be exclusively "other side" nationals. On this and following item USDEL may state it prepared agree neutrals might serve on inspection teams and special flights. Numbers of neutrals would be subject for discussion at present negotiations provided that neutrals may not comprise more than 50% of team or flight.

(b) *Nationality of Control System Specialists on Agreed Special Flights.* As fall-back position to be used at USDEL's discretion, USDEL may propose adding prohibition on service by nationals of host country allies and dropping requirement that specialists on flights over territories of original parties must be "other side" nationals.

(c) *Chiefs of Control Posts.* These should not be nationals of host country or ally. In original parties, "other side" rule shall apply. USDEL should consult with DEPT concerning use of following amendment if

negotiating situation indicates its introduction would be helpful: Except in regard to official reports to Administrator of data collected from instruments at post, host country deputy could independently present views to control organization headquarters on administrative procedures, management, and general activities of post.

(d) *Seismic Research Program*. Should be of three years duration including review period but unchanged as regards content, especially number and purposes of nuclear shots. (See safeguards section for other aspects.)

(e) *Criteria for On-Site Inspection*. The USDEL should continue to reject as technically unsound Soviet proposal that event must be located within 200 square kilometers area to be eligible for inspection.

(f) *Phasing of Installation of Complete System*. Present schedule should be adhered to for all components. USDEL should, however, introduce language to extend Article XIV, Annex I, to allow Control Commission, with consent of each of original parties, to postpone, add to, or refrain from establishing any of components of control system in Phase I, as presently provided for Phases II and III.

5. More detailed instructions will be despatched as required on foregoing and ancillary issues.

Rusk

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## 8. Nusup 1095 to Geneva, March 20<sup>1</sup>

March 20, 1961

Following FYI excerpts relating nuclear tests from uncleared Mem-Con Secretary-Gromyko conversation luncheon March 18:

Secretary: BEGIN VERBATIM TEXT The US Govt is very serious with regard to the negotiations on the discontinuance of nuclear tests and hopes that an agreement can be obtained that will be in the interest of all parties concerned and will not affect their security. END VERBATIM TEXT.

Gromyko: BEGIN VERBATIM TEXT As to the question of nuclear tests, the Soviet Union has made very many concessions but has not seen a similar attitude on the part of its negotiating partners. Frankly

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<sup>1</sup> Excerpts of Rusk–Gromyko conversation on question of nuclear tests. Secret. 2 pp. Department of State, Central Files, 397.5611–GE/3–2061.

speaking, the Soviet Government has gained the impression that its negotiating partners have been trying to be shrewd and to obtain an agreement that would be detrimental to Soviet interests. As the US knows, the Soviet Union has not been testing. Furthermore, there are instruments today which can detect any nuclear explosion in the world. Mr. Gromyko said that he did not know whether the Secretary wanted to discuss the details of this particular problem. For his part, he did not insist on such a discussion but would be prepared to discuss these questions if the Secretary desired. In any event, Mr. Gromyko said, one should realize that if there should be no agreement, the Soviet Union would not be the only one to stand a loss. Such a development would harm everyone and, most of all, peace and the world situation at large. END VERBATIM TEXT.

UK briefed Washington.

**Bowles**  
*Acting*

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## **9. Supnu 1428 from Geneva, March 24<sup>1</sup>**

Geneva, March 24, 1961

From Dean. Following represents purely speculative analysis on our part as to why, before hearing any of our proposals, the Soviets should have demanded a tripartite administrator since they must know we could not in any event accept what constitutes an absolute veto on working of control system as a part of the treaty.

Possibility one: Because of strong elements of public opinion currently expressed in the US rpt US that either a further moratorium or a successful test ban treaty was in the best interests of the United States they may have decided to face us with a known impossible condition in the hope that we would seize this as a break point and thereby put the onus and responsibility on US for terminating the treaty negotiation; or

Possibility two: They may have put it forward merely for delay or for the purpose of inducing us to be more forthcoming on the number of on-site inspections, staffing, etc.; or

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<sup>1</sup> Soviet proposal for tripartite administrator. Confidential. 2 pp. Department of State, Central Files, 397.5611-GE/3-2461.

Possibility three: They may have put it forward with the intent of using any flat US rejection as the occasion for Soviet termination of negotiations. This possibility seems on the fact of it remote, but conceivably they might be seeking for a way to merge the test talks with general disarmament negotiation and might, therefore, be ready to break off the talks on an issue on which they were fully prepared to stand in wider disarmament negotiations; or

Possibility four: They are probably au courant with the general thinking that any system of control worked out in the test ban treaty would probably be used as precedents in general disarmament negotiations. Since they may insist on a tripartite control system in general disarmament negotiations they may not have wanted us to use the 4–4–3 formula with a single administrator as a precedent in such negotiations. If it develops that they really want a test ban treaty, they may ultimately come to the single administrator in that treaty, but insist that it cannot constitute a precedent in the GCD negotiations and might make their agreement on a single administrator in the test ban treaty contingent upon a satisfactory tripartite administrator in the GCD negotiations.

Tsarapkin's attitude continues completely non-committal, but on surface friendly and cordial and he apparently wants to give appearance that he personally wants to see test ban treaty successfully concluded. His conduct, however, provides no helpful clue as to which, if any, of the above alternatives is near the mark.

Possibility five: That they have no firm idea as to what they will eventually do about the issue in these negotiations but merely felt uncomfortable with having accepted a single administrator in the face of their position on the SYG.

In view of our inability to determine what motivates Soviet proposal for tripartite administrator, we intend to handle our replies on subject with great caution, focusing on the point that our offer of parity in the control commission gives the Russians every protection of their interest they require and makes it unnecessary as well as undesirable for them to stick on their tripartite proposal.

**Martin**

April 1961

10. Memorandum from Battle to Swank, April 21<sup>1</sup>

April 21, 1961

*The Secretary's Remarks to the Disarmament Consultants*

The attached copy of the Secretary's remarks, as delivered to the disarmament consultants on April 14, is referred for approval.

The Disarmament Administration plans no distribution of the Secretary's remarks, except for one copy to Ambassador Stevenson.

**L.D. Battle**

**Attachment**

SECRETARY OF STATE—DEAN RUSK

*Comments to Consultants on Disarmament Problems*

*New State Auditorium—Friday April 14, 10:15 A.M.*

Mr. McCloy, ladies and gentlemen: Jack, I was surprised to discover there were still four deans left at Harvard. They are most welcome. Let me say to you gentlemen that we are extremely grateful to you, all of you, about half of whom I find are old friends, for coming here to give us some emergency help on this very serious question we have in front of us. I'm going to speak very simply and very quickly if you don't mind. This is Pan American day and the President is going down to the Pan American Union in a few minutes to make a speech and I have to join him for that. I'll come back later for questions when we have a chance. I'm reminded a little bit of the story told by a Princeton colleague who reminded us that when a Royal Statistical Society was first organized in England in the middle of the last century, their first coat of arms was a large sheaf of wheat, loosely gathered by a ribbon, on which was a latin motto which translated "Let others thresh it out." Incidentally, their professional pride got the better of them and they changed the motto a little later.

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<sup>1</sup> Transmits copy of Rusk's April 14 remarks to the disarmament consultants. No classification marking on Battle memorandum. Remarks are Confidential. 12 pp. Department of State, Central Files, 600.0012/4-2161.

I'm not going to speak officially today in a sense because I don't know what our official policy is going to be in these matters until you people tell us and Jack McCloy tells us. I would like to make some personal comments. The first is, whatever your particular assignment may turn out to be, and whatever the subject you are working on in connection with disarmament, in the background is the fact that "disarmament" is merely another way of looking at the entire range of American foreign policy in all of its complexities and all of its agony. Disarmament is not a subject which we can pursue off here on this trail while the rest of the world is grappling with its problems out there in the great jungle. To the extent that we extract disarmament we lose reality and we come up again, as Government's have done so often in the past, with proposals in the field which we ourselves don't believe and which others don't accept as creditable.

I think we can assume that the reduction of arms is a fundamental objective of American foreign policy. We would for many reasons like to be able to reduce the arms burden, to limit the arms race and in this way find some way of reducing tensions. I will not take your time at the moment to talk about the cost of arms, but it staggers the imagination even to begin to dream about some of the things that the human race could do if this burden were lifted. I think we have to face these days, perhaps more than ordinarily, the possibility that arms themselves are a primary source of tension. When long range missiles loaded with hydrogen war heads are in position and ready to go, I think in a special sense we can say these days that arms are an independent source of tension, regardless of the other political problems with which we have to grapple. But there is no question, I think, about the readiness, willingness, of the United States to disarm if given half a chance. Indeed I would suppose that most of my adult life, and that holds for you, too, I have been living with the consequences of the weakness of those who were willing to keep the peace. I won't review that sad record, but between the two world wars this country was almost completely disarmed; some of our finest soldiers in world war II spent 17 years as first lieutenants in a country which neglected its armed forces. When I was called to military service in December, 1940 as a reserve officer, more than a year after the war in Europe had started, we had 190,000 men in our army. After world war II when we demobilized so precipitately and suddenly, I have the awful feeling that we subjected the leaders of the Soviet Union to intolerable temptation and that our weakness was one of the reasons why the Soviet Union did not join wholeheartedly in the spirit of the United Nations. We almost had it made in 1945, and I feel that the United Nations could well have handled all of the issues which arose except those in which the Soviet Union played the role of rogue animal.

We have to think hard about what we mean by disarmament: under what circumstances we move for disarmament, how military posture relates to our total position in the world, and how we move step by step as rapidly as we can toward a tolerable world order. The path of disarmament negotiations almost certainly is going to be long, tortuous and complicated. It could be dangerous. My guess is that it is important for us not to rely upon esoteric gimmicks but to relate our disarmament programs to the total effort of our foreign policy and try to keep policy and strength, or policy and reduction of arms, closely in line with each other. There are going to be many technical and organizational questions to be faced. Even one of the most minimum necessity, such as an effective inspection system, is going to be extremely difficult politically to achieve, technically costly to install, and will present us with a great many problems of the sort that you will be working on.

I must say it is puzzling to me to how we relate an effort in the disarmament field to the political situation in which we find ourselves at the present time. We are in a period of vast and dramatic change all over the world. Were there no communists about, we would be in a period of instability for reasons we need not go into now. But in this period of change the Sino-Soviet bloc is moving with great energy, with great skill and sophistication and with substantial resources, to pursue what they call their historically inevitable world revolution. Anyone working on disarmament should, I think, read the statement of the 81 Communist Parties of December 1960, and the Khrushchev speech of January 6, 1961. Efforts in the disarmament field have to occur against a background of continuous Sino-Soviet pressure in Laos, against the UN in the Congo, in the Western Hemisphere, specifically in Cuba at the moment, in Viet Nam and in other critical points around the world. Sharp pressures on Berlin are just over the horizon. A new pressure is not yet exposed to public view,—I don't know whether you know it or not, I picked this up—but the Viet Cong rebels in Viet Nam, for example, are now engaged in a systematic attempt to liquidate by assassination the government officials of South Viet Nam. This is going on at the rate of 40 a week—local administrators, school principals, government officials throughout that society, meaning an annual loss rate of about 2000 officials per year. This is an attrition rate that's very hard to sustain.

What does that mean for disarmament proposals? We in this country occupy the junior hemisphere. If we are to retain freedom for ourselves and freedom of action in our policy, there may be critical times when it will be fundamental for us to project our forces across the vast oceans into the great majority hemisphere which contains most of the earth's people and most of the earth's resources. We are allied



with more than 40 nations in different parts of the earth, in groupings of nations whose main purpose it is to keep the peace. These are not nations caught up accidentally in a fight between Washington and Moscow. You know we have almost no bilateral issues with the Soviet Union. If we were to try to make a list of the things of which we are arguing with the Soviet Union directly about in terms of national interest it would be a very short list indeed. The gap between Washington and Moscow, the tensions between Washington and Moscow, turn upon what we and others are afraid that the Soviet Union, the Sino-Soviet bloc, is going to do to someone else. In a certain sense we are the third force, we are the great stabilizing factor of security for reasonable men in parts of the world where they are under very serious pressure and threat of attack.

Then too, we have some serious problems out in the so called non-western parts of the world. What a pity it would be if the new nations of Africa should find themselves caught up in an arms race, even a minor league arms race, of the sort which has been developing in Latin America over several decades. The diversion of their resources and military effort would be a great pity under present circumstances, at a time when they need all of their resources for maximum economic and social development, for education and for the removal of sickness, ignorance, and misery. Yet when we talk with them, about the possibility of removing conflict to stabilize the arms position among themselves, we find that they are inclined to reply; "but my neighbor is getting arms from someone else," or we find them coming to us and saying: "well now, we want some arms from you; if we don't get them from you, we'll get them from the Soviet Union" or we hear them saying to us: "look, you people haven't been doing much about disarmament, these are prestige matters, you must not deny to us what you people in the white world obviously consider to be great elements of national dignity and power; therefore, if you disarm we will, but until you do, we won't." These are problems I think are important, because if these continents—if Africa, if Latin America, if Southern Asia, if the Middle East—get caught up in arms races stimulated and supported by the great powers, then we face some very serious and complicated problems.

Now, there are elements of common interest on which we might be able to build. I would suppose both we and the Soviet Union could agree that the prevention of a catastrophic nuclear war undoubtedly is a mutual interest of us both. Perhaps—we could agree, I'm not sure, that progress towards sound means of settling grievances and disputes is in the general interest. But this turns upon whether we are in an irreconcilable conflict or whether through national interest or other considerations it is possible to get some of our problems settled. I must

say that this morning I'm not particularly optimistic because we have problems in Laos, in Cuba, and in the Congo, and in other places which make us take very seriously indeed the communist manifesto of last December 1960 and other evidence we have of their determination to move forward. Nevertheless, we must do our best, because the stakes are extremely high. If we can find ways to move toward a reduction of arms realistically, honestly, with no disturbance of our own relative position in terms of supporting the institutions of law and order and peace and in supporting the free world, then we must of course do it. We hope we can somehow get started. Not by running up a flag of general and complete disarmament, but by getting started on some specific steps on which we can build later progress. This is one of the reasons why I incline to put the greatest importance on these nuclear test ban talks in Geneva. Because, although it is not a significant major step in disarmament *per se*, it would get us started on procedures of inspection and control; it would get us started in breaking down the secrecy which has made it so difficult to move ahead in this field, and this would be a very useful first start indeed. There may be other ways in which we can take some first steps, and we need to explore those in every way we can.

I suppose you might find it a little surprising for the Secretary of State to appear to be so negative on the subject of disarmament. I think what I'm trying to say is that this is not a subject which can be dealt with in front of a cheering crowd in a football stadium. One may get the impression that we feel under great pressure from world public opinion to jump aboard the bandwagon of general and complete disarmament. Let me say here that world public opinion is important, and that world public opinion at the present time appears to favor general and complete disarmament. But neither world public opinion, nor history, will forgive the United States if we act irresponsibly in this era of our history in dealing with the construction of a tolerable world of order in relation to the threats with which we are now confronted.

The United States Disarmament Administration has produced some materials which I cannot here critically examine. I can tell you, and you can see from my remarks how true it is, that we are desperately looking for constructive and good ideas on this subject. And we hope that we can put together proposals which are first class, which are creditable, and which are realistic. I think it is time for all governments to pull back a bit from the sort of rounds of talks through which we've been going, since at least 1920, and to see if we can't find some proposals which we can put forward with real commitment, real conviction, and with our own determination to see them through. I hope that we can somehow get out of a position which we ourselves even consider to be false. I would also say that we should not, I think, be cynical—that

is you gentlemen and ladies should not be cynical—about the attitude of your own government in this field simply because you see that we are going in for a larger military budget this year. In our discussion groups we can expose in detail a little bit more about what we have in mind. When we talk about increasing our conventional arms we look upon that as a move toward stabilizing the situation, as a move toward reducing tensions, as a move toward reducing temperature, and as a safety factor which can be very important in this disarmament field. We hope that we will not be drawn into protracted and meaningless bickering and negotiations with other governments. We are determined not to make unwise concessions. But, on the other hand, we are determined to move forward if we can move forward realistically and with real promise. Because again, to wind up where I started: there is nothing, I think, in our foreign policy effort which would be more satisfying to the American people to discover a way to reduce this burden of arms in a world which was beginning to find a way to settle its disputes by other means.

We can't wait until that world of order has come fully into being. We must do what we can, working at it, hard, continuously, and with conviction, dedication, and honesty. But it is going to be complicated and, because it is complicated, we have called together some of the best minds in the country to help us work it out. We are grateful to you and I'll be seeing you again before you get through with your deliberations.

Thank you very much.

May 1961

11. Memorandum from Belk to Bundy, May 15<sup>1</sup>

May 15, 1961

The paper immediately following on "Weapons Custody and Use" is a brief version of the longer paper sent to you by Mr. Seaborg. The paper is primarily a chronological history of the subject. The AEC appears to believe that it should continue to have custody of nuclear weapons and has chosen this rather poor way of saying it. The President should be briefed on this subject soon, but I should hope that someone would present the issues to him in a clearer way than does this paper. Is this a subject for the morning meeting?

Sam Belk

**Attachment**

WEAPONS CUSTODY AND USE

*Maintaining Civilian Control*

Legislative history of the Atomic Energy Act of 1946 was the question of civilian versus military control of atomic energy. The Act authorized the President to deliver fissionable materials or weapons to the armed services and to authorize the armed forces to produce weapons. Under peacetime conditions the development, production, and custody of nuclear weapons would remain with the AEC. In August 1950, however, some non-nuclear components were transferred to bases in the UK and in the next two years more were moved to U.S. vessels and overseas bases under DOD custody. On April 6, 1951, President Truman authorized the transfer of [text not declassified]. AEC Chairman Dean considered this as the "end of the Commission's civilian responsibility over a portion of our war reserve of atomic weapons."

*Breakdown of AEC Custody*

By the spring of 1953, AEC had transferred [text not declassified] to military custody. Since these non-nuclear components would be of no use if nuclear components were not readily available, President

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<sup>1</sup> Transmits paper on "Weapons Custody and Use." No classification marking on Belk memorandum. Attachment is Top Secret. 4 pp. Kennedy Library, National Security Files, Departments and Agencies Series, ACDA, Disarmament, AEC General, 11/60-11/61.

Eisenhower, on June 20, 1953, on the recommendation of the National Security Council, authorized transfer of nuclear components equal in number. Requests from DOD up to October 1954 would have employed about 45 percent of the stockpile, and as a result DOD would control approximately half of the national stockpile. Therefore, in December 1954, Mr. Strauss recommended to the President that, rather than transfer custody from AEC to DOD, AEC retain “custody” of the dispersed weapons. However, the Commission agreed with the Secretary of Defense that custody should be transferred to DOD, and the President authorized the transfer not only of atomic but also thermonuclear weapons. The Commission opposed the transfer of thermonuclear weapons and on August 20, 1955 the President directed that AEC retain custody of all dispersed weapons with a yield of [text not declassified]. Transfers were made under a set of Interim Principles jointly approved by AEC and DOD, but problems arose frequently regarding (1) assignment of AEC “custodians” and (2) the necessity for loading complete atomic weapons in aircraft. Final agreement on procedures, June 4, 1956, permitted AEC-designated military “custodians” and the loading of “complete” atomic weapons in aircraft.

#### *Emergency Transfer and Use*

The issue of automatic transfer of the entire stockpile to military units under emergency conditions was settled by a Presidential directive of April 4, 1956 authorizing such transfer, and implemented by a Memo of Understanding developed by AEC and DOD, effective June 1, 1956. This transfer policy raised more sharply than ever before the importance of defining national policy on their employment.

NSC policy provided that in event of hostilities the U.S. would consider nuclear weapons as available for use as other munitions, and that the U.S. could not afford to preclude itself from using nuclear weapons even in a local situation.

[text not declassified]

#### *Peacetime Operations Involving Atomic Weapons*

Although AEC recognized the necessity for use of war-reserve weapons for operational readiness it was concerned about an inadvertent atomic explosion and recommended using training shapes for exercises and maneuvers. JCS study of the matter concluded that the use of war-reserve weapons was essential to the maintenance of acceptable readiness standards; that safety features were adequate; and large-scale procurement and use of trainers and shapes was unnecessary and undesirable. AEC finally recommended that the problem be presented to the President for decision; i.e. the problem of the degree to which war-reserve weapons might be used in exercises not directly related to operational readiness. The President approved the original DOD

proposal on November 26, 1960, which included a reporting procedure to the AEC.

*Transfer and Dispersal: The Last Stage*

The decision in the spring of 1956 marked the end of any concerted effort on the part of the Commission to invoke the principle of civilian control. Increasing requests from DOD for relaxing control on nuclear weapons, resulted in changes in the existing dispersal agreement, and a revised Presidential directive reduced the JCS reserve stockpile in AEC custody to such a low level that it was necessary to revise the emergency transfer agreement of 1956. The revised memorandum, approved by the President on February 3, 1960, eliminated the requirement for automatic transfer and assigned responsibility for such transfers to the JCS or higher authority. The Presidential directive setting the number of weapons to be transferred in fiscal year 1960 and fiscal year 1961 left less than 10 percent of the national stockpile in AEC control.

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**12. Memorandum from McCloy to Bundy, May 16<sup>1</sup>**

May 16, 1961

With reference to our telephone conversation, there is attached our draft of the reply from President Kennedy to Prime Minister Macmillan.

The Department of State, I understand, has been charged with coordinating replies to Macmillan's recent communications so that the final draft of this letter will be reaching you probably today or tomorrow through the Department.

**John J. McCloy**  
*Adviser to the President  
on Disarmament*

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<sup>1</sup> Conveys draft reply from President Kennedy to Prime Minister Macmillan to Khrushchev on disarmament. Secret. 4 pp. Kennedy Library, National Security Files, Departments and Agencies Series, ACDA, Disarmament, General, April–May 1961.

### Attachment

Dear Mr. Prime Minister:

Your helpful letter of April 27, 1961, shows that we have drawn similar conclusions from the recent behavior of the Soviet delegation at the Geneva nuclear test ban talks. I, too, have come to believe that the Soviet Government will not change its position unless Chairman Khrushchev can be persuaded that the alternative to a satisfactory treaty is the ultimate resumption of tests with the consequent damage to prospects for disarmament which that would mean. I propose to exert every effort to persuade him that a fair and reliable agreement is in his interest and in ours.

In my communications with Mr. Khrushchev regarding a possible meeting I shall refer to the need for a close examination of the test ban problem along the lines you suggest. I would not wish, however, to single out the test talks as the primary object of my discussions with him. I therefore do not believe we should address letters to Mr. Khrushchev on this subject prior to my meeting with him.

If I fail to reach any understandings with Mr. Khrushchev and if by that time the position that the Soviets have maintained in Geneva has not substantially changed, I believe the United States should be ready to resume nuclear tests for both seismic research and weapons development. I am now engaged in a thorough review with my advisers of the significance of carrying out nuclear detonations in the various categories. Pending this review I am not prepared at this time to suggest either the timing or the character of such tests. Presumably a seismic research explosion could be prepared within a shorter period of time than any really significant weapons test series. Any nuclear explosion would, of course, be underground and an announcement would be made that we had no intention of resuming atmospheric or underwater tests.

The essential thing for us is that the United States be in a position to exercise the freedom of action which has been reserved by my government since December 1959. I naturally hope very much that our two governments will be able to support each other's position.

I believe that if this country does not conduct a test prior to the resumption of general disarmament negotiations in August of this year, the difficulties of our doing so thereafter would be much increased. These are only my preliminary thoughts as I have indicated. I shall, of course, communicate with you the results of my thinking on the basis of our review and I would appreciate receiving your own.

I believe that the question of the security of the free nations of the world is the paramount consideration for us to bear in mind in connec-

tion with the resumption of tests, but I am also impressed with the increased erosion of our own position which has been based upon adequate systems of control and inspection as a concomitant of measures for arms control and reduction. The interminable continuation of the moratorium through the indefinite extension of the test ban negotiations seriously undermines that position. Not only is our position in the test ban rendered less credible through such delays, but our ability to press the principle of inspection in connection with other disarmament measures is impaired. These implications are in addition to those which rise from the recent Soviet line of attack on the effectiveness of the UN and indeed upon any international peacekeeping machinery. I think all these considerations point to the need for our taking a definite position without further attenuations, always assuming that, let us say, by the middle of June, we have not received any indication of a substantial change in the Soviet attitudes.

Finally, I am glad to say that I believe we approach these decisions in a strong position because of the good record at Geneva to which the close cooperation of our delegations has so much contributed.

Sincerely yours,

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### 13. Telegram 2888 from Moscow, May 24<sup>1</sup>

Moscow, May 24, 1961

Geneva for FECON. In conversation with Khrushchev last night he brought up question of test ban negotiations and said they were not going to retreat from their position on tripartite control. The reason for this was that control posts would be merely spying organizations. If we accepted their proposals on general disarmament then they would accept any kind of controls. When I said in this event there would be no treaty he said that if we resumed testing they would do the same. He said in any event a ban on testing was not of such great importance and would not constitute disarmament. I remarked that surely both of us had an interest in preventing the spread of atomic weapons. He replied that the French were already testing. I said he must know that French tests were very primitive and that they did not have real atomic capability. He agreed. I said that apart from the spread of atomic

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<sup>1</sup> Khrushchev's views on tripartite control. Confidential. 3 pp. Department of State, Central Files, 397.5611-GE/5-2461.



weapons I thought it would be a great pity if these negotiations failed as such failure would certainly have a very serious effect on general disarmament negotiations. I said I thought full disarmament might be possible if we could create a system of enforceable world law but I did not think they were ready for this and that in the meantime much could be done in the field of reducing danger of surprise attack and war by inadvertent war. K neither agreed nor challenged this position.

Making clear that I was expressing purely personal view, I said I had always thought they had made mistake in not accepting our proposals for a ban on tests in the atmosphere, sea and outerspace. I said that on recent trip to US several scientists had told me they were convinced that in view great cost atomic weapons no country could afford to develop real atomic capability without tests in atmosphere. While I gathered all scientists did not agree with this, K must know what tremendous expense was involved in creating atomic capability and I could not imagine any country doing this without certainty of knowledge weapons would work. K replied that we had almost reached agreement on test ban when US had reopened matter of underground tests. He said they were not conducting any tests and asked me to believe him. I replied I did believe him but not all of our people would. He said the reason was that he did not intend to create tactical atomic weapons. These would be enormously expensive and would serve no purpose since their strategic atomic weapons could accomplish the purpose far better. It would also mean dissipating their atomic material. He admitted that Malinsovsky was pressing hard for tactical weapons and he assumed Pentagon was doing same to President. He said that at military parades they showed some tactical weapons but these were only prototypes and about all they had. He also said they had no atomic weapons in East Germany and had no need for them since they could be fired from Soviet Union.

I said we already had tactical weapons and although they could possibly be improved by underground tests this was not of major importance. K replied that if we tested they would do the same and implied they would carry out atmospheric tests by saying that they had prepared plan for weapon which would cut the requirement for fissionable material in half but could not be sure it would work until it had been tested. This would enable them to double the number of their atomic weapons. When I said this seemed of little importance since we both had enough already to blow up the world, he said he agreed.

In discussing disarmament he said they had formed high opinion of McCloy when he was in Germany but then he had gone with private firm and succumbed to possibility of making money from arms sales. I replied that nothing could be more absurd. I said that Mr McCloy

had worked for a salary and had no personal interest. On contrary, his wide knowledge of problem had opposite result. K shrugged his shoulders and said this was what they believed.

I said it would seem a tragedy if we should revert to polluting the air with atmospheric tests. Although he did not in any way commit himself, I gained the impression K was somewhat intrigued by idea of limited test ban and by argument which I advanced that this would lead to improved atmosphere talks on general disarmament.

I intend to inform only British and French colleagues and request every effort be made prevent leak.

**Thompson**

June 1961

14. Memorandum of Conversation, June 3, between Rusk and Gromyko<sup>1</sup>

June 3, 1961

SUBJECT

Disarmament

PARTICIPANTS

*United States*

Secretary Rusk

Amb. Thompson (part-time)

Mr. Bohlen (part-time)

Mr. Kohler (part-time)

Mr. Nitze (part-time)

Mr. Armitage (part-time)

Amb. Matthews (part-time)

*USSR*

Foreign Minister Gromyko

Ambassador Menshikov

Mr. Dobrynin

In conversations at the Ambassador's Residence in Vienna following the President's luncheon for Khrushchev the Secretary and Soviet Foreign Minister Gromyko turned to a discussion on disarmament. The Secretary referred to the so-called bilateral disarmament talks at Washington beginning June 19 to be continued a few weeks later in Moscow. He thought that perhaps an agreement could be reached on proposals regarding particularly the forum for broader disarmament discussions.

Gromyko said that he had made to Ambassador Stevenson a number of reasonable proposals as to composition and the Secretary pointed out that Ambassador Stevenson had made some reasonable proposals on our side as well.

Gromyko referred to the fact that the US was always talking about control. He said that Mr. Khrushchev had spoken at length of Soviet willingness to accept control of disarmament in the UN General Assembly session last fall. Not a single other delegation had made any mention of this proposal. The Secretary said that this question could be discussed endlessly on a purely theoretical basis. Mr. Gromyko knew as well as he that nobody would disarm during the next few years. He said that perhaps if everybody were really disarmed then the question of controls would be a simple matter. In this connection he wanted to say frankly

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<sup>1</sup> Soviet troika proposal. Secret. 8 pp. Department of State, Central Files, 397.5611-CJE/6-361.

that the US was very taken aback by the Soviet position in the resumed nuclear text negotiations in Geneva. Without replying directly to the Secretary, Mr. Gromyko entered into a history of disarmament discussions and negotiations over the past 15 or 16 years. He said that there had been endless discussions of partial measures of disarmament and they had led to absolutely no results. All Soviet proposals for measures in this field had been rejected on the grounds that they would change the balance of power in favor of the Soviet Union. It was now time to tackle general and complete disarmament instead of starting up a new round of discussions of partial measures which could go on for another 10 years.

The Secretary then said that in view of the many years that had passed he wanted to ask Mr. Gromyko frankly why the Soviet Union had rejected the Baruch proposals. After some personal references to Mr. Baruch, Gromyko said that those proposals were calculated to ensure a continued US monopoly of atomic weapons. The Secretary said he thought this had been one of a number of other mistakes and that the Soviets could have easily accomplished the almost complete disarmament of the United States, instead of prodding us into rearming. Gromyko asked what they should have done and the Secretary replied that they should have left Greece alone, left Berlin alone, and left Korea alone. He then went on to say that when the rest of the world did not know what was going on in the Soviet Union this was a deterrent to disarmament. In fact, he said, the Soviet Union could not maintain its policies of military secrecy and also achieve disarmament. These two policies—and he was willing to grant that the Soviet Union really wanted disarmament—were incompatible. There was some discussion of post-war developments in this field including a reference to Roosevelt's statement at Yalta that American troops would be maintained in Europe only a couple of years after the war. At the end of this discussion the Secretary said he saw only two roads to disarmament. The first would be by the prior settlement of political problems which might create possibilities for a broader disarmament agreement. The second would be disarmament on a step by step basis with full verification and control at each step. Gromyko interjected that one of the United States' principal allies, Chancellor Adenauer, had repeatedly said and even said in a letter to Chairman Khrushchev that no solution of political problems was possible unless there was first progress on disarmament. The Secretary resumed saying that he had followed disarmament questions carefully since 1925. For nearly 30 years one disarmament conference after another had taken place. They seemed to him ceremonial like the mating dance of the goonie birds in the Pacific Islands. He felt it was time to be realistic about this problem. The immediate action was the conference in Geneva. He repeated that we

were skeptical about the regression in the Soviet position there. In the broad field of disarmament this was a simple matter but it was a vital test. If the Soviets were serious about disarmament they would really try to come to an acceptable agreement in Geneva.

Mr. Gromyko then referred to the US adoption of the Russian word “troika” to describe the new Soviet proposals. The Secretary interjected that the troika had appeared in twelve different places now. Mr. Gromyko resumed, saying troika was a good word and a good idea. The Soviets felt that this proposal was no more than adequate to protect the Soviet Union’s natural rights. They were only asking for one-third, not two-thirds. They had a right to one-third. Any decisions adopted under the troika proposals against Soviet interests—or indeed against US interests—would be excluded. He said flatly that they were not going to deviate from this proposal. He did not want to use the word “demand” which was too strong but the Soviets were very firm on this. There was a question of the test bans negotiations, and the UN or any other international organization. If the troika proposals were adopted the US would be even better off than the USSR because the other one-third would side more often with the US than with the USSR. The Secretary commented that the real question was whether or not one-third should have a veto. Gromyko replied that if there were no veto the Soviet proposal would not make sense. The Secretary said that if adequate investigations of seismic events were not agreed on, a nuclear test ban would become improbable. Gromyko replied—after some uncertainty as to whether he had said two or three—that three investigations would be acceptable, subject of course to the agreed seismic indicators; against this the US was proposing 20 investigations (Mr. Nitze interjected 20 or 30 indicating he was matching Mr. Gromyko’s reference to “2 or 3”).

The Secretary said that the Soviet troika proposals were a real block to any progress in the disarmament field. If they were maintained, it would be a waste of time even to discuss disarmament since no disarmament would be possible if any one country could block any real inspection. Gromyko then cited as a precedent, President Roosevelt’s proposal of a veto in the UN Security Council. The Secretary confirmed that the US continued to accept a veto of the kind contained in the UN Charter. However, he pointed out that this was really limited in its original concept to considerations involving the use of force and the possibility of war. Gromyko replied that if the whole world were capitalist perhaps the question of the veto would not arise. However, the Socialist bloc does exist. The Secretary said that even if there were a disarmament agreement the first Soviet veto would bring it to an end since this would be an automatic signal to all the other parties to start to rearm.

Gromyko then said that in the present circumstances general and complete disarmament was the only way out. The Secretary asked him if he were sure that general and complete disarmament was a real policy of the USSR which they were ready to put into practical effect. He asked further what the Soviets would do, for example, with the Poles, the Czechs, or Hungarians if they had no arms. (At this point there were some side talks between Gromyko and Menshikov during which the latter said the Secretary's statement implied Soviet domination of Eastern European countries.) Gromyko replied that what happened in Poland, Czechoslovakia, and so forth, was a question that they would decide for themselves. Of course there were treaty commitments between some of these countries just as there were between the US and their allies. The Secretary said that he had just been wondering about this question. Certainly, he observed, an early result of disarmament would be the self-determination of peoples. Gromyko replied that the Soviets were always ready for self-determination. However, he believed he saw in the Secretary's remarks the roots of a wrong approach. The Secretary's idea would not help. He then said (rather as an after-thought) that it was possible that the Americans had some doubt about the behavior of its present allies after general and complete disarmament.

The Secretary then asked when the USSR had adopted the troika idea. Was it only two years ago? Gromyko replied that everybody gets wiser in time or should get wiser. He said that the Soviets' experience with the UN operation in the Congo had made them realize the importance of this proposal. He then went on at some length as to the long years of US domination of the United Nations by a mechanical voting majority. Referring to the fact that the composition of the UN had changed, the Secretary said he would have understood the troika proposal better if it had been made in the late 1940's. Gromyko replied that the Soviets had not made it at that time because they thought the United States would behave better in the UN and operate on a basis of reconciling the views of the wartime allies on all major problems. President Roosevelt's veto proposals for the UN Charter represented a very realistic approach. However, the United States since that time has invalidated many provisions of the Charter and emasculated the Security Council.

Gromyko said the UN arrangements had been worked out by compromise so that there would be no direct collision of interests. It was the deviations from UN principles that had caused trouble. The Secretary suggested that it might be helpful to hear the views of each side concerning the course of events since the adoption of the Charter.

Mr. Gromyko said the Charter was good, though some provisions were vague. The Soviets did not wish to place themselves in a position

where on all matters substantively affecting their interests they were outvoted. Nor would they want to put the US in that position. The US would also be better off under a troika arrangement.

The Secretary said this arrangement would run against every principle of arbitration and conciliation. Gromyko said they did not want arbitration. Nothing said about the Security Council or in the General Assembly halls would convince them that any arrangement would produce impartial voting. Always, even in the International Court of Justice, voting reflected the state of affairs in the world. Arbitration and conciliation, therefore, were not solutions to the problem and would not help.

The Secretary expressed regrets that the preceding Administration had not gotten a test ban agreement before the Soviets invented the troika. Gromyko said the US should have accepted before the Soviets became wiser.

The Secretary said he was pessimistic regarding the troika and doubted whether the other two-thirds, as the Soviets term them, would see a solution in it. Gromyko said that the two-thirds was the formal side of the question. The substantive side was that any international body would not take decisions that relate to the security interests of all countries without unanimity. There were two sides to the troika proposal: the three-sided arrangement plus unanimity of the most powerful countries. The US wants an order by which it could impose its decisions on the Soviet Union. Gromyko asked how he could convince the US that this was not possible.

Mr. Nitze reminded Gromyko that disarmament was a question which affected the vital interests of our countries, and we are thus dealing with the question of whether and how an agreement can be made effective and how its implementation can be insured at each stage.

Gromyko said that one could adopt a paper agreement but not contribute to a solution. You must seek agreement with the USSR; this is the way of solution. We do not want to take decisions against you. You must reconcile your interests with ours. Under President Roosevelt one proceeded from this assumption. If the two powers were not able to reconcile their interests, it was better not to have a decision.

Ambassador Thompson suggested that there was a vast difference between important political decisions where it might possibly be granted that no great power could let others tell them what to do. Applying this to disarmament was somewhat like the following analogy: Two men have revolvers and decide to give them up. They must be able to check whether another revolver is not hidden under the vest of the second party.

Gromyko said the Soviets are aiming at this purpose. General and complete disarmament—if a treaty was concluded, then all pockets could be examined. Even trousers could be taken off.

Mr. Nitze asked how you get through the intermediate stages. Gromyko said they did not propose GCD like a rocket shot. They had done their best to set out the stages with controls. Until complete disarmament was reached, there naturally would not be complete control. The degree of control would be in accordance with the degree of disarmament. Control would be in accordance with the steps being taken.

Mr. Nitze said the test ban could be viewed as a first step in which we could see how controls would work out. Ambassador Matthews said he concluded Gromyko was pessimistic regarding disarmament. Gromyko replied he was pessimistic regarding the US position on disarmament. There was a question of the horse and the cart, and the Soviets proposed that the two go together.

The Secretary said he wished to understand how the troika administration would actually work. Suppose we have an agreement regarding the number of inspection posts and the number of on-site inspections. The machines record a seismic event, say in Reno, of a magnitude above the 4.75 threshold. If the inspection teams say that they should go to Reno and this inspection would be within the agreed number, is it the Soviet view that the US Administrator on the troika could say, "No, you cannot go to Reno?" Gromyko said that if the inspection was in the quota of say three per year, it would be carried out according to the provisions on which understanding had been reached. It would be up to the scientists to agree. There would be a question regarding other inspections.

The Secretary said for the moment we were talking about the number of agreed inspections. If the scientists have to agree unanimously, then we get the same problem all over at a different level. However, if there was an acknowledged seismic event above the 4.75 threshold, on what question do the Soviets consider it necessary for the country being inspected to have reservations? We would already have agreed to the necessity for the inspections. Gromyko replied that the functions of the administrative body were not precisely determined. As far as the agreement on the quota of inspections, if the scientific instruments agree on the need for inspection, then it must be examined.

Mr. Nitze said suppose the US scientists think the event not up to the 4.75 threshold, the Soviets and other (perhaps British) scientists say the event was above the threshold. Can the US Administrator veto inspection teams going to Reno? Gromyko said the administrators should agree; it can't be done automatically. The Secretary wondered whether this was not a formal requirement. We both assume that we would not be testing if the agreement were signed. Can't we be reasonably relaxed regarding inspection? We would not expect anything to be found in Reno, and the Soviets would probably not expect



anything to be found in Kiev. Why prevent inspections? Gromyko said if there were disagreement among the scientists, then the administrative body should decide according to the administrative rules, that is, the troika. Why build in advance such an abundance of doubts? He asked the Secretary directly, do you think we are exploding atomic weapons now? The Secretary replied that we have no evidence that the Soviets are testing, but that it is very difficult to prove a negative proposition. Gromyko stated vigorously that the Soviets think that the US is sure the Soviets are not testing.

The Secretary said underground testing is more a problem than atmospheric testing. We could probably work out an atmospheric agreement without much difficulty. Gromyko said the best solution would be to prohibit all kinds of testing. The Secretary said we would like to work toward it; 4.75 seems to be the practical limits right now. If scientists can reduce this to zero, so much the better. You and we understand that these things go to the heart of our national concerns. It is somewhat easier for the Soviets since they can go all around the US on busses and check up. He remarked in jest that the Soviets have fewer busses. We did not in any case have to have US inspectors, and inspectors of other nationalities, say Swiss, would be checking solely on the presence or absence of an explosion.

Gromyko said even without an agreement it is possible to detect all testing. An agreement would make everybody more confident. Why should the US in advance suspect violations? The Soviets considered such stress on voting and the veto an undue concern.

Mr. Nitze said one must assume these matters affect the vital interests of our countries, and both countries had an acknowledged interest in having inspections. Then we could invite Soviet inspectors and they invite ours, and both would be serving their national interests.

The Secretary said underground testing was not now detectable. The US wanted to be sure the Soviets stop if we stop testing. He made the next adversion just in case it presented a problem for the Soviets. Were there, he asked, particular areas which the Soviets would not want to have examined? If so, we could probably work out some way to handle this problem. He hoped this was not an obstacle to Soviet agreement, but he gathered that this was a far-reaching political issue for them.

Gromyko said the Soviets would resume testing if the US did, and other countries would also. He emphasized that the Soviets would not lose more than we by resumption. Everybody would lose, but he replied the Soviets were not more interested in a testing agreement than was the US. The Secretary and Gromyko agreed that each other's scientists would be asking for more money in case of resumption.

Ambassador Thompson said that with regard to the question of suspensions, it was a factor for the US that we had to take the agreement

to the Senate, and to successfully defend it, it would have to be an agreement without loopholes. The Secretary said this was the problem expressed in the second degree, the first degree was what we can recommend ourselves to Congress. He did not want to review history, but since 1945 we think there has been a long stretch of agreements that have not been observed. Our problem of mutual trust is not a new one. Neither of us can put its basic interests in the other's hands. We need assurances, and we think that an effective inspection system could contribute to mutual trust.

Gromyko asked where was that other Hammarskjold that could be objective? The Secretary said that here we were talking about a more limited question, regarding the troika applied to inspection administration. Gromyko said the situation was "most complicated." The Secretary said Gromyko understood our political system and would understand that a signature of a treaty would absorb the energies of the Administration in getting passage of the agreement. Gromyko replied that especially regarding foreign affairs matters the Administration could convince Senators.

The Secretary said that we regretted the prospect that this issue might turn up as a major problem in the field of general disarmament, even should we all agree to go far down the road toward disarmament. Gromyko said we should proceed on disarmament even without a testing agreement. Disarmament discussions should not be conditional on this question of testing, although the situation would be quite different if a testing agreement were signed.

Mr. Nitze asked how one could be optimistic concerning the outlook for broader disarmament if we could not solve the easier problems? Gromyko agreed that we should solve the testing agreement, but if we could not, it was the Soviet position that general disarmament discussions should go forward. Mr. Nitze asked whether the troika proposal would not cut across other disarmament proposals. Gromyko said that they had formulated proposals for our examination. He again stressed that if tests were resumed, the Soviets would not lose more than the US. Everybody would lose, but he repeated that the Soviets would not lose more.

Later in the conversation, Gromyko said the time might come when the US would regret it did not accept the troika. The Secretary expressed his doubt, but said he had become reluctant to become categorical as he had gotten older.

The Secretary said that he took it that we were on dead center regarding nuclear testing. Gromyko nodded and said that "It is a very complicated situation." The Secretary said that we had gone quite a way to meet the Soviet points of view and up popped the troika. Gromyko said they wanted to correct their mistakes. Maybe they should

have raised the troika before. He said it would not damage the US but would protect their own interests. They could not have agreements that permitted arbitrary decisions, and he thought that the US had too great suspicions of the Soviet Union.

The Secretary said our distrust did not begin to match Soviet distrust for an impartial administration. Gromyko retorted that there was no such being. Was Hammarskjold one? He had been pushed by the US and Western powers to demonstrate his lack of impartiality. The Soviets think the two powers should try to reach agreement together. It was more important for the US to agree with the Soviet Union than with Hammarskjold. Now the US has an agreement with Hammarskjold but not with the Soviet Union.

Ambassador Thompson expressed the opinion that the Soviets had made a real misjudgment regarding Hammarskjold. They think Hammarskjold made judgments for the sake of the US, when he actually made them for what he believed to be the purposes of the UN. This did not really affect the proposition that no great power would allow the imposition of a decision affecting its vital interests.

Gromyko said the Security Council took good decisions on the Congo. It would have been better if they had been carried out. Lumumba would not have been killed, he was not a Communist. Who did not let the decisions be carried out? Without the backing of the Western powers Hammarskjold could not have acted as he did. The US may consider that some matters can be solved without the understanding of the Soviet Union. The Soviet Union does not think so. Perhaps some problems could be postponed. Such a situation is not normal. One cannot rely only on a majority. This might change to the US disadvantage. The troika is not so bad as the US considers.

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## 15. Nusup 1257 to Geneva, June 8<sup>1</sup>

June 8, 1961

For Dean from McCloy. As per our telecon today there follows text of a draft letter I have prepared for the President outlining course of action re test ban talks and forthcoming disarmament negotiations. As I indicated in telecon, President's statement of today somewhat

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<sup>1</sup> Draft presidential letter outlining course of action in test ban talks and disarmament negotiations. Secret. 9 pp. Department of State, Central Files, 397.5611-GE/6-761.

alters the practical timing of the program. Hope to consult with President first of week and then I will communicate with you. We are considering advisability of renewal of proposal re banning atmospheric tests in accordance with Thompson's suggestion and are preparing treaty language. We would appreciate having you transmit language which you feel embodies the cautions contained in your SUPNU 1640.

BEGIN VERBATIM TEXT:

(Verbatim text attached)

QUOTE. The conversations with Mr. Khrushchev in Vienna have made it clear that there is at the present time no prospect of any change in the Soviet position regarding either a nuclear test ban or general disarmament. These conversations have now affirmed at the highest level the determination of the Soviet Union to press the concept of a veto on inspection as well as on all aspects of any international peace-keeping machinery, including the functioning of the United Nations. This fact poses some very important decisions which must be made promptly if we are to avoid a substantial erosion of the U.S. position in all of these areas.

The first field in which decisions must be made is the Geneva test ban negotiations. In these negotiations I feel that we have gone the limit of what would be either possible or appropriate in the way of concessions to the Soviet position. Any further concessions at this time, I feel, would not advance the conclusion of a satisfactory agreement. In fact, I feel they would prejudice it.

The Soviet position in the negotiations raises for decision now the question of whether the United States should resume nuclear tests when tests of material importance to the national security can be prepared and programmed.

I am well aware of the arguments which can be made against a decision to resume testing. In spite of any efforts to prepare world public opinion, the nation which first announces the resumption of nuclear tests will incur a certain onus. The resumption of nuclear tests will make it increasingly difficult to prevent the proliferation of nuclear capabilities to other powers which do not now possess such a capability. There is even the possibility that the resumption of tests by the United States will give the U.S.S.R. a chance to overtake the United States in fields of technology in which we now lead, by giving the U.S.S.R. the opportunity to test free from the trouble and risk which would attend a clandestine test and from the political onus of being the first to resume.

Notwithstanding these considerations, however, I recommend that you do make the decision to resume testing with tests of material importance to the national security. Under the present condition the United States is at a dangerous disadvantage. Because of the closed

nature of Soviet society we have no assurance that they are living up to their announced moratorium; while they can be sure that we are living up to ours. The United States cannot permit itself to be kept indefinitely in a situation in which it denies itself the possibility of tests which might result in a major improvement in its military position without any assurance that the U.S.S.R. is under a similar inhibition.

The consequences which might ensue if the U.S.S.R. is engaging in clandestine testing while the United States refrains from testing over a period of time are serious. In my judgment they outweigh the danger to the position of the United States, if the U.S.S.R. is not engaging in clandestine testing, from a resumption of testing by both sides which might permit the U.S.S.R. to catch up to the United States in fields of technology in which we now lead. As long as the present condition exists of a moratorium which is enforceable against the United States but not against the U.S.S.R., the U.S.S.R. is under no pressure to come to an agreement involving any inspection. By permitting this condition to exist, the United States jeopardizes before the world the credibility of its long-held position that it will not restrict its freedom of action in the field of weapons without effectively verified agreements.

For these reasons, I recommend that the United States prepare for a series of tests of the maximum military and scientific value. In this connection, my suggestion would be that we should undertake no prior announcement of our tests. We have, heretofore, given prior announcement but this was a carry-over from the period of concern over "fall-out."

If you agree with these conclusions, I recommend that Ambassador Dean be recalled from Geneva. This is the clearest way of indicating to the U.S.S.R. and to the world that we regard the present Soviet position as non-negotiable. The United States should not move to recess the negotiations but the American delegation and the negotiating schedule should be substantially reduced.

At the time Ambassador Dean returns, the United States should issue a declaration, with the concurrence of the United Kingdom and, if possible, of France, which declares our intention to desist from testing anywhere in the sensible atmosphere, on the earth's surface, on the ocean or under the ocean and which invites all nations to join in this declaration. This declaration would be conditioned upon no other country's engaging in testing in these environments in a manner or to a degree which might prejudice the security of any declaring country.

At the time of this declaration, the United States should state that, as for testing elsewhere, we consider ourselves entirely free to take any steps which the security of the free world and the United States demanded. We should also state that such testing as this involves would be undertaken on our own soil and in such a manner as to

remove any general hazards to health. We would be prepared at any time to cease testing if the Soviet Union would be willing to execute the treaty along the general lines that we have tabled at Geneva.

Until we had actually tested, or our determination to test was well understood, we should not agree to shift the test ban negotiations into the comprehensive negotiations now scheduled for July 31 of this year. The Soviets undoubtedly wish to merge the talks and to have the United States go into the July 31 talks with the present uncontrolled moratorium still in effect for the purpose of making it increasingly difficult for the United States to resume its freedom of action with respect to testing and we should resist this effort.

With regard to the comprehensive disarmament talks, I recommend that we enter into the bilateral exchanges as planned on June 19. We should there state our proposals for the composition of the Commission to deal with the comprehensives, avoiding any agreement which would compromise our objection to the concept of the troika either in those negotiations or in any other disarmament or peace-keeping measures.

We should press for the inclusion in the principles to be adopted for the July 31 negotiations an acceptance of the concept of the rule of law in international disputes which involves a true acceptance of the principle of international arbitration, the extension of the jurisdiction of the International Court, the application of international sanctions by impartial tribunals not subject to veto. Corresponding principles would be applied to the control and inspection of disarmament obligations.

We would state in these negotiations and publicize throughout the world that we repudiate the thought, inbedded in the troika concept, of two-power rule. We should expose the fallacy of the introduction of the neutral bloc veto, as it is an empty facade to hide a two-power rule of the world. The veto in the hands of a group of neutral countries is meaningless.

We should be prepared to present a plan that would envisage a full disarmament program which was combined with the development and use of international institutions designed to verify and enforce a compliance of the obligations assumed.

It would also embody our concept of how peace and order would be maintained in a disarmed world through international peace-keeping machinery. The plan would condition progress from one stage to another on the basis of the results achieved and the confidence generated in earlier steps.

The comprehensive negotiations could also include, if the Soviets were prepared to discuss them, steps calculated to reduce the chances of war by accident, surprise or miscalculation. They might also include

certain steps of a somewhat limited but perhaps significant nature that could be verified by reciprocal inspection without the intervention of international authority.

These recommendations require that the United States engage in a program of public opinion preparation and diplomatic persuasion on a scale different from what has hitherto been attempted. This activity will begin with a response to the Soviet Aide-Mémoire, drafting of the declarations with respect to testing and with a White Paper on the Geneva talks. END VERBATIM TEXT. UNQUOTE.

Rusk

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**16. Circular telegram 2042 to certain diplomatic missions,  
June 17<sup>1</sup>**

June 17, 1961

On June 19 at first meeting bilateral disarmament talks with Soviets, US will propose Ten Nation Committee be doubled to include India, Japan, Pakistan from Asia; Tunisia, UAR, Nigeria from ME and Africa; Mexico, Brazil, Argentina from LA; Sweden from Europe in addition to present Ten (US, UK, France, Canada, Italy, USSR, Poland, Rumania, Bulgaria, Czechoslovakia).

Underlying rationale is that if present composition Ten Nation Committee is to be broadened, as USSR has suggested, additional members should be more nearly representative world at large and not rpt not selected on basis sole criterion neutrality, which would tend imply additional countries would be acting en bloc as arbiter between East and West. We believe neutrals themselves would not wish be placed in embarrassing position. U.S. recognizes wide spread interest disarmament problem throughout world and, therefore, believes it most appropriate to invite most significant countries from different geographic areas of the world outside NATO and Sov bloc to participate in future disarmament negotiations.

Request action addresses approach appropriate level Foreign Office June 19 to inform them along lines expressing hope invitation will be accepted if Sovs agree our proposal.

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<sup>1</sup> U.S. proposals for bilateral disarmament talks with Soviets. Confidential. 2 pp. Department of State, Central Files, 600.0012/6-1761.



FYI. Sovs may not agree this proposal or may engage in horse trading as regards individual countries. However, we consider important and necessary that countries we proposing be informed. END FYI.

Rusk

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**17. Telegram 5919 to certain diplomatic missions, June 19<sup>1</sup>**

June 19, 1961

McCloy-Zorin talks on disarmament began 3:00 p.m. in Washington. After amenities McCloy stated purpose to lay ground work for renewed attempt to reach conclusions at forthcoming conference dealing with comprehensive disarmament which agreed will be held later this year. Should attempt to settle here composition and general framework conference. Talks here are continuation Stevenson-Gromyko talks where in time available agreement had not been reached either as to forum or basic principles which were to guide conference. McCloy suggested that consistent with conversations which have already taken place we have frank exchange of views, that talks be private to permit easy exchange with minimum of formality. We have no plans brief press formally or otherwise but would advise press and public of results of discussions at their conclusion. Shall have to answer inquiries but hope do so without getting into substance.

Zorin stated Sov government pays much attention to these bilateral talks since their success and achievement in sense of disarmament program would contribute improvement relations two countries and international situation. During Stevenson-Gromyko talks it was agreed question of disarmament must be considered in essence not merely as regards composition of organ for negotiation.

McCloy referred to question of jurisdiction participants these discussions. Cannot do more at this stage than make joint recommendations to those who have been associated with us. Have no authority to determine either composition or framework in manner binding on others. Cannot substitute this meeting for negotiation contemplated later in year, but can do what is necessary prepare way for meaningful work by larger group. This does not mean we cannot go beyond forum

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<sup>1</sup> Readout of McCloy-Zorin talks on forum for future discussions. Confidential. 6 pp. Department of State, Central Files, 600.0012/6-1961.



question; US will also have proposal re principles. May make progress faster by dealing first with procedural aspects.

Zorin affirmed Sovs did not imagine this meeting could be substitute for conference. Agree can work out recommendations for conference. Are not going try conclude some kind agreement just now. We must however reach some kind agreement on essence of program and on body to be created. Re press, USSR wants approach talks in same way as McCloy. Want sincere exchange not propaganda battle. Talks should not be confidential but private. Participants may want to give views to press especially to correct any distorted reports but SOV do not seek public discussion. In this meeting we should first speak of essence of disarmament program, in keeping with GA resolution of November 20, 1959, and later deal with organ for resumed negotiations.

McCloy stated wanted set before Sov colleagues today for their convenience US views on forum. Have suffered in past from lack continuity in forum. Recalled agreement Four Powers establish 10-Nation Group from which USSR withdrew last June. Although this forum not ideal US quite prepared continue with this committee. Hoped USSR would consider seriously its advantages, especially continuity and fact this only forum which thus far has full acceptance NATO countries concerned. Hoped Sovs would seriously reconsider position this forum in interest expeditious progress.

Recalled procedural variation this forum which Stevenson had suggested—introduction of chairman and perhaps other officials of committee from nations not already represented. Stated even this had not been yet accepted by all concerned but would probably be easier of adoption than any other variation of original committee.

If Sovs could not agree these proposals, and he hoped they would, and we had to proceed to reconstitution of committee US would propose addition of 10 States chosen on basis size, character, military strength, geographical distribution and population. These would be invited not as representatives of any bloc but in their own right and in their own capacity. Countries we would suggest as additions are: Asia—Pakistan, India, Japan; Latin America—Mexico, Brazil, Argentina; Africa and the Middle East—UAR, Nigeria, Tunisia; Europe—Sweden.

McCloy stressed again however our recommendation that 10-Nation Committee not be altered.

If none of these three suggestions acceptable US would be prepared to accept UN Disarmament Commission as forum for negotiations.

McCloy then introduced and circulated following draft statement of principles:

BEGIN VERBATIM TEXT.

The purpose of the negotiations should be to seek the widest possible area of agreement on measures leading to the objective of controlled universal disarmament accompanied by the institution of reliable procedures for the peaceful settlement of disputes and of effective arrangements for the maintenance of peace in accordance with the principles of the charter of the United Nations. Efforts should continue until a full program for achieving this objective has been worked out and agreed.

Such agreement should ensure that disarmament will proceed in such a manner that at no time would its progress adversely affect the security of any State; that disarmament will proceed as rapidly as possible through stages containing balanced, phased and safeguarded measures, with each measure being carried out in an agreed and specified period of time; that compliance with all disarmament obligations is effectively verified through the entire process; that transition from stage to stage will take place upon decision that all agreed measures in the preceding stage have been fully implemented and verified and that any additional verification arrangements required for measures in the next stage are agreed; and that progress in disarmament is accompanied by measures to strengthen institutions for maintaining peace. END VERBATIM TEXT.

By way explanation McCloy stated we want afford future negotiations maximum flexibility. Have emphasized objective is widest area of agreement possible. If we can achieve first steps, second steps or final steps we want negotiations to be free to take all or any of them that can be achieved. Stressed we feel improvement in peace-keeping machinery and peaceful settlement disputes is concomitant of disarmament; they are inseparable. Emphasized necessity controls throughout disarmament process. Said by universal we mean universal in depth as well as area. We do not condition any advance in disarmament field to improvement peace-keeping machinery for there may be number of things we can do that would not require such advance or indeed would not require any substantial international structure in way of control to support them. Some relatively simple reciprocal measures, for example, might be of great importance in relieving tensions and building confidence for the taking of further steps. We do feel, however, shall not be able advance entire way unless our peace-keeping machinery and methods resolving disputes keep pace with advance of disarmament. US prepared go any lengths achieve these purposes and willing discuss these or other suggestions re framework.

Zorin quoted Stevenson-Gromyko parallel UN statements March 30 and stated must consider questions in order agreed in New York—first matter of general and complete disarmament and then forum. Should not begin with secondary question of forum but with main task. Proposed text of communiqué for this meeting though saw no

need for these as regular procedure. Text agreed with minor changes. Next meeting to be held Tuesday afternoon. Embassies of NAC countries here being informed of above. Interpretive comments will follow for use in informing NAC and foreign offices addressed.

Rusk

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## 18. Telegram 5878 to Certain Diplomatic Missions, June 30<sup>1</sup>

June 30, 1961

Paris pass TOPOL. Eleventh session McCloy-Zorin talks—June 30 p.m. Zorin gave lengthy recapitulation SOV position as it had been expressed in previous sessions, stressing again that best way to proceed would be to consider specific proposals on general and complete disarmament, that GCD is only way to remove danger war and that SOVs remain ready accept any controls US asked for if we accept SOV program for GCD. Zorin noted US position we would not proceed to consider specific plans without presence allies. SOVs were not trying substitute present exchange of views for future multilateral negotiations, but without rapprochement US-USSR views future negotiations would simply mark time. No other country will reproach us if we increase common ground on disarmament as result present talks. US June 19 proposal does not indicate that for US implementation of GCD is main task of future negotiations. Reference to “widest possible measures agreement” too vague. US seems reject concept of single treaty and is unprepared agree on specific time limits for individual stages and for whole program. If US ready accept time limits for specific measures why not add them up and set limit for whole program?

SOV fears US objective is to switch attention from GCD to isolated measures which will involve control over armaments. Re US proposals on forum, these do not represent “businesslike” approach. Zorin concluded however that exchange of views had been “not without use” in spite of fact US had failed to give clear answers to many key questions.

McCloy reiterated US purpose in present discussions and said our purpose when we reconvene in Moscow July 17 will be to continue to seek agreement on statement of task as well as on date and forum for

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<sup>1</sup> Readout of eleventh session McCloy-Zorin talks. Confidential. 5 pp. Department of State, Central Files, 600.0012/6-3061.

resumed negotiations. Reaffirmed US readiness to enter into multilateral negotiations on substantive aspects of specific plans after July 31. US will not undertake discussion specific plans either here or in Moscow. US hopes that when sessions resume Moscow SOVs will agree to join in drafting statement of framework, since US believes it is possible to overcome present difficulties and reach agreement on statement of principles. McCloy reiterated however that US would be prepared to move to multilateral negotiations even if it is not possible to agree on principles. McCloy then turned to issue of "single treaty" which he felt was fundamental issue of principle, stating we had moved toward SOV position in June 19 statement. US is quite prepared to work out one treaty providing for total disarmament and development peace-keeping institutions which must accompany complete disarmament. However we do not want to abandon possibility implementing measures of disarmament as they are agreed without waiting for agreement on total program. Invited SOVs to agree on draft directive which would accord equal importance to both objectives: early implementation of measures which can be quickly agreed upon and a total treaty. US will not accept terms of reference which prejudice possibility early progress in disarmament and we continue hope SOVs will accept terms of reference which explicitly allow for possibility implementing less than total disarmament while efforts toward comprehensive agreement continue. McCloy concluded with three questions:

1) Do SOVs agree or disagree that future negotiations can work out initial measures as well as full treaty and that these initial measures could be put into effect even before total program agreed;

2) Is USSR prepared incorporate in agreed statement of task language which will include possibility reaching agreement on full disarmament as well as on early implementation of less than full disarmament while work is proceeding on total treaty;

3) If not, is USSR prepared resume multilateral negotiations whether or not we can agree on this principle.

Zorin concluded by replying McCloy questions as follows:

1) SOVs do not exclude possibility achieving agreement on some separate measures which will be helpful reduction tensions, danger of war, citing Irish and African proposals at last GA as examples. However these could not be substitute for work on treaty for GCD or be allowed divert attention from this main task;

2) SOVs referred to formulation in Indian resolution of November 15, 1960, stating that if US prepared to work on both full treaty and initial measures without prejudice to former, perhaps we could find common ground in pertinent language contained in Indian resolution which could create basis for agreement; wondered whether US could accept that language or perhaps whole resolution;

3) Unless we can reach agreement on statement of task it would be senseless to convene multilateral negotiations. No purpose in moving to broader forum if US and USSR could not agree on main questions.

Meetings recessed until July 17 Moscow.

**Rusk**

July 1961

19. Telegram 305 from Moscow, July 28<sup>1</sup>

Moscow, July 28, 1961

Deliver Baker, D/O by 9:00 a.m. 1. Zorin has asked for session Friday a.m. in order formally to introduce statement of principles transmitted Dept Embtel 304. Two meetings have been tentatively set for tomorrow. We plan limit our comments to welcoming Sov willingness after all this time to discuss principles and to note that if Sov draft had been introduced at outset of our sessions Washington, we would probably be ready to start formal multilateral negotiations by now or the near future.

2. We believe Sov submission this statement substantially improves Sov position and undercuts our argument that Sovs have blocked way to multilateral negotiations by refusal to discuss principles. Furthermore Dept will recognize Sov draft will have great appeal in U.S., and with exception 2 or 3 major points with our allies. Accordingly we believe Sov move creates new situation which will require prompt decision concerning our tactics.

3. We believe there are 3 broad courses of action we can follow, each of which has clear advantages and disadvantages which will be apparent to Dept. They are:

A. To submit minimum number of amendments to Sov document which if accepted would make it acceptable to us as a basis for resumption multilateral negotiations;

B. Propose recess July 31 for further review by govts of present situation and that we reconvene, perhaps on less formal basis, in New York week or ten days hence; or

C. Without offering amendments, recapitulate major differences between Sov statement of principle as it now stands and our own and propose that we move directly to multilateral negotiations to which both competing statements would be referred. We might in this instance wish to submit further revision of our own statement of principles.

4. On balance we are inclined to favor starting with alternative (A). Consider it unlikely this would lead to agreement but likely to lead to alternative (C) on most favorable basis. If Dept authorizes amendments suggested this message we would present them to Sovs on Saturday.

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<sup>1</sup> Bilateral disarmament talks: Soviet intention to introduce statement of principles. Confidential. 5 pp. Department of State, Central Files, 600.0012/7-2861.

In putting them to Sovs we would point to promptness our response and ask Zorin for immediate indication whether US amendments constituted basis for agreement by Sovs. In light that response we would then either indicate we willing to stay to end of week to wrap up statement or suggest that since prospect agreement dim we move to multilateral forum without agreed statement principles. If Sovs reject our amendments outright we would make summary recapitulation of our position, state we propose return to Washington to consider next steps and then move to call meeting of D.C. after Labor Day. Amendments we would suggest are as follows:

A. First and second introductory paragraphs, no change.

B. Third introductory para insert after word "today" the following: "and that early measures leading toward this goal be worked out in detail and agreed upon in the shortest possible time." Change "sides" to "states". Delete "general and complete" in last phrase.

C. In numbered para 1 delete "of general and complete disarmament" and insert after words "world in which" the following: "all disputes are settled by reliable procedures without resort to force and in which".

D. Substitute the following for para 2: "General and complete disarmament should include:

(A) The reduction of all national forces and military establishments, including bases, of all states to agreed levels as required for the purposes set forth in para 3.

(B) The reduction of all armaments to agreed types and quantities as required for the purposes of para 3 and the destruction or conversion to peaceful uses of all other armaments including weapons of mass destruction and means for their delivery and conventional arms.

(C) The reduction of expenditures for military purposes for all states to amounts necessary for the purposes of para 3.

(D) The cessation of manufacture of armaments except for the types and quantities agreed as necessary for the purposes of para 3."

(E) Revise para 3 to read as follows: "After total and universal disarmament has been completed, each state should have only those forces, armaments and military establishments as agreed to be necessary to maintain internal order and protect the personal security of citizens and to support and provide agreed manpower for a UN international security force."

(F) In numbered para 4 delete the phrase "general and complete". Revise 2nd sentence to read as follows: "Transition to a subsequent stage in the process of disarmament should take place upon verification of the implementation of measures included in the preceding stage and a determination that any additional verification arrangements

required for the next stage are agreed, and when appropriate, are ready to operate."

(G) Delete "general and complete" in para 5.

(H) In numbered para 6 delete "of general and complete disarmament". Substitute "depend upon the requirements for verification of the" for "correspond to the extent, scope and nature of". In 3rd sentence substitute "during and after the implementation" for "under the conditions". In 4th sentence delete "the so-called". In final sentence insert "as necessary" after "free access".

(I) In para 7 insert as 1st sentence: "Progress in disarmament should be accompanied by measures to strengthen institutions for maintaining peace and the settlement of international disputes by peaceful means." Substitute "during and after the implementation" for "under the conditions". Insert "the principles of" after "in accordance with". Substitute "United Nations" for "Security Council". Insert "national" before "contingents" and delete "of police". Delete final two sentences.

(J) Substitute new para 8 as follows: "States participating in the negotiations should seek to achieve and implement the widest possible agreement at the earliest possible date. Efforts should continue without interruption until agreement upon the total program has been achieved, and efforts to insure early agreement on an implementation of measures of disarmament should be undertaken without prejudicing progress on agreement upon the total program and in such a way that these measures would facilitate and form part of that program."

(K) No change paras D and E. Dept will note implications para E for Berlin situation.

Request Dept instructions soonest. McCloy may have further views tomorrow but USDEL requests Dept proceed on basis above USDEL recommendations.

**Thompson**



**20. Telegram 308 from Moscow, July 28<sup>1</sup>**

Moscow, July 28, 1961

McCloy has reviewed and agrees with recommendations contained Embtels 305 and 307 and wishes emphasize need speed in presenting amendment proposals to Sovs if we wish avoid interminable continuation discussions here. We are setting meeting for Saturday afternoon and request instructions in time to offer amendments at that session. McCloy wishes return Washington soonest in order make report on full import conversation with Khrushchev, ninety percent of which devoted to Berlin. If necessary he plans return leaving deputy to carry on after Monday or Tuesday.

In addition amendments set forth refelts, McCloy has reservations re explicitly recalling language from Res 1378 expressing belief primacy of GCD.

Also request Dept views further two amendments: (1) In first sentence para 4 insert “with each measure and stage carried out” before “within specified time limits”. (2) In first sentence para 6 add “as would provide firm assurance that none of the parties would violate its obligations” after “international control.” Next sentence would then read “The extent of control would depend upon the requirements for verification of the disarmament measures carried out in each stage”.

**Thompson**

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<sup>1</sup> Bilateral disarmament talks: request for additional guidance and McCloy's travel plans. Confidential. 1 p. Department of State, Central Files, 600.0012/7-2861.

**21. Telegram 295 to Moscow, July 28<sup>1</sup>**

July 28, 1961

For McCloy from the Secretary. Note indication Moscow 308 your desire return to Washington soonest. Request your return for consultations departing Moscow if at all possible by evening July 29.

I have given careful consideration to the three broad courses of action mentioned in your message 305 in the light of our general situation vis-à-vis the USSR, Berlin, and our Allies at this time. I agree fully with your assessment that in the light of the latest Soviet move indicating willingness to discuss principles we cannot now abruptly terminate talks or propose an immediate move to a multilateral forum without further efforts to reach agreement upon principles. As to the time and venue for continuation of the discussions, however, I am inclined to favor, on balance, the second of the alternatives you suggest, namely a recess for further review by governments of the present situation and a proposal to continue the present discussions in New York in about 10 days.

A number of factors have influenced my thinking in reaching this conclusion. One is the importance I attach to your very early return for a report to the President and to me on your discussions with Premier Khrushchev. I think that both public opinion around the world and indeed even the Soviet leadership itself would consider this reasonable. Since, as you indicate, our further efforts to reach agreement with the Soviets on a draft of principles are more likely than not to be unsuccessful, it would be unfortunate, I think, to terminate the talks there in your absence lest their failure be attributed in part to some alleged downgrading of the significance we attach to them as evidenced by our recalling you. I also consider it is particularly important at this time to proceed on the basis of exceptionally full allied consultations in this matter, and consider that a period of a week or ten days for this purpose would be highly useful in gaining their full understanding and support for the amendments or redraft of the US paper which we may wish to put to the Soviets in response to their latest move. I consider, too, that having conducted discussions in Washington and Moscow during June and July as previously agreed, a move of your discussions to New York looking toward follow-up action in the United Nations would be preferable to prolongation of discussions in Moscow over a period we cannot predict with complete accuracy if we embark

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<sup>1</sup> Disarmament talks: proposed recess. Confidential. 4 pp. Department of State, Central Files, 600.0012/7-2861.

upon this new phase of discussions there. My present thinking is that in the absence of agreement upon forum and principles we should move to substantive discussion of our specific plan in the UNDC around August 29.

On basis these considerations, I suggest that you proceed along following lines:

1. You should propose on July 29 recess in talks on that date for further review by governments of present situation and propose that present discussions be resumed in New York on August 10. You should cite as one of reasons for recess that you are being recalled to Washington for consultation.

2. You should seek Soviet agreement on continuation of existing privacy arrangements as regards present discussions during recess, and should seek agreement upon joint communiqué of essentially procedural character.

3. You should make no statement at conclusion of talks or en route to Washington beyond announcement you are coming to report to the President and SECSTATE.

4. You should seek opportunity prior to conclusion of talks to make points suggested para 1 your message and to outline on basis existing instructions more obvious defects Sov draft. You should not, however, make commitment at this date to submit specific amendments to Sov draft, since we desire to consult Allies and since it may prove more desirable to redraft US paper to incorporate acceptable positions Sov draft and thus keep negotiations focused on US paper.

5. In order avoid awkwardness of your meeting personally with NAC at time prior to report to President at which meeting you would be unable refer to your discussions with Khrushchev, request Fisher consult informally in Paris with NAC on course bilateral discussions to date.

**Rusk**

## 22. Telegram 333 from Moscow, July 29<sup>1</sup>

Moscow, July 29, 1961

At McCloy's request, informal session was held with Zorin at FonOff this morning to advise Sovs of instructions as set forth Deptel 295, in order that Zorin would be prepared respond our proposal for recess at scheduled afternoon session. McCloy made clear that although Sov statement of principles did not repeat not give us much encouragement, US wished give situation full consideration in order determine best way reaching understanding and to allow consultation with Allies. Taken together with Pres's desire for first-hand report on Sochi trip, we had been instructed propose recess to Aug 10 in New York. Expressed regret at tardiness Sov principles proposal, which if introduced earlier, might have allowed resumption negotiations by this time.

Zorin expressed regret at fact it now appeared impossible bring talks to successful conclusion in Moscow where in fact we had only met for one week. Stated our comments re lateness of Sov proposal was self-serving statement, attempting to shift blame for further delay to Sovs. Sovs had gone more than halfway to meet us and could claim that if we had accepted Sov position on scope talks at outset meetings in Wash, we would have made real progress toward agreement. Sovs had tabled flexible document on forum which omitted numbers and names of new states, but US had put no views in writing this subject. However, Sovs cannot repeat not fail take into account legitimate desire of Pres for first-hand report on Khrushchev visit, and since Sovs cannot repeat not negotiate with themselves, they must take US wishes into account. Said would report US proposal and personally believed there would be no objection. On personal basis he inquired re reason for Aug 10 date and wondered whether not repeat not better to start again in Sept, which would give both sides more time for breathing spell. If we resumed early Sept, we could reach agreement on forum and basic principles during first week before start of GA and multilateral negotiations could commence before and continue on during Assembly.

McCloy said he knew no repeat no reason for specific date and expected US could be flexible this matter. Suggested brief pro-forma communiqué which might refer to fact that date and place for resumption could be announced later. McCloy said he had not repeat not meant try shift responsibility for present situation on Sovs since initial

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<sup>1</sup> Soviet reaction to recess proposal. Confidential. 2 pp. Department of State, Central Files, 600.0012/7-2961.

misunderstanding of scope talks could have been honest one on both sides. US prepared credit Sov good faith this respect if they will credit ours. US conception was founded on general tenor conversations at UN in March.

McCloy stated he would seek instructions re our agreement to date in early Sept.

**Thompson**

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**23. Telegram 356 from Moscow, July 31<sup>1</sup>**

Moscow, July 31, 1961

Re Supnu 1722. My suggestion for revival atmospheric and underwater ban based on assumption we would at some stage decide resume testing or at least free ourselves from present moratorium. Continue to believe that at such time damage to our position in world opinion could be mitigated if not offset by new dramatic appeal for atmospheric and undersea ban. Whether this could best be done by unilateral US action or action in conference or in UN matter of judgment best tactics but would think advantage in having British act with us. Were Soviet playing our cards in this matter they would attempt mobilize opinion well in advance by diplomatic approaches to other countries, organization of public demonstrations, frequent reiteration in public statements of appeal not expose world to fallout, etc. Do not see why we should not employ same tactics. Appears likely that if Soviets resume testing they will test in atmosphere and attempt place blame on us. Do not agree that this proposal unlikely to appeal to world opinion which has shown many signs of concern over fallout dangers. Unless as sufficient public pressure built up, not entirely excluded that Soviets could be brought to agree.

**Thompson**

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<sup>1</sup> Atmospheric and underwater test ban negotiations: U.S. tactical maneuver. Secret. 1 p. Department of State, Central Files, 700.5611/7–3161.

August 1961

24. Memorandum from Dean to Bundy, August 4<sup>1</sup>

August 4, 1961

MEMORANDUM FOR THE WHITE HOUSE

SUBJECT

Possible public announcement by United States that we would be willing to forego any tests in the atmosphere without the right of inspection or control if the Soviets would do likewise

I attach a memorandum for the President about which you and I spoke on the telephone.

**Arthur H. Dean**  
*Chairman, U.S. Delegation*  
*Nuclear Test Ban Talks*

**Attachment**

SUBJECT

Possible public announcement by United States that we would be willing to forego any tests in the atmosphere without the right of inspection or control if the Soviets would do likewise

As of the present time, it is planned that Ambassador Dean should return to the nuclear test ban conference at Geneva on August 23, after first having conference with the President who is announcing that he is asking him to return.

The nuclear test ban item has been inscribed on the agenda of the United Nations General Assembly at our request.

The various embassies are engaged in explaining to the governments to which they are accredited, the provisions of the nuclear test ban treaty as proposed by the United Kingdom and the United States at Geneva on April 18, 1961.

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<sup>1</sup> Transmits memorandum on disadvantages of a public announcement regarding atmospheric tests. Confidential. 5 pp. Kennedy Library, National Security Files, Departments and Agencies Series, ACDA, Disarmament, Test Ban General, 4/61-8/61.

A public relations program has been undertaken to explain this treaty and why it constitutes the best answer to the ending of further nuclear testing.

Efforts will be undertaken to persuade the delegations from other countries that the position of the United States with respect to the nuclear test ban treaty is a sound and fair one and every effort will be made to enlist their support on the basis of this treaty.

While it is realized that a unilateral announcement by the United States that it is willing to forego further testing in the atmosphere if the U.S.S.R. will also agree puts us in a favorable light as far as our willingness to stop testing is concerned, from a practical standpoint, it has at least three disadvantages.

These disadvantages are: Based on conversation between Mr. McCloy and Mr. Khrushchev, Mr. Khrushchev will attempt to downgrade the currency of our offer by stating not only will the Soviet Union agree not to test in the atmosphere without effective inspection or controls but that it will also agree not to test in outer space, on or under the ocean, or below ground without inspection or control. Somewhere in their reply they will probably denounce us for wishing to include decoupling shots in our seismic research program during the proposed three-year moratorium on underground tests yielding below 4.75, and again repeat the charge that in our proposal we are not in any way obligated to continue the moratorium on such tests or to reduce the treaty threshold below 4.75 without regard to the actual outcome of the seismic research program. It is believed that they already intend to carry on an attack on our proposed treaty and on the proposed three-year moratorium because so far we have not been willing to bind ourselves by treaty language as to what we would do at the end of the three-year period with respect to the treaty threshold.

Consequently, it is believed that an offer on our part not to test in the atmosphere without inspection or controls may not only give the Soviets an opportunity to denounce our present request for inspection and controls as unnecessary from a scientific standpoint and as constituting only espionage but it will also confuse our friends and retard our campaign to get them to support us on the treaty. Those who do not wish to antagonize the U.S.S.R. will naturally not support us on the provisions of the treaty if we are willing to compromise on much less by our announcement with respect to atmospheric testing.

As you know, President Eisenhower proposed to Premier Khrushchev on April 13, 1959 that we suspend nuclear weapons tests in the atmosphere up to 50 kilometers while the other treaty provisions were being resolved.

On April 23, 1959, Premier Khrushchev replied that such a proposal was a "dishonest deal" and that they were "for the cessation of all

types of nuclear weapons tests—in the air, underground, under water, and at high altitude.”

I am informed that on the present state of our knowledge, there is a “good possibility” that we could pick up and detect nuclear detonations in the atmosphere yielding from one to five kilotons.

With respect to nuclear detonations on the ocean and occurring in the Northern Hemisphere, I understand we have only a fair chance of detecting them.

With respect to nuclear detonations under the ocean, I understand, as of the present time, we have little or no capability of detection.

With respect to nuclear detonations on the ocean south of the equator, there is little possibility that we could detect them. The status in underground testing is known to you.

All of the foregoing is, of course, based upon the present state of our knowledge.

Some of the reporting telegrams from the embassies which have been explaining the nuclear test ban conference to the governments to which the Ambassadors are credited, have been reporting that some of them find it difficult to understand why we attach such importance to the possibility the Russians might violate the test ban agreement and that they consider our emphasis on need for control and inspection as exaggerated and that a more generous show of confidence would give us greater protection than our current attempts to achieve an elaborate system.

It is, of course, difficult to explain what the Soviets might achieve by further undetected testing because of security reasons. It is also difficult to explain the necessity for the large number of control stations around the earth, the need for the number of annual on-site inspections and the need for setting up the proper criteria for inspection and the need for having objective inspection teams.

Consequently, whatever public advantage might be gained by making the offer not to test in the atmosphere would, I believe, be more than offset by withdrawal of support for the treaty and might tend to confirm what appears to be a latent belief that our present treaty control system is too vast and too complex.

Therefore, I would urge that no announcement with respect to suspension of tests in the atmosphere be made until after we have completed our presentation before the United Nations General Assembly and have taken the vote thereon.

**Arthur H. Dean**  
*Chairman, U.S. Delegation*  
*Nuclear Test Ban Talks*



**25. Memorandum from President Kennedy to Bundy, August 7<sup>1</sup>**

August 7, 1961

Seaborg recommends that we lift our laboratory experiments to one ton in his letter of August 4th. It seems to me that we should consider that.

J.K.

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<sup>1</sup> Presidential approval on lifting laboratory experiments to one ton. Secret. 1 p. Kennedy Library, National Security Files, Subjects Series, Nuclear Testing, 7/16/61–8/9/61.

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**26. Memorandum from Bundy to Seaborg, August 8<sup>1</sup>**

August 8, 1961

The President strongly agrees with your proposal that a plan be prepared showing the different kinds of preparations the Atomic Energy Commission could take for a resumption of tests, and he has asked me to send you this memorandum suggesting some of the things which it would be helpful for him to have clear in his mind as he considers the general problem.

We have two objectives: the first is to be ready to move promptly toward a resumption of militarily useful tests at such time as the President may decide to order them. But our second objective is to have as little public attention as possible given to any such preparations, especially during the period between now and the close of the UN General Assembly, in November or December. They obviously cannot have all that we want here, and the question is how to get the best arrangement, on balance.

My guess is that what we are dealing with essentially here is a public relations problem, and some things which look big in a technical sense may be relatively quiet in a public relations way. I therefore

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<sup>1</sup> Resumption of tests: Standby AEC plan requested. Secret. 2 pp. Kennedy Library, National Security Files, Subjects Series, Nuclear Testing, 7/16/61–8/9/61.

suggest that you prepare a pretty detailed picture of the specific things that would need to be done and the specific time lags which they entail. We might then sit down with Pierre Salinger and Ed Murrow and see if we cannot work out together a program that it would be sound to submit to the President for comment.

Of course, you and I understand that all preparations would be stand-by preparations, and that the President does not at present wish to be in the position of requiring such preparations to be taken. The initiative is coming from you, as a matter of prudent forward planning.

Will you let me know as soon as you are ready to sit down on this one?

**McGeorge Bundy**

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## **27. Memorandum from Bundy to President Kennedy, August 8<sup>1</sup>**

August 8, 1961

### **SUBJECT**

*The NSC Meeting on Nuclear Tests*

The main business of this meeting is the presentation and discussion of Panofsky's report. Since you have heard the report, and copies have been in circulation to all those present, Jerry Wiesner and I are asking Panofsky to begin with a brief summary. Our suggestion is that you may wish to press the discussion in three directions: the prospects of better intelligence, military implications of various postures on testing and non-testing on each side, and political discussion of the elements to be weighed in any decision to resume or not to resume.

In all of this discussion it seems important to concentrate attention on limited time span. No one really knows what may be possible five or ten years from now, either in the gathering of intelligence or in the design of weapons—even the political situation may be changed long before that by extensive Red Chinese testing. And at the shorter range, there is no one who sees much net advantage in the resumption of testing before the end of 1961. The real question that remains is whether

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<sup>1</sup> Background information for meeting with the NSC on nuclear tests. Top Secret. 4 pp. Kennedy Library, National Security Files, Subjects Series, Nuclear Testing, 7/16/61–8/9/61.

you will wish to test, on balance, early in 1962, or whether the decision can be put over for as much as a year or two beyond that date, if it seems politically desirable.

### 1. *Intelligence*

The report itself comments on what we can and cannot know about Soviet testing, and not much can be added. But one interesting question is whether intelligence will allow us in the future—with [*text not declassified*]<sup>1</sup>—to identify a really large-scale Soviet clandestine test program. The point here is that clandestine testing is not an absolute matter—different amounts of testing imply different risks at different stages of our own intelligence capability. Allen Dulles is probably the best witness here.

### 2. *Military Aspects*

The paper from the Joint Chiefs is very bad, but you have a new memorandum from Max Taylor which is much more significant, and since others will not have heard his argument, it may be useful to ask him to comment. In essence his contention is that specific characteristics of U.S. military strategy place a particular premium for us upon improvements in both strategic and tactical weapons. He implies that the Soviets have no parallel need, and in this respect I myself think his paper is subject in a measure to criticism that one can generally apply to estimates from professional soldiers on weapons development: they tend to think in terms of what we can do while minimizing what the enemy can do with the same opportunity.

One other basic point in the military area is that of timing. The JCS and General Taylor ask for prompt resumption at once unless there are overwhelming political arguments against it. But the whole argument of the Panofsky panel indicates that a temporary delay would not be of critical importance. This issue deserves to be sharpened. As far as I myself can make out from the papers, the most valuable new weapon we are likely to get within a year of the resumption of tests is a [*text not declassified*]<sup>2</sup> but I find nothing that tells me just how important that is.

Still on the military side, there are two weapons about which much nonsense is spoken: the neutron bomb and the AICBM. The scientists appear to think that tests are not needed for either one in the next year or two, but the military argument appears to assume the opposite.

More generally, you may wish to have criticism of the JCS report as a whole. For example, the JCS says: “there are many points in the report which are considered to be inaccurate or which express opinions and military judgments with which the JCS do not agree.” This is a strong statement and one does wonder whether it can be substantiated.

One further technical question is what can be learned by laboratory experiments with nuclear yields up to one ton of TNT equivalent as opposed to the present ten-pound limit. This was Seaborg's suggestion, and at your instruction I have asked that special attention be given to it.

### *3. Political*

The politics of testing obviously have two great aspects: the national and the international. I doubt if you need any help on the national side. On the international side, you may wish to ask McCloy and Dean to comment—in supplement to the able report which the State Department has presented. In particular, we may want some discussion of the possibility of taking up a stand against “fall-out testing” at some later stage, in an effort to distinguish atmospheric from underground tests. You have a powerful memorandum from Dean raising questions about this possibility, which still seems attractive to many of us.

### *Conclusion*

While you probably will wish to reserve any definite judgments and decisions until after this meeting, it may be useful to give all concerned a clear sense of your thinking. In particular, the military need to understand the political reasons for playing out the test ban negotiations both at Geneva and at the UN. If you are persuaded by Seaborg's sensible argument about test preparations, you may be willing to authorize work at Nevada as early as the end of the UN session. (or, of course, sooner if you felt the advantages outweighed the disadvantages.) You may also wish to ask for more detailed assessment of some of the special possibilities like laboratory tests and new anti-fall-out proposal, before reaching further decisions.

Finally, it occurs to me that whatever way you choose to move on testing, General Eisenhower can be a powerful ally. His advisor, Dr. Kistiakowsky, believes that the Russian are champing at the bit in the hope that we may test, thus opening the way for them. If you decide not to test, support from Ike will be invaluable at home, and if you decide the other way, his voice as a man of peace will be important abroad.

**MCG. B.**

**28. Memorandum from Gen. Lemnitzer to McNamara,  
August 9<sup>1</sup>**

August 9, 1961

SUBJECT

Joint Declaration on Disarmament (U)

1. At the meeting of the Committee of Principals on 3 August 1961, the proposed “Joint Declaration on Disarmament”, dated 28 July 1961, was considered. After the meeting, there remained 4 major unresolved issues.

2. The decision with respect to each issue can have grave implications for national security. Accordingly, the Joint Chiefs of Staff regard it as essential that their views be considered by the Principals in the resolution of these issues.

3. The following two issues were previously considered and recommendations were forwarded to the Secretary of Defense on 28 June 1961.

*ISSUE:*

a. Should the cessation of production of fissionable materials for use in weapons be contingent upon prior implementation of measures for the reduction of armed forces and armaments?

*RECOMMENDATION:* Yes.

*REASON:* A number of specific conditions which must accompany a “cut-off” are not attainable in today’s political atmosphere or within today’s technology. Satisfactory progress in the implementation of measures affecting force levels and armaments could assist in bringing about a political climate in which the more sensitive disarmament measures could safely be negotiated: and the interim would provide time to achieve necessary technological capabilities for control. (See Appendix A for more detailed reasoning.)

*ISSUE:*

b. Should it be proposed in Stage II, that states accept an obligation not to be the first to use weapons of mass destruction, including nuclear and CBR weapons?

*RECOMMENDATION:* No.

*REASON:* The US is, and should remain, free to use nuclear weapons if placed in a position of individual or collective self-defense. The proposal should not be made even for CBR weapons because it would

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<sup>1</sup> Joint Declaration on Disarmament. Secret. 3 pp. Kennedy Library, National Security Files, Departments and Agencies Series, ACDA, Disarmament.

open the door to inclusion of all “weapons of mass destruction” including nuclear weapons. (See Appendix B for more detailed reasoning.)

4. The other two issues concern matters which were incorporated in the 28 July 1961 paper without referral to the Joint Chiefs of Staff.

*ISSUE:*

a. What specific language should be used in proposing force level reductions in Stage I?

*RECOMMENDATION:* The language approved by the Joint Chiefs of Staff in paragraph 1, page 5, of the Enclosure to their memorandum to the Secretary of Defense, JCSM-440-61, dated 26 June 1961, subject, “Recommended US Disarmament Negotiating Proposal”.

*REASON:* The recommended language would ensure that force levels of the USSR and Communist China are reduced to the existing US level, and verified, before implementation of reductions to the agreed 2.1 million level would begin. (See Appendix C for more detailed reasons.)

*ISSUE:*

b. Should it be proposed, in Stage I, that limitations and prohibitions be placed upon weapons designed to counter strategic nuclear weapons delivery vehicles?

*RECOMMENDATION:* No.

*REASON:* It ignores current military strategy upon which all plans and programs are based and presumes a hypothetical strategy which has not been adopted. (See Appendix D for more detailed reasons.)

For the Joint Chiefs of Staff:

**L.L. Lemnitzer**

*Chairman*

*Joint Chiefs of Staff*

**29. Letter from Seaborg to Bundy, August 10<sup>1</sup>**

August 10, 1961

Dear Mac:

Enclosed is a discussion paper on the question of test readiness. It is intended to provide a basis for our discussions with Pierre Salinger and Ed Murrow which you propose in your letter of August 8.

In brief, the paper: (1) describes the present limited state of readiness at NTS; and (2) identifies specific preparations which could be made prior to a decision to resume testing and ranks these activities in order of the degree of risk of public disclosure.

The main thrust of the paper is contained in the Summary, Table I thereto, and the section immediately following entitled "Increased Readiness Position". However, the "Background" and the "Present Readiness Position" sections contain information helpful in fully appreciating the problem. I would suggest you glance over them as your time permits.

This paper is an essential companion piece to the AEC and DOD letters of July 19 and 28 to Secretary Rusk and Mr. McCloy, copies of which you have. Because our readiness studies afforded a second closer look at the time schedules indicated for a "short-term" test program, it now appears very doubtful that all—or even a substantial portion—of the 13 events identified for the short-term program could be completed within the time scale initially estimated. And, this situation won't change appreciably unless specific preparations are undertaken at the test site: procurement and physical activity at the site itself and not device availability are the principal limiting factors. What has happened is this: The sensitivity of even talking about test readiness caused us to limit the discussions to a relatively few people in the Washington Headquarters. Now, as we have commenced to consult our field organization, the many details upon which a test series must finally be based are being uncovered. By analogy, the situation might be compared with the relative simplicity of an architect's conceptual drawing as distinguished from the problems which develop when detailed engineering design is commenced. This, it seems to me, is all the more reason for taking some concrete steps toward readiness at the earliest practical time. We must keep in mind that our experience in underground testing is limited and plans to confine testing to the under-

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<sup>1</sup> Response to request for information on test readiness. Discussion paper not attached. Secret. 2 pp. Kennedy Library, National Security Files, Subjects Series, Nuclear Testing, 8/10/61–8/30/61.

ground—while offering some operational and distinct international policy advantages—introduces a whole new dimension in pre-test preparations.

If the President could be assured that a meaningful test series could be conducted on relatively short notice, he could be provided a much greater degree of flexibility in dealing with the broader policy questions he must decide. He does not have that flexibility now with our present state of readiness.

I am prepared to sit down with you at any time and I would hope that this could be within the next day or two.

Cordially,

Glenn T. Seaborg

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### 30. Letter from Gilpatric to McCloy, August 10<sup>1</sup>

August 10, 1961

Dear Mr. McCloy:

Since the Principals' meeting on August 3, the Defense Department has reviewed the unresolved items in the July 28 disarmament proposal. There were, as I recall, four of them:

1. *Force levels.* The Defense Department is willing to agree to the following force-level subparagraph in paragraph C of Stage 1:

“(a) Force levels shall be limited to 2.1 million each for the U.S. and U.S.S.R. and to appropriate levels not exceeding 2.1 million each for all other militarily significant stages. Reductions to the agreed levels will proceed by equitable, proportionate, and verified steps.”

At the present time, as you know, the United States is at a substantial disadvantage on the conventional side. Any substantial cuts in United States force levels will seriously affect our presence throughout the world. For this reason, it is important (a) that this provision in the document be construed to require verification of actual force levels very early in the process, and (b) that the words “equitable” and “proportionate” be construed to mean small United States reductions as

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<sup>1</sup> Disarmament proposal: DOD review of unresolved items on force levels, linkage, AICBM, first use, and test ban. Secret. 3 pp. Kennedy Library, National Security Files, Departments and Agencies Series, ACDA, Disarmament.



compared with large Soviet reductions as the 2.1 million levels are approached.

2. *Linkage*. The linkage problems appear in paragraphs D and E of Stage 1.

a. With respect to paragraph D, the Defense Department agrees to the elimination of the bracketed language (which called specifically for reduction of conventional arms prior to a production cut-off or transfers to non-weapons purposes). In this connection, however, I should like to emphasize our concerns about the cut-off provision. I fully agree with the Joint Chiefs of Staff with respect to three matters: (1) The United States advantage in fissionable materials is not as pronounced as the figures may imply. This is so mainly because of greater United States requirements for ASW and tactical weapons and because of the United States need to consume relatively larger amounts of material to achieve smaller warheads. The United States advantage could be eliminated in a relatively short time if the Soviets were to continue to produce while we abstained. Adequate verification of the cut-off, therefore, is essential. (2) The Soviet Union, by testing, can be expected both to develop a full spectrum of nuclear weapons which require very little fissionable material and to improve their weight-yield ratios. There must be assurance, therefore, that the Soviets are not testing. (3) Our stockpile depends on a continuous supply of tritium. The production of tritium must not be cut off.

It is our understanding, incidentally, that the phrase “agreed *initial* quantities” will appear in subparagraph (b) of paragraph D to ensure that the transfers of fissionable materials to non-weapons purposes are small. Anything more than this would require stripping existing weapons, an effect which we assume is not intended before Stage II.

b. In paragraph E a link of some kind is required, however. There should be language there emphasizing that reductions in delivery vehicles—for practical purposes an irreversible step—should not proceed in the absence of real progress in the area of quickly reversible reductions in conventional forces. We do not insist that the “link” be that the conventional cuts must have been *completed* (which is the purport of the present bracketed language), but we do believe that there must be language explicitly ruling out reductions on the nuclear side *before* reductions on the conventional side. The general language at the beginning of the document, referring to “balance” and the like, is not sufficient, in our opinion, to ensure that the United States will have a right to retain an adequate nuclear “equalizer” for superior Sino-Soviet conventional forces. We therefore propose that the subparagraphs of paragraph E be introduced by the following language:

“The following measures shall proceed concurrently with those in paragraph C above relating to force levels and armaments:”

3. *AICBM*. We agree to the following change in the first sentence of paragraph E (a):

*"Strategic nuclear weapons delivery vehicles in specified categories and agreed types of weapons designed to counter such vehicles shall be reduced to agreed levels by equitable and balanced steps. . . ."*

We agree to the same change elsewhere in the document where reduction in strategic weapons delivery vehicles is mentioned.

4. *No first use*. On the question of no-first-use-of-nuclear-weapons in Stage II, the Defense Department wants this provision removed from the paper. The no-first-use-of-*any*-weapons provision in Stage I conveys the thought in so far as the thought is acceptable. There should be no suggestion, especially at this time, that nuclear weapons cannot be used in defense against a conventional attack. In so far as CBR weapons are concerned, the Defense Department is willing to have CBRs referred to (along with "nuclear" and "conventional" armed force) in the no-first-use-of-*any*-weapons provision in Stage I. Paragraph G (a) might read:

*"States shall reaffirm their obligations under the U.N. Charter to refrain from the threat or use of any type of armed force—including nuclear, conventional or CBR—contrary to the principles of the U.N. Charter."*

5. *Test ban*. We have been told informally that there may be a fifth issue—that the test ban may be introduced into the document. This point was not raised before the Principals and it obviously is a major change. Since we have not had the opportunity to explore its implications (for example, mere inclusion of the provision could seriously affect United States' freedom of action with respect to resumption of testing), we will not comment on it here. We assume that neither this nor any other substantive changes will be introduced into the document without further consultation.

Sincerely,

**Ros Gilpatric**  
*Deputy*

**31. Letter from Stevenson to Bundy, August 11<sup>1</sup>**

August 11, 1961

*RE: Disarmament*

Dear Mac:

I told you I would discuss the McCloy draft of July 28 with Mr. Matteson. I find he is out of town. Hence I am passing the following comments along to you, not knowing where else to send them.

I enclose a copy of the document with some suggested changes, which I think are for the most part self-explanatory and of little importance.

1. Paragraph (a), page 7. My feeling is that the figure on force levels of 2.1 million is too high and could well be reduced to at least 1.9 million.

2. On the basis of what little I know, I would cast my vote against linkage in Section E, page 9. I am afraid it is vulnerable to attack as requiring all measures of control before any measures of nuclear disarmament.

3. I wish it were possible to include some definition of "indirect aggression and subversion" in paragraph (b) at the foot of page 10.

4. I think Stage III is vague and visionary, but I have not attempted to rewrite it. However, in paragraph (b) on page 14 I think the clause "including weapons of mass destruction and means for their delivery" should be deleted. If, as I assume, there is some thought that such weapons might be retained for the UN peace force, this would appear to be in conflict.

As to the handling of disarmament in the United Nations, in view of the prolongation of bilaterals into September, I would envision a series of steps somewhat as follows:

1) After the bilaterals in New York break down, the United States would ask for inscription on the agenda of the General Assembly. Timing will be critical, as I assume that the Soviets will try to beat us to the punch.

2) A speech by the President at the outset of the General Assembly, including as a principal initiative the United States program for general and complete disarmament in a peaceful world, and unveiling this plan.

3) The United States proposes in the General Committee that all items on disarmament be referred to Committee 1. There will doubtless

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<sup>1</sup> Views on handling disarmament issue at U.N. and comments on McCoy's July 28 draft. Confidential. 2 pp. Kennedy Library, President's Office Files, Disarmament, Test Ban Negotiations, 4/28/61–3/62.

be other disarmament items, including several carried over from the previous session.

4) In Committee 1 we would say that the subject had been debated enough and offer a resolution referring both plans (US and USSR) to the Disarmament Commission.

If it was inconvenient to certain members for the Disarmament Commission to meet concurrently with the General Assembly, it could be adjourned after a couple of meetings to resume after the General Assembly.

I had hoped to give the President a more elaborate discussion of disarmament as I see it, but I think this hurried letter includes at least the bare bones of my views. The procedure in the Assembly, of course, must remain tentative pending developments.

Sincerely yours,

**Adlai E. Stevenson**

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## **32. Memorandum from Dean to McCloy, August 11<sup>1</sup>**

August 11, 1961

SUBJECT

U.S. Disarmament Plan

While I realize that the President in his speech of July 25 on the West Berlin situation has alerted the country to the possibilities of that situation, Congress is being called on for additional appropriations, bombers scheduled for deactivation are to be kept in active service, draft calls are being increased, National Guard regiments are being alerted, I, nevertheless, believe the President, in person, should make a major speech on disarmament, tied in to his speech, dated May 25, on the peaceful uses of outer space, at the United Nations General Assembly during its first week, commencing September 19.

In addition to outlining the disarmament plan, which we are now clearing with the United Kingdom, Canada, Italy and France, and later with the NATO countries, I think the President should make certain

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<sup>1</sup> Thoughts on U.S. disarmament plan proposal. Confidential. 4 pp. Kennedy Library, National Security Files, Departments and Agencies Series, ACDA, Disarmament, General, 8/61.

specific offers with respect to the reduction in armaments. These statements will, of course, have to be cleared with the Allies and NATO will have to be alerted to them so that there will not be cries of anguish or misunderstanding, and so there will be no misunderstanding about our ability to carry out our commitments to Canada, to NATO, to SEATO, and under our mutual security pacts with Japan, Korea, the Philippines, Australia and New Zealand.

Mr. Foster's panel is meeting today and plans to meet all next week and will probably come up with some specific proposals for armament reduction no later than Tuesday, the 22nd of August.

The use of these specific proposals in the President's speech would have to be cleared by the Secretary of State and you, with the Department of Defense and the Joint Chiefs, and as mentioned above, with our Allies and NATO, and by the President himself before any decision can be made to use these specific reductions in the President's speech. These specific reductions may involve a basic change in strategy and may cause great heart burning in the Department of Defense and Joint Chiefs of Staffs and NATO.

It is my understanding that we have agreed to notify NATO some two weeks in advance of what we propose to present to the United Nations General Assembly. If this is so, we would have to get the August 11, 1961 draft of the Joint Declaration on Disarmament: A Program for General and Complete Disarmament in a Peaceful World cleared here in the department, cleared with our Allies, cleared with the Department of Defense and the Joint Chiefs and cleared by the President by approximately September 1. I'm not sure how specific our agreement to clear anything with NATO is and we must be careful that the substance of what the President proposes to say in a dramatic speech on disarmament would not have been leaked prior to the time he makes his speech. Careful thought must be given as to how subdivision (d) of Stage I, that is, the reduction of strategic nuclear weapons delivery vehicles, is to be explained to the NATO Council. Fundamentally, of course, this really involves a basic change in NATO strategy—the question is, Should we present the paper blandly without explaining this or should we be very careful and very explicitly explain what it precisely means? This is a very important decision.

We must, of course, get the final comments of the United Kingdom, Canada, Italy and possibly France to the draft of August 11, 1961 after the President has made his decision with respect to the one remaining matter not as yet cleared with the Department of Defense and the Joint Chiefs.

As you are now scheduled to meet with Mr. Zorin in the Bilaterals in New York starting September 5 in an effort to agree upon principles before setting up a Multilateral meeting and a forum and with a number

of those invited to be agreed upon, I would assume that your meeting with him would not be concluded before September 9, or possibly not until Tuesday, September 12, or one week before the scheduled opening of the UNGA. Since you will have to obtain agreement on the forum and the place for holding the Multilateral negotiations and the assent of those who are to be invited, I would assume that the Multilaterals would not be scheduled to meet until the end of the UNGA session, or at least not until after General Assembly discussions on disarmament. This, of course, raises the question as to how extensive the negotiations are going to be before the Disarmament Commission, or before the UNGA, or before the Security Council, the organization preparation, the handling of this work in the United Nations, and who is going to carry the burden of this work.

As you know, I am presently scheduled to go back to Geneva on the 23rd of August and I would assume I would be returning about September 8 or 9, or possibly one or two days earlier.

Pursuant to paragraph 6 of memorandum from McGeorge Bundy, dated July 28, referring to memorandum of decision, dated July 27, I am working on a proposed draft Presidential speech on disarmament.

While naturally I sincerely hope there will be some progress at Geneva, I think we should be outlining now what our course will be with respect to nuclear test negotiations if there is no agreement at Geneva. In other words, I think we should be planning now on requiring parties in a certain stage in carrying out the disarmament plan to agree to a nuclear test ban treaty. I don't think we should postpone our thinking on what we will do if this eventuality happens until I return from Geneva. This will have to be discussed with the Department of Defense and the Joint Chiefs, and possibly a meeting of the Principals unless the President himself wishes to decide this matter.

It is my understanding that when the Joint Declaration was first drawn up, it was assumed that a nuclear test ban treaty would have been agreed to at Geneva and would have been signed prior to the time the Joint Declaration on Disarmament was submitted. At the present time there is a serious question as to the validity of this assumption and, therefore, the disarmament plan ought not to be silent on the subject of nuclear testing.

I still hope it will not be necessary for the President to put forward the proposal about our not testing in the atmosphere. The Soviets could conduct important tests of electro-magnetic effect, yielding approximately one kiloton in the atmosphere which we could not detect, and very important and useful information can be obtained in tests yielding about one kiloton or less. Underground tests may take much time to prepare, may be costly and while we may be able to prove out weapons underground, we may not be able to prove out the effects of AICBM

or ICBM's except in the atmosphere. Consequently, if we announce that we won't test in the atmosphere until we find that the Russians are testing in the atmosphere, they may get very far on these low yield tests before we find out they are testing at all.

I further suggest that no announcement be made with respect to the resumption of testing until at least the end of the UNGA session. I realize, of course, that if any statement does have to be made with respect to our freedom to resume testing, the suggested statement with respect to not testing in the atmosphere becomes very important from the standpoint of assuring people against radioactive fallout.

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**33. Memorandum from McCloy to President Kennedy,  
August 11<sup>1</sup>**

August 11, 1961

SUBJECT

United States Disarmament Plan

1. Attached (Tab A) is the new United States disarmament plan. It is agreed within the Government except for the one issue indicated below. The only issue outstanding at this time with the Allies is that indicated in paragraph 3 below.

2. Attached (Tab B) is a concise explanation of the new plan. The plan is the result of extensive consultation—first with a group of task forces from outside the Government; then with the various interested departments within the Government; and finally with the four Western Powers (the U.K., Canada, Italy, and France).

3. With the exception of France, which prefers not to be associated with any disarmament proposal at this time, the paper has the strong support of the other members of the Western Five and is regarded by them as a major advance over past U.S. proposals. France has reserved its position, although having made certain comments—both favorable and unfavorable—on specific elements of the paper. The French objection to inclusion of the section on reducing the risks of war by accident,

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<sup>1</sup> Transmits copy of new U.S. disarmament plan and advises the President on outstanding clearance issues. Secret. Disarmament plan is not attached. 2 pp. Kennedy Library, National Security Files, Departments and Agencies Series, ACDA, Disarmament.

miscalculation, and surprise attack (page 9 of the paper) is based on a concern that the USSR could use such proposals to embarrass the West in the Berlin crisis, perhaps by seeking to engage us in discussion of a Rapacki-type Central European zone. I recognize the point the French make but I am not inclined to think that the presence of this section is apt to increase the already substantial probability that the Soviets will bring forward again the Rapacki Plan. As I think the section adds something to our plan, I would retain it.

4. The single remaining issue within the Government is the Defense Department recommendation that the delivery vehicle measures be linked to the concurrent implementation of the measures dealing with reductions in force levels and conventional armaments. Arguments pro and con are given in the explanation paper in Tab B. The Defense position is given in the Defense letter of August 10, 1961 and the JCS comments in the memorandum of August 9, 1961 (both attached in Tab C).

5. As soon as you have made a decision on this remaining issue, we intend to submit the paper to the Allies for their final review and to the North Atlantic Council for discussion. After that—and with any non-substantive presentational changes which might be made—the paper will be ready for presentation in the General Assembly. The paper is now in a format designed both for presentation in the General Assembly and for negotiation in a multilateral forum. With regard to its presentation in the General Assembly, I strongly recommend that you present the plan yourself in a major speech on disarmament at the General Assembly.

6. A reference to a nuclear test ban has not been included in the disarmament plan because of previous concern that such a reference would play into the Soviet effort to merge the test talks with the general disarmament discussions. We have only recently raised this point informally with Defense for reconsideration. Defense prefers to study this question further before commenting. I urge that a reference to a nuclear test ban be included in the paper. In order to make the point that the U.S. continues to hope the USSR will sign the test ban treaty without waiting for general disarmament agreements, I suggest the following language be inserted in Section C on page 6 of the paper:

“(a) States that have not adhered to the agreement to prohibit the testing of nuclear weapons shall do so.”

Other paragraphs in Section C would be relettered accordingly.

7. I understand that Ambassador Stevenson will be commenting to you shortly on the marketability at the U.N. of the recommended U.S. disarmament plan. I would appreciate the opportunity to discuss with you any substantive comments he might make.

**John J. McCloy**



**34. Telegram 1387 to Geneva, August 15<sup>1</sup>**

August 15, 1961

Dept agrees your suggestion contained SUPNU 1733 for proposal to formalize procedure for consulting on threshold question at end of moratorium period. Proposal along lines you suggest should be worked into statement on moratorium.

Dept wishes lay basis for best possible US position to deal with expected Sov attack on our moratorium position in forthcoming GA, which Sovs probably count upon as being vulnerable enough to avoid GA focusing to its disadvantage on Sov position on administrative council and inspection quota. Accordingly opening statement which USDEL is drafting for first session should include review of development of moratorium idea, pointing out how Sovs accepted threshold treaty concept and themselves proposed moratorium. Statement should stress that combined threshold treaty-moratorium-research program proposal was constructive and imaginative way to surmount impasse reached due on the one hand to US unwillingness on principle accept treaty obligation not to test in areas we knew beyond shadow of doubt were out of reach of Geneva control system and on the other to Sov unwillingness contemplate changes in Geneva control system despite its recognized inadequacy to police total test ban.

USDEL should state that if this solution to problem no longer acceptable to Sovs (as is indicated by their attack on moratorium), US prepared consider with SOVDEL methods of immediately extending control system to lower threshold level or entirely to eliminate threshold. Statement should stress that US objective is and has always been ending of all tests under adequate control and that moratorium arrangement or threshold treaty for its own sake is not US objective. USDEL should reiterate US view of interrelationship among 1) number of control posts 2) number of inspections, and 3) level of threshold. USDEL should refer to possibility relocating present number control posts to provide for greater density in seismic areas as one method which might improve capability for detection and identification underground events. (Dept assessing effect of widening of spacing in aseismic areas on system capabilities with respect high altitude detection). With such relocation present threshold of 4.75 could no doubt be lowered. If stations were relocated and additional stations included in system, level of threshold could be lowered, probably to level envisaged by

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<sup>1</sup> Negotiating guidance on threshold question at end of moratorium period. Secret. 4 pp. Department of State, Central Files, 397.5611-GE/8-1161.

1958 experts. Adding sufficient unmanned seismic stations to Geneva network is another possibility and would allow for complete elimination of any threshold and possibly aid in reducing number of inspections needed.

If Sovs prepared examine such solutions to underground test control problem, US fully prepared to negotiate changes in treaty which might eliminate threshold. If Sovs unprepared, however, contemplate any change in present control system which their scientists as well as ours know to be inadequate for identification small underground tests, Sovs and not US must bear responsibility for preventing achievement comprehensive treaty from outset. US prepared to consider any alternative proposals which Sovs might make in this connection in order demonstrate to Sovs and to world that it is prepared exert utmost efforts to reach earliest possible comprehensive agreement barring any and all nuclear weapons tests. Short of Sov willingness reconsider its position on controls, however, threshold treaty and limited moratorium arrangement to allow for further research program seems to US to be best solution present situation. Nevertheless we are willing listen to any better ideas which Sovs might have and which are consistent with objective of agreement on cessation of all nuclear weapons tests under system of effective international controls, which Sovs have espoused as their objective since the beginning.

We are also considering tabling text of amendment to treaty which would require lowering of threshold at end of moratorium period and incorporate same provision as to feasibility and basis for right to terminate we now have in provisions for outer space even though some scientists continue somewhat pessimistic about overcoming decoupling problem. If we do not make such moves however neutralists resolution calling for end to all testing regardless of agreement on controls may receive substantial vote in general visceral reaction all testing is bad.

Above will be discussed tomorrow or Friday with President. Request USDEL comments soonest.

**Rusk**

**35. Memorandum from Rusk to Bundy, August 17<sup>1</sup>**

August 17, 1961

**SUBJECT**

Ambassador Stevenson's comments on July 28 draft of Disarmament Negotiating Proposal

I have reviewed Ambassador Stevenson's comments on the July 28 draft of the disarmament negotiating proposal in light of the changes since made and reflected in the August 11 draft of that proposal. My comments follow the order of Ambassador Stevenson's comments to you:

1. Initial reduction to a force level of 1.9 million rather than the present level of 2 in the proposal would increase the amount of disarmament in stage I and thus would improve the saleability of our proposal in the General Assembly context. However, I question whether we should change this figure without further study of its military implications.

2. I agree with Ambassador Stevenson's comments on the linkage in Section I, page 9, of the July 28 draft and share his view that its inclusion would make our proposal vulnerable to attack. While this linkage has been modified to some extent by the changes made in the August 11 draft of the negotiating proposal, I nevertheless believe that the language proposed by the Department of Defense (footnote on page 8 of the August 11 draft) is an unnecessary qualification. It would be misinterpreted by the Soviet bloc and probably be misunderstood by many of the non-aligned states without commensurate gain in terms of protecting our security interests.

3. I doubt the advisability of attempting at this time to spell out or further define the phrase "indirect aggression and subversion". The language as it appears is generally understood and an effort to further define the terms might better be left to a general disarmament negotiation. If challenged in the General Assembly debate on this issue, we could parade again the Communist record to exemplify the meaning we attach to the words.

4. I agree with Ambassador Stevenson's suggestion that in paragraph (b) on page 14 of the July 28—and also August 11—draft the clause "including weapons of mass destruction and means for their delivery" be deleted. The question as to whether weapons of mass

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<sup>1</sup> Stevenson's comments on July 28 draft disarmament negotiating strategy. Confidential. 2 pp. Department of State, Central Files, 600.0012/8-1761.

destruction should or should not be retained for the United Nations Peace Force and/or for remaining national forces is a matter upon which agreement would have to be reached in the course of negotiations.

5. The suggestions which Ambassador Stevenson has made with regard to handling disarmament in the United Nations seem generally sound. We are currently engaged in a more detailed formulation of the tactics which might be adopted to best achieve our purposes.

6. These comments have been checked with Mr. McCloy's office and are consistent with his recommendations.

**Dean Rusk**

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### **36. Memorandum from Komer to Bundy, August 17<sup>1</sup>**

August 17, 1961

#### SUBJECT

Disarmament Issues

1. *Test Ban Issues.* Dean will either pass out or circulate at meeting a draft telegram explaining his new proposals. USDA has been in touch with Defense on these, so they will not come as a surprise.

You should probably also discuss British proposal that test ban talks be continued through UNGA discussion so as to avoid technical issues being shifted to less satisfactory forum. British position makes much sense here.

I think less of other UK proposal that at last minute US/UK might suggest a comprehensive treaty (in lieu of threshold plus moratorium) if Soviets will accept our treaty draft. Note Geneva delegation's objections on last page of SUPNU 1722 attached. Dean's idea of promising not to test again if the scientists come up with something in three years is a better gambit.

2. *Disarmament Package Issues.* Real question here is whether we want to make a big disarmament splash at the UN—and whether USDA program is a suitable vehicle. If one looks at it as a political document, not a draft treaty, I would argue that it has sufficient new features (e.g.

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<sup>1</sup> Discussion paper on disarmament issues. Secret. 3 pp. Kennedy Library, National Security Files, Departments and Agencies Series, ACDA, Disarmament, General, 8/61.

acceptance of GCD, elaboration of peace-keeping machinery, substantial though vague first stage reductions in nuclear weapons and delivery vehicles, etc.) to serve this purpose. Whatever its weaknesses, it is far more solid than the Soviet GCD plan with which Khrushchev has made so much mileage over past two years.

3. *"Linkage"*. If USDA program is being put out primarily for political impact, it would be weakened by explicit "linkage" of conventional and nuclear delivery vehicle reductions. DOD's case may be sound in principle but we seem adequately protected by the fine print at the beginning of the program which calls for disarmament to proceed by balanced phases which at no point adversely affect the security of any state. To omit explicit mention of "linkage" does not prevent us from raising it later in the wholly unlikely event of serious negotiations. Can't President simply rule that if we ever get into such negotiations he will then hear argument, and that omission of linkage language at this point will be without prejudice to DOD case.

4. *Timing*. The fact that we have only four weeks before UNGA lends urgency to getting program approved pronto. Allies need it for final review. We have also promised NATO Council at least two weeks to study and comment on it. On this score, McCloy apparently does not want to go to Paris to present paper to NATO, but many of us think he should.

We also need enough time to develop and get moving big propaganda effort, if we decide to publicize new disarmament initiative as a major peace move. Attached is latest version of guidelines prepared by Public Affairs Working Group—note that *key item is Presidential speech introducing program at UNGA* (see Page 3). Rusk and Ed Murrow need a push on this too—no point in expending Presidential capital if we don't have adequate follow-up.

5. *Foster Panel Report*. I gather Panel draft will be ready by beginning of next week. From preliminary look it is more imaginative and far more concrete than vague USDA "Heads of Discussion" program. However, let me underline again the great difficulty we would have in getting adequate DOD and other agency review, much less clearance from allies, for a radically new program of this type before UNGA opens. Moreover, it is essentially a bilateral US-USSR program, which will not sit well with our allies. Third, I do *not* believe it possible to get USSR to agree to divide its territory into zones and then permit us to decide at random in which zone to make inspections. In other words, I suspect plan is not, in fact, negotiable with the Soviets. While it nonetheless might be surfaced now, much depends on whether it could be fitted in as an elaboration of the existing USDA program. Even if not used now it could still be of major value as the sort of thing we might propose once both sides get GCD out of their systems. At this

point, however, isn't best line for us to appeal to the multitude by outbidding Soviets on GCD plus "peaceful world"?

6. *Stevenson's Comments*. Haven't seen yet, but gather only substantive proposal is to reduce in first stage to 1.9 million men instead of 2.1 million. This would be more dramatic, but it is awfully late in the day to get DOD all in a lather again. Moreover, since USSR has stopped its force cuts at around 3 million, and US itself is going up, even a cut to 2.1 million looks good now.

RWK

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### 37. Supnu 1741 from Geneva, August 17<sup>1</sup>

Geneva, August 17, 1961

Re Nusup 1387. US Del is, of course, most anxious that West be in strongest feasible position during UN GA debate on test ban and, as our recent telegrams have indicated (Supnu 1722 and 1655), we are fully aware that possible test resumption loophole involved in threshold-plus-moratorium arrangement gives Soviets their best line of attack against Western proposals. Therefore we have always recognized that eventual move to undercut Soviet attack along this line deserves consideration.

Even apart from pros and cons of any such step, however, immediate problem seems two-fold: first, whether return of Ambassador Dean to Geneva would be best occasion for moving away from threshold, and second, whether in any case, formula indicated reftel would be most satisfactory approach.

Re timing, it is still our strong feeling that present over-all Western position is quite strong, that Soviets are also somewhat vulnerable for having first suggested moratorium, and that small moves on removal of administrator, appointment of neutrals to inspection teams, and spelling out of consultation procedures at end of moratorium will all gain considerable world attention as further evidence of Western flexibility, ingenuity and sincere desire to bring about successful conclusion of talks. To bring forward proposal outlined reftel would only mean reopening of possibly detailed negotiations with SovDel on one

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<sup>1</sup> U.S. posture on threshold-plus-moratorium arrangement. Secret. 4 pp. Department of State, Central Files, 397.5611-GE/8-1761.

issue at time when Soviets have made it clear they are not prepared for any serious negotiations, and in way which could distract focus away from cardinal issue like troika rpt troika and towards Soviet allegations that West seeks to use excessively broad controls for espionage.

We believe that, if move is made at all, it could best be done in connection with UN GA. There could either be direct Western offer, in initial speech opening debate on this subject, to consider ways of achieving comprehensive treaty immediately; or there could perhaps be indication of US willingness to accept some sort of compromise plan worked out by third powers which might involve, among other things, Soviet abandonment of troika and Western elimination of threshold. Member of SovDel indicated informally several weeks ago that even if West dropped threshold, Soviets would not give way on other demands, and if USSR held to this position, then Western move to comprehensive treaty could provide GA with dramatic proof of Western reasonableness and desire for treaty against Soviet obduracy.

Re substance, we feel that objective of any new move on threshold, whether now or later, would be essentially to remove basis for Soviet attack on Western position on grounds which would undoubtedly have substantial appeal to much of world public. In this light, there would seem to be little point for us to exchange one disadvantageous position for another. Although our present weakness derives from moratorium problem we have strong case to counter Soviet espionage charges that control system set forth in Western draft treaty is fundamentally same collection of limited measures as recommended by 1958 experts and accepted by SovGovt. To move along lines suggested reftel would indeed deprive Soviets of charge that West is seeking loophole for test resumption, but would make possible new accusations re Western espionage intentions.

Although Soviet scientists in May 1960 were contemplating seismic research improvement program in USSR, they did not rpt not even then specifically acknowledge inadequacies of Geneva system, and entire record of meetings of TWG.2 rpt TWG.2 shows lengths to which they went to defend complete adequacy for all types of underground tests of control recommended in 1958. This is line SovGovt. has also steadfastly maintained, and we would anticipate difficulty in gaining much understanding or sympathy in GA for our explanations of technical inadequacies of Geneva system to justify demands for expanded controls in face of Soviet citation of US Govt. acceptance of Geneva report on August 22, 1958.

Foregoing line of reasoning would indicate that whenever US might make offer to abandon threshold, proposal should be relatively free of strings in order to remove vulnerability in present US position without

creating new one. This would not, of course, exclude effort to obtain defeasance provision focussed on whether undergrown control capabilities live up to 1958 assessment. Such proposal could either be made when offer to drop threshold announced or, if threshold is to be retained, offer could follow lines suggested penultimate paragraph reftel.

When and if proposal made to end threshold, we would also not exclude very generalized reference to relationship of control to threshold tied to observation that we might wish to suggest certain possible technical changes in system in USSR, such as relocation of some control posts, which would increase confidence in effectiveness of system at outset under comprehensive treaty, even prior to implementation of research program. To sum up USDel reaction, we believe:

1. Present position is strong enough to stand on prior to GA.
2. Small moves contemplated for when Ambassador Dean returns will be adequate for moment in gaining favorable world attention to Western approach.
3. Postponement of move on threshold until GA debate on test ban will enhance chances of obtaining major quid pro quo for Western move or, alternatively, of demonstrating negative nature of Soviet position even more dramatically.
4. Impact of move away from threshold will be substantially reduced or lost if it is linked to demand for expansion of control system.

**Martin**

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**38. Memorandum from Dean to McCloy, August 18<sup>1</sup>**

August 18, 1961

SUBJECT

Presidential Announcement re Resumption of Testing

With respect to the decisions reached in the President's office yesterday afternoon, it would be my strong recommendation that no announcement either with respect to the resumption of testing or prepa-

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<sup>1</sup> Possible announcement on resumption of testing. Secret. 1 p. Kennedy Library, National Security Files, Subjects Series, Nuclear Testing, 8/10/61-8/30/61.



ration for the resumption of testing be made while I am in Geneva or during the forthcoming session of the UNGA.

I see no objection to the President privately giving whatever instructions as may be appropriate to the agency authorizing them to make the necessary preparation for the resumption of testing. I would, in fact, recommend that such an order be given provided it is made explicitly clear it does not constitute any authorization for the resumption of testing. Following the termination of the forthcoming session of the UNGA, I would then recommend that serious consideration be given to a statement by the President that we are now reaffirming full freedom of action with respect to the resumption of testing.

While I realize that there has been considerable discussion about not making any announcements just prior to the time we make a particular test, it has occurred to me that if no public announcement is made shortly before a test occurs possibly there might be leakage in the press or other means of communication. It might therefore be deemed desirable to continue the policy of making a public announcement just before each test occurs. This is also consistent with our policy of openness. If we were to make a test without a prior announcement and the Soviets were to proclaim to the world that we had tested, I believe that on balance, we would lose in the public opinion race.

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### 39. Memorandum from Seaborg to the File, August 23<sup>1</sup>

August 23, 1961

The purpose of this memorandum is to record some personal and tentative thoughts with respect to a plan for the announcement of a decision to resume nuclear weapons testing—if the President should find it necessary to make this decision; and for the subsequent conduct of such tests, including seismic research and peaceful uses detonations using nuclear devices.

The object of the plan is to minimize adverse public reaction both at home and abroad, even though I believe the President has succeeded in shifting the burden of responsibility for the success or failure of the talks to the Soviets.

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<sup>1</sup> Personal thoughts on possible Presidential announcement on resumption of testing. Secret. 3 pp. Kennedy Library, National Security Files, Subjects Series, Nuclear Testing, 8/10/61–8/30/61.

The plan is based on a premise: nuclear weapons testing is a defense activity and as such does not impose upon the President an obligation to disclose the actual conduct of specific individual tests. Rather, I believe the United States must have the choice to disclose or conceal defense activities, including nuclear weapons testing, depending upon whether disclosure is in the interest of our national security or inimical to it. While there may be practical reasons for the announcement of specific tests—such as the need for international cooperation from seismic research stations throughout the world—this is a matter of choice and not of duty.

I should also note that the plan deals not with the decision *per se*, whether or not to resume testing, but rather with the announcement of the intention to resume and the announcement of specific tests as they may be held.

I would assume that if the President decides to authorize the resumption of nuclear tests he would honor the commitment made by former President Eisenhower on December 29, 1959, that, “Although we consider ourselves free to resume nuclear weapons testing, we shall not resume nuclear weapons tests without announcing our intention in advance of any resumption.”

However, I do not believe that there is a corresponding obligation to announce each individual test even though we might elect to do so under particular circumstances.

If no progress is made with the Soviets following Mr. Dean’s return to Geneva, or if other developments should urge a change in our present posture, the President might wish to pursue the following course. State publicly:

1. That the United States has exhausted all efforts to reach agreement with the Soviet Union on an adequately safeguarded nuclear test ban treaty;

2. That the United States is, accordingly, *making preparations* for the resumption of testing of nuclear weapons;

3. That the United States will *conduct* weapons tests *whenever* it finds that it is in our national interest to do so;

4. That such tests will be conducted in the underground where the explosion will be fully contained so that there need be no fear of radioactive fallout;

5. That the United States will also conduct nuclear seismic research detonations and peaceful uses explosions with nuclear devices;

6. That the conduct of nuclear weapons tests is a defense activity and that there will be no further announcement of the conduct of individual tests if disclosure would appear to be inimical to our national security; and

7. That even though the United States will now make the essential preparations for the conduct of nuclear weapons tests, and will conduct them at sometime in the future if it is in our national interest to do so, the United States, nevertheless, stands ready, as it has for the past

three years, to enter into an adequately safeguarded treaty with the Soviet Union.

Thus, under the foregoing plan the policy decision with respect to the probable resumption of testing would be announced, but there would be no corresponding obligation to announce the conduct of individual tests.

No doubt the conduct of underground nuclear activity at Nevada would become known. It would be assumed that such activities involve nuclear weapons testing—since under this plan the President would have announced our intention for probable resumption. It would not be known specifically whether such tests involved seismic research or peaceful uses explosives, or were actually nuclear weapons tests, or perhaps a combination of all three; the difficulty of knowing would be enhanced by the fact that all three categories could be used to give seismic information. Specific knowledge as to the category of nuclear explosion would be known only to a relatively small group of people on a need to know basis, each of whom would have the necessary security clearance carrying with it a statutory obligation to safeguard the information.

There would be considerable speculation at first, but with a consistent policy of “no comment” based on the principle that nuclear weapons tests are defense activities, curiosity should decline and nuclear tests activities should come to be accepted in the same category as other secret defense activities. This plan would require the special cooperation of nearby universities with seismic detection equipment, but this could be arranged possibly by means of specific contracts for participation in the seismic program.

Glenn T. Seaborg

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**40. Letter from Seaborg to Bundy, August 30<sup>1</sup>**

August 30, 1961

Dear Mac:

As I indicated to you on the telephone, I had reduced to writing my thoughts on a plan for announcing the resumption of testing—

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<sup>1</sup> Thoughts on conducting a meaningful series of tests. Secret. 2 pp. Kennedy Library, National Security Files, Subjects Series, Nuclear Testing, 8/10/61–8/30/61.

should the President find it necessary to make such a decision. Actually, the plan is essentially the one that you and I talked about on one or two occasions recently, the last being on August 17, when we met with the President. There was some reference to such a plan at this meeting.

I don't believe the development that we talked about on the telephone this evening necessarily changes what I consider to be the merit of this plan. It may affect the timing, however.

You also inquired how soon we would be able to commence, and from the way you phrased your question, I had the impression that you were more or less hoping that the answer would be that we could commence rather soon—primarily for strategic and not necessarily for technical reasons. There are certain things that we could do rather quickly—say in one or two weeks. For example, we could fire [*text not declassified*]. On such short notice, however, these would have to be on a “go, no-go” basis—indeed, this would be the only purpose of the test since adequate diagnostic instrumentation could not be implaced and made operative in time.

[*text not declassified*]

I would like to stress again, however, the penalty which we would pay if we proceed on this basis. The events that I have described above and others I have not mentioned have the advantage of early readiness, but the disadvantage of interfering with subsequent tests which are far more important. As you know, there are only a limited number of underground sites now available. It is for this reason that I would suggest that consideration be given to a planned and coordinated program in accordance with the capability indicated in my letter to the Principals (Secretary Rusk) dated July 19, 1961. This program was carefully coordinated with the Department of Defense and could be commenced in about four or five weeks.

In connection with the subject of readiness, I suggest you might wish to refer back to my memorandum of August 10. I think the discussion there is still relevant in helping to understand the problems that are involved in preparing for, and conducting a meaningful series of tests.

Cordially,

Glenn T. Seaborg

**41. Telegram 1404 to Geneva Nusup, August 31<sup>1</sup>**

August 31, 1961

Confirming Stelle-Spiers telecon, you are authorized to proceed with Monday session. As Chairman you should make first statement, referring to SOV announcement, recapitulating in most effective possible way history US efforts to achieve agreement and forbearance with regard resumption testing, and read White House statement contained NUSUP 1401 into record. You should then, before Tsarapkin has opportunity to speak, state that SOV attitude re conference appears make it pointless to continue on business as usual basis and that US proposes conference recess as of today pending UNGA completion its scheduled consideration test issue. You should not propose specific date for resumption. However your statement should not give any indication or convey impression that US is taking any initiative to terminate conference.

Our expectation is that Tsarapkin will announce SOV withdrawal from conference and we believe it important that US be on record prior to such SOV statement with proposal for recess so that SOVs bear responsibility for termination conference as well as for resumption testing.

We are taking this matter up urgently with UK Embassy here and you should be in contact with UKDEL Geneva.

**Rusk**

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<sup>1</sup> Negotiating strategy to forestall Soviet withdrawal from conference. Secret. 2 pp. Department of State, Central Files, 397.5611–GE/8–3161.

**42. Notes on Telephone Conversation between Stevenson and Rusk, August 31<sup>1</sup>**

August 31, 1961

The Sec returned the call and S said he just heard from IO that there was some move emanating from McCloy's office to try to persuade the Pres to make a statement re the resumption of testing. He wanted personally to say this is a big mistake. This is not a blow; it is a bonanza. The Sec said it was gone over very carefully at NSC and with the Congressional leadership and it was decided no. Then a reference was made by one of the agencies because they were getting so many questions and the Pres said we decided that this a.m. We don't expect to say anything for a week or so in any event. Meanwhile we will think about S's suggestion of taking it into the SC. S asked if there were any reaction. The Sec said not a staffed-out reaction. One of the problems is we want to see whether there is not going to be a major problem in the SC coming up this week end about something else. S said then perhaps not an announcement Saturday. The Sec thinks it unlikely and told S to go ahead to Libertyville. S hopes before McCloy changes the Pres' mind we will not cancel out the benefits we have derived. The Sec said it is not from him. He is sure we are safe on this point through Labor Day and that is a minimum. S asked if that included anything about preparation and the Sec said yes.

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<sup>1</sup> Stevenson's views on a possible Presidential statement on resumption of testing. No classification marking. 1 p. Department of State, Rusk Files: Lot 72 D 192, Telephone Conversations.

## September 1961

### 43. Notes on Telephone Conversation between Rusk and Cleveland, September 1<sup>1</sup>

September 1, 1961

The Sec asked if he saw the Niact from Leopoldville about the talk with Linner about Katanga. C said no. It's 509. The Sec thinks this attitude of Linner's is unacceptable particularly when he talks about taking action there to throw out Belgians working there on various administrative jobs. He is not playing completely clear with the SYG because he does not want his hands bound too tightly. He is not a sovereign state and we have a lot at stake. C thought it was extreme in Katanga even though there was provocation. The Sec said to look at it and he thinks we should have a serious talk. He is not the responsible party here and we have a tremendous stake here—we expect to be kept informed and expect the SYG to be informed. If you can mask it in a friendly way, fine.

C said they have a memo in the last stages of production on UN angles of the testing thing. ASchlesinger talked with C and said he was talking with the Pres about it and the Pres was interested in the SC and wanted to see what kind of a resolution it would be. S asked Stevenson to draft it. C asked S to stay in channels and he agreed. We will have a res and the memo will recommend that we immediately launch it on a contingency basis but do so by consulting with the Br and Fr in the next day or so. The other part of this problem is if we make too much of a decision about testing which is to start preparing and maybe announcing this and make a statement that we are going to test and get in the same category as the Russians, this would cause difficulties for our UN ploy. The Sec said he has misgivings on it. C thinks we can go ahead unilaterally and still get world opinion mobilized against the Russians if we do it right. The Sec is worried about getting over the week end. We may need the SC for Berlin. C said that is not inconsistent. The Sec said not really but it might appear we were trying to overdo it if we took two at the same time. C did not seem to agree. The Sec said he would be glad to see him later.

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<sup>1</sup> Resuming testing: U.N. state of play. No classification marking. 1 p. Department of State, Rusk Files: Lot 72 D 192, Telephone Conversations.

**44. Telegram 1171 from Paris, September 1<sup>1</sup>**

Paris, September 1, 1961

In view of press reports suggesting imminence US counter-decision to resume testing, from vantage point here it would seem advisable to draw maximum benefits from Soviet-Communist embarrassment and relatively favorable position US-UK have enjoyed for past several months to refrain from immediate decision (or at least announcement decision) to resume testing. In view concern various parts world over testing, including exaggerated concern over health effects noticeable unsophisticated countries, we wonder if it would not be wise to play to maximum this situation in light forthcoming Belgrade conference non-engaged states and General Assembly consideration US-inscribed topic for next two months before any decision announced US follow suit further atomic tests.

**Gavin**

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<sup>1</sup> Views on refraining from decision or announcement to resume testing. Confidential. 1 p. Department of State, Central Files, 711.5611/9-161.

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**45. Telegram 428 to USUN, September 2<sup>1</sup>**

September 2, 1961

Paris pass USRO For Disarmament Del. In bilateral disarmament discussions with USSR to be resumed Sept 6 in New York USDel should continue be guided by instruction contained Deptel 137 to Moscow of July 14, rptd info Paris 274, London 209, Rome 125, Ottawa 38, Geneva NUSUP 1327, New York 64, with amendments as follows:

1. *Framework*: Substitute revised statement of principles follows:

QTE 1. The goal of negotiations is to achieve agreement on a program which will ensure that (a) disarmament is general and complete and war is no longer an instrument for settling international problems,

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<sup>1</sup> Guidance for September 6 disarmament discussions with Soviets. Confidential. 6 pp. Department of State, Central Files, 600.0012/9-261.



and (b) such disarmament is accompanied by the establishment of procedures for the peaceful settlement of disputes and effective arrangements for the maintenance of peace in accordance with the principles of the United Nations Charter.

2. The program for general and complete disarmament shall ensure that states will have at their disposal only those forces, armaments, facilities, and establishments as agreed to be necessary to maintain internal order and protect the personal security of citizens and to support and provide agreed manpower for a UN peace force.

3. To this end, the program for general and complete disarmament shall contain the necessary provisions for:

(a) Disbandment of armed forces, dismantling of military establishments, including bases, cessation of the production of armaments as well as their liquidation or conversion to peaceful uses;

(b) Elimination of stock-piles of nuclear, chemical, bacteriological, and other weapons of mass destruction and cessation of the production of such weapons;

(c) Elimination of means of delivery of weapons of mass destruction;

(d) Abolishment of organizations and institutions designed to organize the military effort of states, cessation of military training, and closing of all military training institutions;

(e) Discontinuance of military expenditures.

4. Disarmament should be implemented in an agreed sequence, by stages until it is completed, with each measure and stage carried out within specified time limits. Transition to a subsequent stage in the process of disarmament should take place upon a review of the implementation of measures included in the preceding stage and upon a decision that all such measures have been implemented and verified and that any additional verification arrangements required for measures in the next stage are agreed and, when appropriate, ready to operate.

5. All measures of disarmament should be balanced so that at no stage of the implementation of the treaty could any state or group of states gain military advantage and that security is ensured equally for all.

6. All disarmament measures should be implemented from beginning to and under such strict and effective international control as would provide firm assurance that all parties are honoring their obligations. The scope of control would depend on the requirements for verification of the disarmament measures carried out in each [illegible in the original] control over and inspection of disarmament measures carried out in each [illegible in the original] implementing control over and inspection of disarmament. An International Disarmament Organization including all parties to the agreement should be created

within the framework of the United Nations. During and after the implementation of general and complete disarmament, the most thorough control should be exercised. The International Disarmament Organization and its inspectors should be assured of unrestricted access without veto to all places as necessary for the purpose of effective verification.

7. Progress in disarmament should be accompanied by measures to strengthen institutions for maintaining peace and the settlement of international disputes by peaceful means. During and after the implementation of the program of general and complete disarmament, there should be taken, in accordance with the principles of the United Nations Charter, the necessary measures to maintain international peace and security, including the obligation of States to place at the disposal of the United Nations agreed manpower necessary for an international peace force. This force should be used only for purposes consistent with the Charter of the United Nations and should be subject to arrangements which will ensure that it will not be used for purposes of one state or group of states as are contrary to the Charter and that it will be able to perform the functions assigned to it.

8. States participating in the negotiations should seek to achieve and implement the widest possible agreement at the earliest possible date. Efforts should continue without interruption. [illegible in the original] the total program has been achieved, and [illegible in the original] to ensure early agreement on and implementation of measures of [illegible in the original] disarmament should be undertaken without prejudicing progress on agreement or the total program and in such [illegible in the original] these measures would facilitate and form part of that [illegible in the original] UNQUOTE.

USDEL should not accept or propose changes of substantive nature in above text without referral to Dept.

2. *Date*: USDel should propose resumption of multilateral disarmament negotiations after UN General Assembly and should suggest January 23 as suitable time.

3. *Tactics*: USDel should seek to emphasize informal character of meetings by increased use of small informal drafting sessions in place of on the record presentation of prepared speeches. No firm terminal date for discussions should be set at this time but USDel should indicate to Sovs US hope reach agreement prior to UNGA. In absence agreement US should seek clear definition remaining issues by that time. Department considering possibility your handing Sov Aide-Mémoire which will-establish record.

FYI

Our willingness to resume bilateral disarmament talks in New York will help maintain our posture of reasonableness. However, since

the Soviets are now in a highly vulnerable propaganda position we should not repeat not make any undue or unnecessary concessions in order to achieve agreement on principles. The pressure is on the Soviets to make a basic change in their position and we should stand essentially on the same statement of principles as have been previously given to the Soviet Union or on the above modified version which contains only minimal changes of a non-fundamental character. In the present context of Berlin and Soviet testing an agreement on principles would tend to confuse public opinion and be a sham rather than reality. If the Soviets make fundamental concessions, we of course will have to review the situation.

Re forum, our four proposals make excellent record. While we will have to refer to all, delegation should emphasize Disarmament Commission, or 5–5–10 as sub-committee of D.C., as best and most stable kind of arrangement.

Rusk

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**46. Circular Telegram 386 to Certain Diplomatic Posts,  
September 2<sup>1</sup>**

September 2, 1961

Eyes Only—Ambassadors. DEPT currently consulting UK re following draft statement be issued by President and Prime Minister. We have suggested Sunday afternoon Washington time. Upon confirmation UK agreement and any revision in text, DEPT will instruct you inform respective Foreign Ministers on CONFIDENTIAL basis shortly before release.

*FOR BELGRADE*

DEPT will wish Kennan inform at least Nehru, Tito, Nasser and U Nu prior to release. Would appreciate Kennan's recommendations as to any others attending Belgrade Conference who should be informed.

*FOR PARIS*

In addition to your informing Couve we plan also inform Alphand here.

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<sup>1</sup> Possible U.S./U.K. statement urging Soviets to end atmospheric testing. Secret. 3 pp. Department of State, Central Files, 700.5611/9–261.

Text of draft statement follows:

QTE In order to protect mankind from the increasing hazards of atmospheric pollution, the President of the United States and the Prime Minister of the United Kingdom propose to Chairman Khrushchev that their three Governments agree, effective immediately, not to conduct nuclear tests which take place in the atmosphere and produce radioactive fallout.

They urge Chairman Khrushchev to cable his acceptance of this offer and his immediate cessation of further atmospheric tests. They further urge that the United Nations Disarmament Commission be convened not later than September 9 to record this agreement in formal terms. They sincerely hope that the Soviet Union will accept this offer, which remains open for the period indicated.

They point out that the United States and the United Kingdom are prepared to rely upon existing means of detection and are not suggesting additional controls or control organization with regard to atmospheric testing. But they reaffirm once more their serious concern that a nuclear test ban treaty, applicable to other forms of testing as well, be promptly agreed, as proposed by their two governments at Geneva, in order to take a significant step toward an end to the unfortunate competition in nuclear weapons. UNQTE.

**Rusk**

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#### **47. Telegram 950 from London, September 2<sup>1</sup>**

London, September 2, 1961

Paris 247, action Department 1171. Thoroughly concur with reasoning reference telegram on resumption testing, particularly withholding announcement any decision under present circumstances.

**Bruce**

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<sup>1</sup> Endorses Embassy Paris' recommendation on withholding announcement any decision. Confidential. 1 p. Department of State, Central Files, 711.5611/9-261.

**48. Letter from Amb. Caccia to President Kennedy,  
September 5<sup>1</sup>**

September 5, 1961

Dear Mr. President,

The Prime Minister has asked me to pass on to you the enclosed message about Nuclear Tests. This was of course despatched before I had told him of your decision of this afternoon and of the announcement which has been made. After being informed, he spoke to me on the telephone and said that he thought that you might all the same like to know what had been in his mind as a result of a discussion of this problem with his colleague earlier in the day.

Yours sincerely,

**Harold Caccia**

**Attachment**

Dear Mr. President,

I have been thinking further about the position on Nuclear Tests following your initiative which led to our joint declaration last Sunday. So far I think that we have done very well and have gained a big propaganda advantage. Now the question is how to keep this advantage and exploit it.

I presume that on Saturday, September 9, or shortly thereafter, we shall get some sort of Soviet refusal of our suggestion. No doubt the Russians will try to confuse the issue so far as possible, perhaps by suggesting an uncontrolled ban on all Tests or by saying that there should be progress in Disarmament as a whole rather than on particular aspects. Do you think that immediately after such a Russian reply we might jointly put in a resolution to the United Nations calling on all nations to agree to end Tests in the atmosphere? I suppose that the Russians might then propose an amendment including under-ground Tests, but we should have to weigh this risk against the obvious advantage of getting a resolution such as I have suggested.

Alternatively if such a resolution seems to have too many snags, are there any statements which we could make to help to hold world opinion in our favour?

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<sup>1</sup> Transmits September 5 letter from Prime Minister Macmillan on possible next steps with Soviets following joint declaration. Top Secret. 3 pp. Department of State, Presidential Correspondence: Lot 66 D 204, Macmillan–Kennedy, 1960–1961.

I should be very interested to hear your views. I think that we gained greatly from the prompt action that we took last week at your suggestion and it will be equally important that our reaction to the Russian reply to our message should be prompt.

With warm regards,

Yours sincerely,

**Harold Macmillan**

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**49. Telegram 1235 from Paris, September 5<sup>1</sup>**

Paris, September 5, 1961

Reference: Deptel 1290. Per reftel met with Dixon last night and we agreed, best tactic would be to see Couve this morning. I have just come from talking with him. I began by saying to Couve that the British and ourselves have been in discussion with the Soviets in Geneva on nuclear testing and controls, that the recent USUK statement proposing the cessation of in-atmosphere testing came from that association. Since having issued the statement, however, we have discussed the matter further and we are now aware that the Soviets in their reply might seek to take advantage of the fact the French were not party to that statement. Further, since General de Gaulle will be having a press conference today we feel it important that if he discuss the matter, he associate himself with our point of view and, in any event, not take a point of view opposed to US. Couve doubts that de Gaulle will bring up subject in his press conference. However, a question on it may be asked. Couve seemed quite confident that de Gaulle would take positive point of view associating himself with the USUK statement. He seemed equally as confident that he would not take a position against our statement. I pointed out possibility that Soviets may charge us with bad faith and with having the intention of having French conduct tests for us. Couve said he aware they might do this but it would be obviously absurd. French plan no in-atmosphere tests at any time in foreseeable future and probably not until they are ready to do H-bomb testing, which, according to Couve, is a long way off. They plan some underground tests next spring.

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<sup>1</sup> U.S.-U.K. statement: French disassociation. Secret. 2 pp. Department of State, Central Files, 700.5611/9-561.

To explore Couve's thinking and as far as possible, de Gaulle's, I suggested it might be understandable if de Gaulle is bit disturbed France left out of USUK note. Couve said absolutely no, they understood why note was sent. He thought it good idea to have sent it.

Couve concluded by assuring me our views would be presented to de Gaulle.

Dixon saw Couve about 10 to 15 minutes after I talked with him. In turn, I have just talked to Dixon when he returned from Quai. Dixon tells me Couve said de Gaulle could not associate himself with USUK proposal because, after all, some day French may want to have in-atmosphere tests. Further, the need to impress the neutral nations meeting at Belgrade has no particular appeal to de Gaulle. Couve believes most likely event is de Gaulle will not raise subject nor comment upon it if it can be avoided. Of course, we will not know until his press conference. In reply to whether or not we should try to see him, Couve said not a chance, de Gaulle busy reworking his statements he intends make press conference.

The foregoing is at variance with my meeting with Couve. Dixon was kept waiting and we agree that during that time Couve very likely talked to someone close to de Gaulle, if not de Gaulle himself. Incidentally, this highlights the difficult situation in which Couve so often finds himself.

**Gavin**

50. **Special National Intelligence Estimate, SNIE 11-11-61,  
September 7<sup>1</sup>**

September 7, 1961

IMPLICATIONS OF THE SOVIET RESUMPTION OF  
NUCLEAR TESTING

THE PROBLEM

To estimate the motives for the Soviet decision to resume nuclear testing, and its implications for Soviet foreign and military policies during the months ahead.

THE ESTIMATE

*The Motivations for Testing*

1. The Soviets have, as time passed, had increasing technical motivations for further nuclear weapons testing; for example, tests related to development of antimissile defenses; tests of high-yield, and low-yield, light-weight devices; tests directed toward economy of fissionable materials and improving yield-to-weight ratio; and perhaps tests in new areas of development. Of these, the one relating to antimissile defenses has probably been the most urgent. There is not yet enough information on the new Soviet test program to determine what technical purposes it is designed to serve. It is very unlikely that any developmental tests could result in operational Soviet weapons in time to affect Soviet military capabilities during the next few months. On the other hand, proof testing of possible stockpiled but untested weapons might be considered desirable at this time. If the Soviets engaged in clandestine testing during the moratorium, some of the current tests would be designed to exploit the results achieved.<sup>2</sup>

2. These technical and military requirements, which Khrushchev has said were being pressed by the Soviet military leaders, were thus a major factor of increasing weight on the side of resumption. During the period beginning in the early spring of 1961, Soviet lack of interest in negotiating a nuclear test ban agreement was evident. At that time, the Soviet leaders probably believed that the US would soon resume testing, taking upon itself the onus for doing so and at the same time

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<sup>1</sup> "Implications of the Soviet Resumption of Nuclear Testing." Secret. 4 pp. Washington National Records Center, RG 330, OSD/ISA Files: FRC 64 A 2382, 350.09.

<sup>2</sup> The likelihood of Soviet clandestine testing was last estimated, well before their resumption of overt testing, in SNIE 11-9-61, "Possibility of Soviet Nuclear Testing During the Moratorium," dated 25 April 1961, SECRET.



freeing the Soviets to test. However, by July or August it appeared that the US had not decided upon early resumption of tests, and the Soviets had to decide whether to proceed themselves without the benefit of prior US resumption.

3. In addition, developments in the world political situation, and particularly manifestations of firmness in the Western stand on Berlin, almost certainly played a major role in the decision to resume tests at this time. The USSR in its Berlin tactics has regularly kept open the options of unilateral action and negotiation, hoping that its threats to act alone would eventually induce the West to agree to concessions. Instead, Moscow has been confronted by new Western military preparations and a diplomatic stance which has offered little encouragement to these hopes. In response, the Soviets have since mid-summer undertaken a succession of demonstrative military actions intended to increase the pressure for concessions or, failing these, to manifest such strength and determination as to dissuade the West from forcibly opposing unilateral steps when they finally came.

4. When such measures as the Air Show display, the suspension of troop reductions, and the supplementary defense budget all failed to produce a significant change in the Western attitude, the resumption of nuclear tests must have appeared as a more forceful means of demonstrating Soviet military strength and political toughness. Thus, when pressing military incentives to test came to be supplemented by important political ones, the decision was reached—probably in late July—to proceed with the tests for which contingent test site preparations had for many months been underway.

#### *General Implications of the Soviet Announcement*

5. The resumption of nuclear testing at this time was clearly intended to raise the level of fear and anxiety in the world in general, and to create a powerful impression of the strength and ruthlessness with which the Soviets intend to pursue their objectives. We believe that the timing of the move reflects and dramatizes the turn by the Soviets to an openly militant and increasingly risky phase of tactics in relations with the West. Renewed testing accords with other recent demonstrations of Soviet military strength and of the Soviet determination to increase it.

6. The Soviets probably hope the Western leaders will take the move as an earnest of Soviet determination to carry out their intention to change the status of West Berlin. They appear to have decided that the only way to induce the West to accept the main lines of the Soviet position is to launch upon a course of action demonstrating Soviet willingness to face the danger of eventual East-West conflict as the alternative.

7. We believe that the Soviets will follow up this announcement with other threatening measures. In this connection, they will probably soon detonate a high-yield thermonuclear device—perhaps at a higher yield than they have previously tested—and possibly a missile-delivered warhead. They may materially augment Soviet forces in East Germany, and deploy troops along the East-West German border or along Western access routes to Berlin. The Soviet leaders may in addition take measures to prepare the Soviet populace for the possibility of war. In general, we expect the Soviets to be harsh and uncompromising in their attitude toward the West, in the hope of compelling early Western negotiation over Berlin on terms acceptable to themselves.

8. The Soviets have always reinforced their appeals for peaceful solutions of East-West disputes with reminders of their military strength. At the present juncture, as the decision to test nuclear weapons eloquently bespeaks, they are shifting the emphasis from persuasion to intimidation. They may reduce the acceptability of Soviet policy to many in the world, and tend to deflate their claims to reasonableness. But it will probably also frighten many neutral and some Western spokesmen to put pressure on the US to make concessions, as the party in the dispute more susceptible to the influence of popular opinion. Thus, while almost certainly anticipating a generally unfavorable reaction to the resumption of nuclear testing, Moscow may also have expected even greater neutralist anxiety over war and a rising clamor for East-West negotiations. The outcome of the Belgrade conference would tend to justify such an expectation.

9. The Chinese Communists, who have almost certainly pressed the Soviets not to conclude a test ban, will welcome the Soviet test resumption as a manifestation of aggressiveness in the struggle with capitalism. They will also regard this move as an opportunity to press anew their demands for Soviet assistance to the Chinese nuclear program, since the end of the moratorium may weaken one of the arguments with which the Soviets have justified their reluctance to satisfy these demands. We do not believe, however, that the Soviet resumption of nuclear testing indicates any increase in Moscow's willingness to assist the Chinese nuclear program.

#### *Timing of the Announcement*

10. Apart from these broad considerations, there remains the question of the reasons for the precise timing of the announcement. The fact that the statement was made just two days prior to the convening of the Belgrade conference probably reflected Moscow's belief that the conference intended to declare its strong opposition to a resumption of nuclear testing by either side. Thus the Soviets probably thought it was preferable to make the announcement beforehand, rather than

after their decision had, in effect, been formally condemned. The Soviets probably also believed that the desired effect on neutralist opinion— anxiety and clamor for East-West negotiations—would be enhanced by the use of “shock” tactics on an assembly of major neutralist leaders, and that much of the negative effect could be counteracted by lobbying at the conference. Finally, the Western decision to present new positions at the test ban talks in Geneva in late August may have advanced the timing of the announcement of the decision to resume testing. Knowing that the forthcoming UN General Assembly would be likely to consider the test ban problem, and aware that the new Western positions would be favorably received by responsible neutralist opinion, the Soviets may have decided that the sooner the question of the moratorium became academic, the less they ultimately stood to lose from their decision to break it.

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## 51. Memorandum from McGhee to Rusk, September 13<sup>1</sup>

September 13, 1961

### SUBJECT

Anticipatory Action Pending Chinese Communist Demonstration of a Nuclear Capability

### *Problem:*

To consider early action we might take to minimize the impact on US and free world community interests of a first Chinese Communist explosion of a nuclear device.

### *Discussion:*

If Communist China could detonate a nuclear device as early as 1961, as has been estimated,<sup>2</sup> we should consider now what actions should be taken in anticipation of the event, instead of later in reaction to it. The initial impact will be primarily psychological with secondary political and military efforts deriving from it. This establishes the psychological field as and deserving immediate attention.

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<sup>1</sup> Anticipatory action pending Chinese Communist demonstration of a nuclear capability. Top Secret. 6 pp. Department of State, S/P Files: Lot 67 D 548, S/P Chron 1960–1961.

<sup>2</sup> According to one unagreed estimate it might even do so in 1961 (WIE 13–2–60).

It is envisioned that Communist China is likely to get at least one type of psychological dividends from its explosion: (1) Many Asians are likely to raise their estimate of Communist China's current and future total military power relative to that of their own countries and the capabilities in the arms of the US; and (2) they are likely to see the accomplishment as vindicating claims that the Communist method of organizing a [illegible in the original] state's resources is demonstrably superior. Both reactions are likely to contribute to feelings that communism is the wave of the future and that Communist China is, or soon will become, too powerful to resist.

It will not be possible to prevent the [illegible in the original] to Communist China of such dividends, but it may be possible by advance action to reduce them.

All things are comparative, and Communist China compared first of all with the other countries of Asia. If another, but non-Communist Asian state detonated a nuclear device first, a subsequent and a consequently [illegible in the original] anticlimactic Chinese Communist explosion would not carry a comparable implication of Communist superiority or make quite as [illegible in the original] impact as [illegible in the original] fast China's growing power.

According to one estimation India's nuclear program is sufficiently advanced so that it could act [illegible in the original] have [illegible in the original] enough fissionable material to produce a nuclear explosion. While we would [illegible in the original] to limit the number of nuclear powers so long as we lack the capability to [illegible in the original] the [illegible in the original] eight to predict that First Asian one be India and then China.

Nehru was quoted as saying, upon his arrival in Belgrade August 31 and to [illegible in the original] evident of the Soviet decision to resume weapons tests, [illegible in the original] against nuclear tests at any time in any place." The same day an official spokesman in Delhi was quoted as making the latest exaggerated statement: "We are against all tests and explosions of nuclear material except for peaceful purposes under [illegible in the original] conditions." Given the context and taken together, these statements suggest that it would be difficult to get Nehru to agree to any proposal for an Indian nuclear test in the near future, and that the chances of its acceptance would depend upon the extent to which it met rather narrow criteria.

Nevertheless Nehru might be brought to see the proposal as being in India's interests. If accepted and implemented, it should help forestall Communist China's using nuclear blackmail against India; reduce its ability to frighten neighbors of India whose security is important to that country; and minimize the usefulness to the Communist Party of India of a demonstrated Chinese nuclear capability which otherwise

could be cited as evidence that communism, as practiced in China, is superior to India's mixed economy.

Preliminary exploration within the Department (with officers in FE, S/AE, NEA and INR) has elicited concurrence with the idea, [illegible in the original—Latin] that it would be desirable if a friendly Asian power beat Communist China to the punch, and it has turned up no likelier candidate than India.

But officers have raised a number of reservations and doubts besides those alluded to already: (1) India might require considerable technical assistance in order to explode a nuclear device before Communist China does; (2) there appear to be legal [illegible in the original] to the supplying of such assistance by either the British or ourselves; (3) we are not good at keeping such things covert, whereas the explosion could be expected to have utility only in proportion as it appeared to be an Indian accomplishment; (4) there probably would be considerable difficulty in finding a practical peaceful use for such an explosion, and fall-out from it would be open to the usual and valid objections, including ones related to the fears which could arise or be created among an ill-informed and partly superstitious populace; (5) alternatively meeting the requirement of "controlled conditions" for an experimental explosion might present problems; (6) Pakistan could be expected to resist most adversely to an Indian explosion which might subsequently be exploited against it, and to be highly resentful of any outside instigation and assistance, known or surmised; and (7) an Indian explosion would provide the Chinese Communists basis for urging that the USSR increase its assistance to the Chinese Communist nuclear program.

The idea has also been discussed with Ambassador Galbraith, who is strongly opposed to any US approach to Nehru. He thinks the chances are roughly only one out of fifty that Nehru's reaction would not be the negative one that we are seeking India as an atomic ally. He sees the calculus of prospective benefit inherent in the one chance as outweighed by the harm implicit in the other forty-nine. He also thinks his British and Canadian colleagues would be unwilling to make such an approach to Nehru. Ambassador Galbraith recalled that Dr. Wiesner is expected soon to take a trip to Pakistan, when he might also visit India. He said, in this connection, that he would at most be willing that Dr. Wiesner, in the course of conversations with Dr. Bhabha, Chairman of the Indian Atomic Energy Commission, raise the matter of the prospective Chinese Communist nuclear explosion and ask what effect if any it will have on India's program in the atomic field. Presumably any further initiatives in the matter, if the idea germinated in Dr. Bhabha's mind and bear fruit, would have to come from the Government of India, when we could decide what the US response should be

within the framework of something more concrete than we now have to work with. (Dr. Wiesner, incidentally, might now be able to resolve some of the technical and legal doubts raised in the foregoing discussion.)

While nothing else would have as much prophylactic value as a prior atomic explosion by a free-world Asian state, a covertly-conducted information program might achieve some effect in reducing the psychological impact of the first Chinese Communist nuclear explosion. Assuming as we do that the Chinese Communists are fully committed to acquiring nuclear capabilities, publicity about their program probably would not have important effect on their [illegible in the original] or race of progress. It might provide them with an argument with which to press their Soviet ally to give increased assistance, but this would seem unlikely to weigh heavily among the factors considered by the Soviets in determining where their own [illegible in the original] is the matter lay.

A covertly-waged informational program might be used to [illegible in the original] and drive [illegible in the original] points of which the following are illustrative:

(a) India [illegible in the original] nuclear deployment programs [illegible in the original] have been detected rather as peaceful uses of atomic energy.

(b) Observers are puzzled by the [illegible in the original] of the Chinese Communists, who have been engaged in an effort which started in 1950, thus far to explode a nuclear device of their own. Since several other powers pioneered the way, [illegible in the original] requirements for producing such an explosion have been widely [illegible in the original]. Communist China has scientists, including ones [illegible in the original] abroad, of requisite capability; the essential new materials and suitable testing areas.

(c) It accordingly can only be speculated that Communist China (1) has organized its effort poorly, or (2) realizes that nuclear weapons are not ones which will contribute to realization of its expansive aims [illegible in the original] since world opinion, which will condemn all aggression in proportion as it can be identified as such, will tolerate aggression with nuclear weapons even less than aggression by conventional armed forces.

*Recommendations:*

1. That you authorize appropriate officers in the Department to explore with other agencies and the White House representatives who have expressed an interest in the general idea, the matter of Dr. Wiesner's sounding out Dr. Bhabha.

2. That, regardless of the decision on or [illegible in the original] of (1), you approve in principle the proposal for covert dissemination

in media throughout the Far East of suitable material designed to reduce the impact of an initial Chinese Communist nuclear explosion, authorizing FE and S/AE to explore it with CIA and to have it put into effect if exploration discloses that it would appear useful and feasible.

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**52. Memorandum of Conversation, September 14, between McCloy and Zorin<sup>1</sup>**

September 14, 1961

SUBJECT

US-USSR Bilateral Talks on Disarmament (No. 22)

PARTICIPANTS

*USSR*

V. A. Zorin  
Gen. A. A. Gryzlov  
A. A. Roshchin  
I. J. Usachev  
B. P. Krasulin  
S. A. Bogomolov  
R. M. Timberbaev  
V. N. Zherebtsov

*United States*

Mr. McCloy  
Ambassador Dean  
Mr. Spiers  
Mr. Matteson  
Mr. Akalovsky  
Mr. Popper (USUN)  
Major Gen. Smith (USAF)  
Mr. Sonnenfeldt  
Capt. Freeman  
Mr. O'Boyle

*Mr. McCloy* opened today's session by referring to the statement made by Mr. Zorin at the 21st Bilateral Talks Meeting, September 13, 1961, that the United States had failed to comment on the Soviet draft joint statement of July 27. In refuting this charge Mr. McCloy referred to the records, and pointed out that he had commented on the paper

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<sup>1</sup> U.S.-U.S.S.R. bilateral talks on disarmament (No. 22). Limited Official Use. 6 pp. Department of State, Central Files, 600.0012/9-2861.

during the sessions held in Moscow on July 28 and 29, and again on September 6 when he had made an extensive paragraph-by-paragraph comparison of the U.S. paper of September 6 with the Soviet draft of July 27.

Mr. McCloy then introduced a suggested text for the preambular portion of the Joint Statement of Principles, calling attention to the fact that our text followed closely language proposed by the USSR on July 27. Mr. McCloy also handed the Soviet Delegation a memorandum summarizing the substantive positions set forth by the U.S. in the course of the current bilateral exchange of views.

In reply, *Mr. Zorin* thanked Mr. McCloy for the clarification of the items he had mentioned, as well as the additional documentation Mr. McCloy had presented. Mr. Zorin noted that he could not comment yet on this material but hoped to do so shortly. He then expressed regret that the U.S. presentation of such documentation was so late in light of the approaching date set for the convening of the United Nations General Assembly.

Mr. Zorin then proceeded to review the Soviet draft of July 27, reiterating such previously made points as the need for a single treaty covering both disarmament and nuclear testing, the need for reference to foreign bases, the need for the establishment of an overall time limit and Soviet insistence on "troika" type administration for international armed forces. During his remarks Mr. Zorin said it was most necessary for the USSR to know the U.S. position on these points in greater detail in order to ascertain whether or not there could be a basis for a Joint Statement. To accomplish this, he said, he felt it advisable to consider very thoroughly the dangers inherent in the international arms race. In this connection he said that the USSR believed that the most important part of Resolution 1378 (XIV) was the general and complete disarmament portion and he could not understand U.S. omission of this point in its draft.

Continuing, *Mr. Zorin* said that his second point was that the USSR had already made the Soviet position a matter of record; that all means of warfare should be destroyed and that the retention of certain type armaments for military forces must be only for the purpose of assuring internal security. This too, Mr. Zorin stated, was regarded as an essential element of a general and complete disarmament program.

Taking as his next point the scope and measures to be included in the Joint Statement, Mr. Zorin noted that the USSR wished to emphasize that it did not advocate the abandonment of all national security forces but that the USSR did want the elimination of delivery vehicles and foreign bases. The USSR sees such bases as actual threats to other nations but the U.S. documentation fails to cover such an important issue. On the contrary, Mr. Zorin continued, the U.S. has expressed



the idea that such bases can be utilized to provide training areas for international forces.

The next point Mr. Zorin spoke about was the determination of the order of general and complete disarmament measures. The USSR feels it necessary that there be agreement on the subject of implementation timeliness and does not believe it impossible to designate a fixed final time limit in which complete and general disarmament can be effected. Without such a time limit, it would be impossible to verify the implementation of treaty provisions.

The major Soviet concern, Mr. Zorin then observed, was solution of the control problem. The USSR wanted controls to be strict and effective for each step. However, control must not go beyond disarmament measures, for if it does it becomes the collection of intelligence. Such excess, the USSR feels, would defeat the end of control measures, and, consequently, the USSR must be certain this will not become possible.

Next, discussing paragraph 7 of the Soviet draft, Mr. Zorin said it was designed to provide measures to keep international peace and security under general and complete disarmament by strict compliance with the provisions of the United Nations Charter, which provides for the placing of contingents at the disposal of the United Nations Security Council. As both the U.S. and the USSR had agreed that neither side should be allowed to gain an advantage on the other, Mr. Zorin continued, this could be accomplished by making the administration of international armed forces subject to the “troika” arrangement advocated in the Soviet draft since the method outlined is designed to protect the interests of all states.

Referring to the last two paragraphs of the Soviet Draft, Mr. Zorin stated that he felt world conditions today required both sides to refrain from any actions that would tend to heighten the danger of conflict, and every effort should be made to assure cessation of actions that might contribute adversely to the international situation. Accordingly, he desired to urge the American representatives to analyze thoroughly the proposals sponsored by the USSR, and thus enable both sides to develop a mutually satisfactory Joint Statement. If the U.S. after such study might wish to amend or suggest revisions of the document, the USSR would gladly consider such matters and cooperate accordingly.

Responding to Mr. Zorin’s remarks, *Mr. McCloy* stated that he believed his earlier comments had covered much of what Mr. Zorin had said today, but that the U.S. would review the Soviet statement and perhaps have further ideas later. However, Mr. McCloy continued, he would now comment to some extent on the points raised by Mr. Zorin. Mr. McCloy said that he felt the USSR delegation had selected unfairly only one aspect of Resolution 1378 and had neglected to men-

tion that the U.S. had suggested reference to all the provisions of Resolution 1378. He then expressed his personal opinion that it was more important in his estimation to achieve peace with justice rather than general and complete disarmament alone. Furthermore, Mr. McCloy observed, the idea regarding a single treaty was not mentioned in the Resolution, which was an expression of general hope that a disarmament program could be implemented. The United States, Mr. McCloy continued, felt it was of vital importance not to delay the entire program's progress because of one single item. It was more important, he believed, that the two groups endeavor to make progress so as to offer the world hope that disarmament might be accomplished.

Commenting next on what weapons should be available after disarmament, Mr. McCloy stated that if Mr. Zorin's objection was to the absence in the U.S. draft of reference to "small arms," that was an attempt to negotiate details, and he doubted if this was what the United Nations intended the two groups to do. Mr. McCloy pointed out that no line of distinction had been made regarding what constitutes small arms and that it involved such possibilities as squirt guns in Berlin as well as tanks in Hungary.

Mr. McCloy next discussed the use of the word "all" in reference to the disbanding of armed forces, and explained that we felt it was more properly descriptive of what the situation should be. However, he said, there was no need for that one word to stand in the way of a mutual agreement.

Referring to Mr. Zorin's comments on foreign bases, Mr. McCloy said that the U.S. position favored abandoning all military establishments including bases regardless of whether such bases were foreign or local installations. However, he wished to know if Mr. Zorin meant bases in the same sense that the U.S. did. For example, Mr. McCloy asked, what was the Soviet position regarding bases in a taken-over area? The U.S. position, Mr. McCloy observed, can be readily identified on this subject. International forces might have to have bases at some future date and, therefore, negotiations on this specific point at the present time do not appear to be essential to disarmament discussions.

Commenting next on the subject of time limits, Mr. McCloy stated that the U.S. position on this point was more realistic than that proposed by the Soviet delegation, since the former provided needed opportunity to examine progress at each and every stage. Existing documentation, he pointed out, clearly outlines in detail our reasons for advocating this position. Mr. McCloy then acknowledged that inspection as recommended by the United States could present problems for both countries. However, Mr. McCloy continued, he could see no justifiable reason for the U.S. not demanding authentic verification. The U.S. does not want or intend to engage in clandestine operations, but we do insist

on mutual trust and confidence. Weapon reduction, he said, demands adequate inspection to assure compliance.

Referring to the USSR position on the administration of international armed forces, Mr. McCloy stated that we do not agree with the Soviet concept of the world being divided into three groups. This “troika” theory, he continued, is in basic opposition to the idea of effectiveness since it permits the veto to be applied to the United Nations Armed Force. The U.S. is convinced, he said, that the “troika” is a negation of the concept of an international armed force designed to assure peace. Thus, Mr. McCloy added, serious negotiation on disarmament depends upon a clear realization that the “troika” idea is an obstacle to progress in any disarmament discussions.

In response to Mr. Zorin’s contention that the U.S. statement failed to prohibit nuclear weapons, Mr. McCloy remarked that in the Khrushchev-Sulzberger interview the former had deprecated commitment against the use of nuclear weapons. Regarding paragraph 7, Mr. McCloy strongly opposed the attitude that nothing could be done to eliminate or solve the difficulty it presented.

In reference to the last two paragraphs of the Soviet statement, Mr. McCloy said that the U.S. preamble covers the points in question since it was not conceivable that the USSR had any desire to increase world tensions. The U.S., he added, has stressed the obligation of acknowledging international agreements and our affirmations on the subject are both realistic and sound.

Referring to Mr. Zorin’s remark that it was regrettable that the United States had not made known its position earlier in view of the scheduled convening date of the United Nations General Assembly, Mr. McCloy said he did not like to attach blame to the situation, and for that reason would not make any countercharge as to where blame should be placed. Rather he thought it more proper that both sides now discuss what would be the proper approach to the United Nations regarding the report on the results of the Bilateral Talks.

In reply *Mr. Zorin* said he appreciated Mr. McCloy’s extensive coverage of his request for U.S. position clarification and felt that progress had resulted from today’s exchange of views. Mr. Zorin then stated he could not agree with all of Mr. McCloy’s statements, especially his comment on Mr. Khrushchev’s reported remark on nuclear weapon usage. He added that the hour did not allow any more detailed reply at this time, and suggested adjournment with selection of the next meeting to be determined by further consultation between delegations.

**53. Telegram 566 to USUN, September 16<sup>1</sup>**

September 16, 1961

Verbatim text. Disarmament Item. We have been considering how best to handle disarmament item in 16th GA. Department assumes no repeat no agreement be reached in bilaterals on either forum or principles. On basis this assumption we request Mission's comments on following tentative views:

1. Would not be our purpose seek obtain GA endorsement of US disarmament plan despite increased attractiveness over our preceeding plans it should have for GA membership. To do so would appear pure propaganda move and tend discredit plan as serious negotiating proposal we intend it be. Believe therefore new plan which we expect circulate following opening GA address should be used as illustrative and in support of effort get GA agreement to basic principles on which plan based. We considering for tactical reasons as well as educational purposes early introduction omnibus resolution containing principles on which we have been seeking Soviet agreement and our proposal for forum based on 5-5-10 as subgroup Disarmament Commission.

2. We anticipate Soviets will seek agreement their proposed principles and also put forward their 5-5-5 or possible 5-5-3 proposal for disarmament forum. Our estimate is that there will be compromise effort by Indians and other along lines last year. Believe, however, Soviet insistence on troika concept and improved position we in as result our new proposal will put Soviet in position inability agree compromise proposal. If this proves to be right, even if US unable agree compromise, we would be in better position than last year.

3. Despite proposal we would make for forum comprised of 20 states as sub-group of DC, throughout disarmament discussions we would expect to indicate willingness as alternative to have detailed discussion disarmament plans and proposals in DC itself. Willingness utilize this large forum should help counter possible moves to call for world-wide disarmament conference. We would expect outcome of committee debate probably be resolution perhaps along lines Canadian resolution of last year. We would hope Canadians and others would be prepared submit resolution along lines contained A/C.1/L.255/Rev. 1.

4. Draft of suggested omnibus resolution follows:

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<sup>1</sup> Strategy for handling disarmament issue at 16th U.N. General Assembly. Confidential. 4 pp. Department of State, Central Files, 600.0012/9-1661.

QUOTE: *The General Assembly,*

A.

*Conscious* of its responsibilities under the Charter for disarmament;

*Recalling* the terms of its resolution 1378 (XIV) of 20 November 1959, which called upon Governments to make every effort to achieve a constructive solution of the disarmament problem and which expressed the hope that measures leading toward the goal of general and complete disarmament under effective international control would be worked out in detail and agreed upon in the shortest possible time;

*Disturbed that*, despite agreement in the common goal of general and complete disarmament under effective international control, disarmament negotiations have made little progress;

*Welcoming* the proposals for general and complete disarmament which have been placed before it by the Government of the United States and of the Soviet Union, and [illegible in the original] other proposals submitted during the deliberations of the 16th General Assembly;

*Believing* that the goal of disarmament negotiations is to achieve agreement on a program which will ensure that a) disarmament is general and complete and war is no longer an instrument for settling international problems; and b) such disarmament is accompanied by the establishment of reliable procedures for the peaceful settlement of disputes and effective arrangements for the maintenance of peace in accordance with the principles of the United Nations Charter:

1. *Recommends* that the program for general and complete disarmament be based on the following principles: (Include US statement of principles or summarized version thereof).

B.

*Deeming* it essential that negotiations for general and complete disarmament agreement under effective international control be resumed at the earliest possible time;

*Recognizing* that all states have a deep interest and concern in disarmament negotiations;

*Recognizing further* that:

(a) Those states most directly affected by disarmament should participate, to the extent practicable, in disarmament negotiations, and

(b) That there should be appropriate geographical representation in a disarmament forum,

*Recommends* that the Disarmament Commission appoint a sub-committee comprised of: Argentina, Brazil, Canada, Czechoslovakia, France, Hungary, India, Italy, Japan, Mexico, Nigeria, Pakistan, Poland, Roumania, Sweden, Tunisia, USSR, UAR, UK, and US.

*Further recommends* that this subcommittee undertake as a matter of the utmost urgency, the negotiation of a disarmament agreement which could serve as a basis for world-wide agreement among nations on general and complete disarmament under effective international control. UNQUOTE.

Rusk

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#### 54. Telegram 794 from USUN, September 18<sup>1</sup>

September 18, 1961

Paris pass USRO. Twenty-third session US/USSR disarmament talks.

1. McCloy opened meeting with eulogy to Hammarskjold. Zorin responded saying while Soviets differed with US re SYG office and Hammarskjold's personality, he wished associate himself with McCloy's remarks in view fact human being lost life.

2. Zorin continued Soviets carefully studied US fourteenth draft joint declaration and found it acceptable with exception final sentence paragraph six. Reiterated Soviet opposition to "control over armaments" and suggested deletion that sentence. Emphasized importance agreement on joint text at this juncture and expressed hope US, if it desired lessening international tensions, would accept deletion and agree on joint document.

3. McCloy noted substance sentence in question important part US position and reiterated US view verification would ensure not only compliance with reduction commitments but also that agreed levels are not exceeded and that there are no clandestine activities. Questioned wisdom of apparent agreement glossing over this important difference and inquired whether Soviets envisaged further study this problem or wished US abandon its position this point.

4. Zorin stated Soviets could not abandon their position either and pointed out that although rest of text did not fully reflect Soviet position, they recognized US met them on number of points and they willing make this "compromise" for sake "major political considerations". Zorin also stated both sides would of course be free make statements

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<sup>1</sup> Readout of 23d session U.S.?U.S.S.R. disarmament talks. Confidential. 2 pp. Department of State, Central Files, 600.0012/9-1861.

or submit documents in GA with elaboration their respective views and interpretation various problems. Said sentence in question spelled out something which should be negotiated in context specific plans rather than discussed in abstract; only in connection with specific measures could it be decided whether control should be limited to measures themselves or should go beyond them.

4. McCloy re-emphasized importance substance sentence in question and suggested he discuss problem with SECSTATE and other interested officials as well as allies with a view to giving Zorin answer perhaps tomorrow morning. Zorin agreed but stressed urgency in view GA opening tomorrow PM and expressed desire get reply tonight, if possible. Stated problem simple since no new language suggested and document, if agreed, could be forwarded to GA with addition only two or three communiqué-type introductory sentences. It was agreed next meeting would be eleven thirty a.m. tomorrow unless McCloy could meet tonight.

5. Prior to formal meeting Zorin indicated informally Soviets would like suggest editorial changes in text such as omission of “the principles of” in references to UN charter and substitution “international disarmament organization”. Stated however that if US could not accept them this would not be obstacle to agreement provided US could agree to deletion final sentence paragraph six.

Stevenson

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**55. Memorandum from Gen. Lemnitzer to McNamara,  
September 29<sup>1</sup>**

September 29, 1961

SUBJECT

Nuclear Testing In the Atmosphere (U)

1. The Joint Chiefs of Staff consider that there is an urgent military, requirement for accelerated weapons development and effects information that can only be satisfied by nuclear tests in various environments,

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<sup>1</sup> Recommends U.S. resumption of atmospheric nuclear tests. Secret. 4 pp. Washington National Records Center, RG 330, OSD Files: FRC 65 A 3464, Atomic 400.112, June–September 1961.



including the atmosphere. National security requires that our weapons development programs be pursued aggressively without the handicaps of self-imposed restrictions on the manner of testing new concepts. They further consider that careful scientific analyses establish that world-wide radioactive contamination resulting from such tests would be insignificant. By using the same careful procedures of analysis and prediction employed in previous nuclear tests in the atmosphere, control of local fallout can be accomplished without hazards.

2. Because of the potential political impact associated with US initiation of resumption of atmospheric testing, the Joint Chiefs of Staff have previously recommended initial resumption of testing in environments which would preclude atmospheric contamination. The resumption of atmospheric testing by the USSR changes the political implications formerly associated with this question and compounds the military urgency for US resumption of such tests.

3. The Soviet accelerated test program will obviously lead toward significant improvements in their strategic nuclear capability. However, the presently authorized US underground test program is tailored primarily to the slow expensive development of small tactical weapons and is incapable of meeting all requirements for larger weapons. Although the proposed test series following NOUGAT contains some reduced yield tests of strategic weapons, they are limited in number, and the program is unduly slow in meeting the present Soviet challenge.

4. The security of the United States depends to a large extent upon our ability to assure superiority in nuclear weapons and our ability to employ them effectively. Although some progress can be made in developing nuclear weapons by underground tests supported by laboratory experimentation and theoretical analysis, only very limited information can be obtained in the vital field of nuclear weapons effects.

5. The present U underground test program, as opposed to atmospheric testing, has some advantages; however, its inherent disadvantages and limitations exceed these advantages. There appears to be a finite yield limitation which cannot be exceeded in underground testing. Pretest operations are inherently time consuming and costly. Tests in the atmosphere offer the greatest opportunity for obtaining significant diagnostic and effects data for the devices or weapons fired.

6. Resumption of atmospheric testing is simply justified for several reasons. Various scientific panels appointed by the President, e.g., the Panofsky Panel, have recognized that important surprises in both weapons effects and development are possible through testing. Although it is not certain that surprises with important military implications will occur if atmospheric testing is resumed, it is certain that only the nation which conducts tests has a chance to discover and exploit these surprises.



7. In addition to the search for the unknown, there are critical kinds of known deficiencies. Weapons effects measurements are urgently required in several areas:

a. The damaging effect of electromagnetic pulses upon [illegible in the original] and electronic equipment.

b. The disrupting effect of nuclear detonation on radar and communications.

c. The high altitude and outer space kill ratio of nuclear [illegible in the original] warheads against re-entry bodies.

d. The determination of the effects of the new tactical type enhanced radiation and all-fusion [illegible in the original].

The potential impact of such weapons effects information is profound. There are few elements of modern military operations which are not vitally dependent upon swift and reliable operation of communications and other electronic equipment. The development of an effective AICBM system would strengthen or weaken enormously the US strategic posture, depending upon which nation achieves such a capability. Information in these critical areas can only be obtained to the degree of accuracy and completeness required by atmospheric testing.

8. It has been stated that world-wide fallout resulting from atmospheric testing presents a real hazard to the population of the world. In considering such charges the Joint Chiefs of Staff note the insignificant increase over normal background radiation which has resulted from such tests. In addition, responsible agencies have calculated that if atmospheric testing equal to that of the combined total of US and USSR tests in 1958 were continued annually, the radiation dosage world-wide would gradually increase until equilibrium (radioactive decay equal to amount injected) was reached at 30% of normal background. This is equivalent to the increase in cosmic ray radiation in moving from Washington D.C. to Denver, Colorado. In the judgment of the Joint Chiefs of Staff this slight increase, when compared to normal variations in radiation background, can only be considered insignificant.

9. Upon completion of the current USSR atmospheric test series, it can be anticipated that there will be a renewal of Soviet offers for a test moratorium and renewed test ban negotiations. The Joint Chiefs of Staff consider it vital to the security of the United States to pursue atmospheric testing irrespective of whether or not the Soviets propose a nuclear test ban.

10. In consideration of the above, the Joint Chiefs of Staff recommend that:

a. The resumption of nuclear testing in the atmosphere be approved without delay.

b. Preparations be undertaken immediately at all sites necessary to conduct required tests.

c. Government officials refrain from making public statements concerning the alleged adverse effects of the world-wide fallout resulting from current USSR tests in order to retain maximum flexibility of decision regarding US resumption of atmospheric testing.

d. Regardless of possible overtures by the Soviet Union towards another test ban moratorium at the completion of their current tests, no agreement be made which would preclude the United States from conducting a planned series of atmospheric nuclear tests unless an effective inspection and control system is implemented and properly functioning.

11. It is requested that you inform the President of the views of the Joint Chiefs of Staff on resumption of nuclear testing in the atmosphere.

For the Joint Chiefs of Staff:

**L.L. Lemnitzer**

*Chairman*

*Joint Chiefs of Staff*

October 1961

56. Letter from Seaborg to Rusk, October 7<sup>1</sup>

October 7, 1961

Dear Mr. Secretary:

Recent cables from the U.S. Delegation to the United Nations (refs. ET is 968, 990, 1011 and 1044) raise important questions regarding the nuclear testing issue. These cables also pose various possibilities with regard to resolutions being introduced at the current U.N. General Assembly discussions.

I would like to comment on the questions posed. The U.S. has already observed a lengthy moratorium without controls. During this 34 month period we have had no way of knowing whether or not the Soviets have tested clandestinely. Even if they have not done so, they have demonstrated quite clearly that they can readily agree to an uncontrolled moratorium, and when ready to test be adequately prepared to do so effectively, whereas we have been and would be constrained by the dictates of our open society to limit our preparations.

I do not think it desirable that the U.S. propose substantive changes in the U.S.-U.K. resolution of September 23, 1961, which set forth our readiness to cease tests provided that there was a signed treaty which included provisions for an international control system. The lessons of the past three years should not be lost to us and the point that we have learned them should be put forth to the world.

A moratorium with negotiations for a specifically limited period may be appealing to many nations in the U.N. However, we should not be led into thinking that any adopted time limit would not be extended and re-extended until the Soviet Union found it to its interests to break off the moratorium. At the end of any agreed time period we would be placed in the position of having to reject an extension of negotiations or of breaking off such negotiations.

In view of the above comments, I would hope that any Department guidance sent to the U.S. Delegation in New York would reflect a position of definite and specific opposition to any resolution or appeal which urges reinstitution of an uncontrolled moratorium. This position should be the same for an unlimited or limited duration moratorium, with or without negotiations.

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<sup>1</sup> Seaborg's opposition to reinstitution of an uncontrolled moratorium. No classification marking. 2 pp. Seaborg, Journal, Vol. 2, pp. 225-226.

With regard to moratoria on atmospheric testing only, I realize that the political problems are complex; however certain considerations must be borne in mind.

The comprehensive nature of the current Soviet tests has given them an important relative advantage. The President has urged that rapid progress be made in our own test program. But, at best, the rate of progress is much slower underground than would be the case if atmospheric tests were included in the program; certain unforeseen difficulties in our present series have emphasized this fact. Furthermore, high yield tests, tests for determination of various important weapons effects, and tests to prove out complete weapons systems cannot be accomplished underground.

In our opinion, these factors clearly constitute strong reasons for retaining the President's power to initiate atmospheric testing should he deem it necessary in the interest of national security.

I would urge a Principals' meeting at a very early date to further explore these problems in order to make recommendations to the President. Therefore, I am taking the liberty of sending a copy of this letter to Secretary McNamara.

Sincerely yours,

*Chairman*

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## 57. Telegram 1123 from USUN, October 7<sup>1</sup>

October 7, 1961

Nuclear testing. Following is draft of proposed statement for President which was discussed with Dept this morning:

"Since the Soviet Union resumed nuclear weapons testing in the atmosphere on September 2, it has detonated eighteen fallout producing nuclear devices. Some of these devices have released energy equivalent to millions of tons of TNT.

Because these explosions result in pollution of the atmosphere I joined with Prime Minister Macmillan on September 3 in proposing that the Soviet Union agree with our governments not to conduct

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<sup>1</sup> Transmits draft Presidential statement on nuclear testing. Confidential. 2 pp. Department of State, Central Files, 700.5611/10-761.

nuclear tests which produce radioactive fallout. The Soviet Union rejected that offer.

The Soviet test series threatens to intensify competition in the development of more and more deadly nuclear weapons. Thus these tests increase the possibility of ultimate disaster for all mankind.

The time for action is perilously late. Soviet testing tilts the balance of military advantage. Unless Soviet tests are halted, the United States will be forced, however reluctantly, to begin testing in the atmosphere in order to preserve its own security and the security of its Allies.

Therefore, for the safety of our own generation and the health of generations to come, I invite the Soviet Union, first, immediately to discontinue all nuclear testing and, second, to conclude within thirty days a treaty prohibiting all nuclear weapons tests, under effective controls.

The draft treaty prepared by the United States and the United Kingdom after two and one-half years at the conference table in Geneva should serve as a basis for this treaty.

The United States would wish to know within a week whether the Soviet Union agrees to adopt this procedure. If it does not, the United States will be obliged to press forward with tests in all environments, including the atmosphere, as may be necessary for its own safety and the safety of the free world.”

Ambassador Dean and Popper prepared proceed to Department at any time for discussion this matter.

**Stevenson**

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**58. Letter from Gilpatric to President Kennedy, October 9<sup>1</sup>**

October 9, 1961

Dear Mr. President:

In our letter to you of September 30, 1961, we outlined the basis for a proposed U.S. nuclear test program. In that report we informed you of the data which is needed and which can only be obtained through atmospheric testing. We now believe it is important that we

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<sup>1</sup> Seeks approval of a comprehensive test program. A proposed test schedule is attached to the letter. Secret. 11 pp. Washington National Records Center, RG 330, OSD Files: FRC 65 A 3464, Atomic 400.112, October 1961.

further describe the experiments which are urgently required and recommend that you grant approval to prepare for a comprehensive test program. You will note that our greatest deficiency in effects data lies in those related to determining the vulnerabilities of our ICBM systems and sites, and those phenomena affecting the design of AICBM systems and hardening of warheads to secure penetration of enemy defenses.

Some of the less complicated tests can be conducted in a few weeks, while the more complex ones require up to two years for preparation. An extended period of time is required to complete the series because preparation was limited during the moratorium while the United States was negotiating in good faith. It is also important, in this context to make *[text not declassified]*. To accomplish this it is obvious that preparations must have been instituted about two years prior to resumption of testing. If we continue our unilateral restrictions or agree to a moratorium on atmospheric tests, we will have permitted the USSR to obtain a technological gain of several years and obtain information which will be denied us without atmospheric testing.

It is fallacious and dangerous to our national security to assume that we have reached a favorable plateau in nuclear weapons development, and that extensive efforts in nuclear testing are no longer required. On the contrary, from past experience we know that nuclear testing has enabled our scientists to make extraordinary progress, not only in weapon technology but in the discovery of previously unknown and unsuspected phenomena. We believe that similar gains can be made in the future.

The current nuclear test series being conducted by the USSR is a clear demonstration of their determination to improve their military posture and must be considered as the culmination of a continuing vigorous and aggressive weapons development and systems test program. In contrast, during the voluntary test moratorium started at the end of October 1968, the United States, acting in good faith, conducted no nuclear tests of new weapons and no nuclear tests to study effects phenomena associated with nuclear detonations or to prove stockpiled weapons. The currently authorized tests, with yield and environmental limitations imposed by underground testing, do not permit the Atomic Energy Commission and the Department of Defense to pursue all aspects of a dynamic and effective test program.

The critical need for effects data vital to the national security lies in the weapons effects area that relate to ICBM and ICBM site vulnerabilities. The importance of these effects was not recognized early enough before the onset of the moratorium to instrument for their measurement in tests underway at that time. As a consequence, very little quantitative information is now available, and it is to correct this deficiency that atmospheric tests are urgently required. In addition, if

such testing is authorized, weapons development could proceed at a much higher rate and we could accomplish several desirable weapons systems and stockpile weapons assurance tests. To meet these critical needs, programs should be conducted on a high priority and urgent basis to:

a. Obtain the necessary data relative to the vulnerabilities of ICBM systems and to assure that our AICBMs will be effective in a nuclear explosion environment. We urgently need the following weapons effects tests:

(1) [text not declassified]

[text not declassified]

Performance of [illegible in the original] weapons [illegible in the original] are presently in [illegible in the original] or are [illegible in the original] near future. While such tests at full yield are not absolutely required, the tests indicated would give assurance as to the yields of the latest warheads and are tests that could be carried out at early dates. Specific tests are as follows:

<u>Warhead</u>	<u>Yield</u>	<u>Readiness Times</u>
[text not declassified]	[text not declassified]	3–4 weeks
[text not declassified]	[text not declassified]	3–4 weeks
[text not declassified]	[text not declassified]	3 months
[text not declassified]	[text not declassified]	3 months
[text not declassified]	[text not declassified]	Spring 1962
[text not declassified]	[text not declassified]	[text not declassified]

c. Improve weapon technology with particular emphasis on increased yield-to-weight action, greater efficiency of base thermonuclear burn and the development of clean weapons. The present tests in Nevada are contributing to these objectives, but this program is subject to serious limitations. Specific initial development shots which would now be planned regarding overseas tests are as follows:

(1) [text not declassified]

(2) [text not declassified]

(3) [text not declassified]

The first of these tests could be ready in about six months with the remainder being completed in an additional six months. The operations could be conducted as airburst or barge surface shots with both options being desirable. However, all could be conducted as airburst, which in some cases would lead to loss of important diagnostic information.

d. Conduct operational test firings of Polaris, Atlas D and [illegible in the original] (Anti-Submarine Weapon System) systems. These full-scale firings would serve the vital purpose of providing realistic operational training. Psychologically, such firings could have a significant

beneficial impact on the military posture of our forces as well as the forces of our allies. From a purely technical viewpoint, operational test firings to include full-scale detonations of the nuclear warhead have not been required in order to prove proper operations of those complete systems which are now in the inventory.

These full-scale operations can be accomplished with adequate safety and should be considered for inclusion in our program of test firings. Of immediate importance, the following demonstrations are recommended:

(1) *[text not declassified]*

Please note that the tests listed in (a) through (d) above are the most important and should not be construed as a complete listing.

Though a limited amount of valuable data can be secured from the current underground test series with low yield devices, it is being obtained at a relatively slow pace as is characteristic of underground testing. It must also be emphasized that testing underground can neither provide all of the effects data necessary to satisfy defense requirements outlined above nor permit the most rapid and full exploration of high yield weapon technology by the Atomic Energy Commission laboratories.

If it is desired to accelerate the present schedule of operations at the Nevada Test site (NOUGAT) significantly, it will be necessary to use balloon techniques. Under these circumstances the schedule could be modified as follows:

<u>Event</u>	<u>Purpose</u>	<u>Present Schedule</u>	<u>Balloon Schedule</u>
<i>[text not declassified]</i>	<i>[text not declassified]</i>	Early November	Early October
<i>[text not declassified]</i>	<i>[text not declassified]</i>	Mid November	October
<i>[text not declassified]</i>	<i>[text not declassified]</i>	Mid-December	October– November
<i>[text not declassified]</i>	<i>[text not declassified]</i>	Mid February	October– November
<i>[text not declassified]</i>	<i>[text not declassified]</i>	Mid February	December

Similar advances in schedule can be made for some of the less complex tests in the follow-on program.

We believe the best course open to the United States is to strengthen our military posture by conducting a comprehensive test program as indicated above. This will involve atmospheric tests to supplement the current underground test series. Intensifying our test activities is



mandatory if we are to get the maximum technical data as quickly as possible. This will enable the United States to minimize the advantages being gained by the USSR in weapon and effects technology during their current tests. Once the United States resumes atmospheric testing, we must be prepared to stand firm in the face of any propaganda and conduct our test programs as necessary.

If you decide to permit the preparations for the tests outlined in this letter, it is important to recognize that in spite of taking every precaution against it there would be a risk that knowledge of the preparations would become public. In view of this fact and because the preparations would necessarily be on a large scale, it might be desirable to announce in advance that such efforts are underway.

Contrary to the widely publicised statements concerning the hazard associated with the fallout from atmospheric tests, the Defense Atomic Support Agency has conducted extensive studies over the past few years on the world-wide fallout of radioactive materials resulting from atmospheric testing. These studies indicate that, in actual fact, world-wide fallout from past nuclear tests has not produced a demonstrable biological hazard, nor is it expected that any similar future tests would do so. The widespread belief that atmospheric testing is dangerous, arises in part from a misunderstanding of the basic differences between local fallout and world-wide fallout. It has been conclusively shown that the total radiation exposure to important areas of the body from world-wide fallout from all past tests is only 2 to 3% of the radiation exposure all individuals receive from natural sources. This increase is much smaller than the variations in dose that always have been imposed by nature on individuals living in different locales. We agree with the Defense Atomic Support Agency in this matter. As in the past, local fallout problems can be handled by appropriate safety precautions during the tests to insure freedom from danger.

In consideration of the above, we recommend that:

a. Approval be given for the Department of Defense and the Atomic Energy Commission to prepare for atmospheric and high altitude nuclear tests as outlined in this letter at suitable overseas locations, e.g., Christmas Island, Eniwetok, Johnston Island, open water and at the Nevada Test Site. Yield and operational limitations would be imposed as required to assure the health and safety of populated areas.

b. [*text not declassified*]

c. U.S. statements regarding the fallout hazard from atmospheric testing be based on known and proven facts rather than continued propaganda exploitation of the world's exaggerated fear of radioactive fallout from tests in the atmosphere.

d. Pending a decision to conduct the tests recommended, statements to the public should point out that the USSR nuclear weapons

technology may well be overcoming our earlier lead, and the consequent national security need for a United States test program.

Sincerely,

**Roswell L. Gilpatric**  
*Deputy Secretary of Defense*

**Attachment**

*PROGRAM SCHEDULE*

[illegible in the original] order of representative items shown in basic letter. Assume authorization [illegible in the original].

*October*

Advance NOUGAT schedule [*text not declassified*] by use of balloons as NTS.

*October–November*

Advance NOUGAT schedule [*text not declassified*] by use of balloons as NTS. [*text not declassified*]

*5 to 12 November*

[*text not declassified*]

*December*

Advance NOUGAT schedule [*text not declassified*] by use of balloons as NTS. [*text not declassified*]

*15 January*

[*text not declassified*]

[illegible in the original]

[*text not declassified*]

[illegible in the original]

(1) [illegible in the original] of developmental series to include:

[*text not declassified*]

(2) [*text not declassified*]

*15 July*

[*text not declassified*]

[illegible in the original] months

[*text not declassified*]

*Two years*

[*text not declassified*]

**59. Letter from Seaborg to President Kennedy, October 10<sup>1</sup>**

October 10, 1961

Dear Mr. President:

The enclosure to the letter of September 20 from Secretary Gilpatric and myself discussed the pros and cons of different environments for testing nuclear weapons. It included recommendations that preparations be made to give an immediate readiness posture for low-yield atmospheric tests in Nevada and a 3-months' readiness posture for large-scale tests at Eniwetok, and that attention be given to the possibility of conducting atmospheric tests through the medium of completely air-borne operations. In my letter of October 7, I pointed out that any appreciable speed-up in our presently-planned program could be accompanied only by going to atmospheric testing.

The present letter will discuss various aspects of testing in the three locations mentioned above, including technical feasibility for various kinds of tests, time scales, costs, etc., together with the possible effect on the schedule of our presently-planned program, should such methods be adopted. A letter of October 9, 1961 from Secretary Gilpatric describes possible tests of mutual interest as well as certain complete systems demonstrations primarily of concern to the Department of Defense.

The earliest possible atmospheric tests of developmental significance are some of those now proposed for the approved NOUGAT Program which could be accomplished from one to two months ahead of the current schedule by using tethered balloons at the Nevada Test Site. (Such tests are, of course, subject to possible delays due to weather.) Balloons are on hand. Rehabilitation of the ground handling equipment and training of the crews are the pacing factors of the steps required to achieve readiness; these steps will take from 10 days to two weeks. Sampling aircraft and diagnostic equipment can be ready within the same time frame.

An advance of as much as four or five months in the schedule for some of the tests in the follow-on program enclosed with my letter of September 19, 1961 could also be accomplished by use of the balloon technique. Toward the latter part of this program, testing could be conducted much more rapidly if not inhibited by the lengthy process of preparing underground sites. The cost of balloon tests is appreciably

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<sup>1</sup> Technical aspects of nuclear testing at Nevada, at Eniwetok, and via airborne medium. Secret. 3 pp. Kennedy Library, National Security Files, Subjects Series, Nuclear Testing, 9/27/61–10/10/61.

less than of those conducted underground, or those utilizing towers, but there is some sacrifice in the technical information attainable.

A speed-up of those tests involving yields too large to be conducted in the atmosphere in Nevada could be accomplished by utilizing an air drop technique over the Pacific, again at some sacrifice in the technical information obtainable. Proof tests of bombs, which do not require extensive diagnostics, could begin in from two to four weeks. Tests of missile warheads or developmental devices requiring the fabrication of drop containers could begin in two to three months. This sort of wholly air-borne operation, which would be conducted from air bases on Hawaii, would require aircraft for dropping the devices, for radio-chemical sampling and for air-borne diagnostics such as "bangmeters," photography and other measurements. We are assured that these aircraft and the necessary manpower are available and require only adequate priority to preempt their use.

This technique could be used for several of the tests in the follow-on program (letter of September 19, 1961). Certain of these tests (e.g., the Pershing and second generation Minuteman warheads) originally planned as low-yield mock-up tests might be conducted at intermediate or full-scale yields. This technique would also permit the introduction of some development testing involving yields so large as not to have been included in the follow-on program. The method would also be applicable to proof testing medium and large-yield weapons not suitable for underground testing.

The cost of such air-borne drop tests is estimated to be from 250 to 300 thousand dollars per event to the AEC, plus comparable DOD operating costs.

For those large-yield tests involving such complex and precise instrumentation as to require a land base, it would be necessary to open up an Island Site in the Pacific. The Eniwetok or the Johnston Island installations could be rehabilitated for this purpose. The former is larger and would permit a greater variety of tests; the latter has an available missile-launching site. To prepare the Eniwetok installation would entail removing tropical growth, rehabilitating buildings, roads, and docks, and reconditioning the utilities and other mechanical support elements. Some minor new construction would be required. As an alternative, it might be possible to negotiate with the U.K. for the use of Christmas Island, which we understand has been kept in standby condition and which has the advantage of not being in the Trust Territory. In any event, such an island operation would require activation of a military task force to furnish adequate logistic support. From four to six months would be required to accomplish all the steps necessary to begin a meaningful test series. Several million dollars would be required for initial rehabilitation of either of our own sites. The

extent of further investment required would depend on the scope of the test series to be conducted. It has been our previous experience that AEC costs alone at Eniwetok averaged about two million dollars per event for an extended series of tests.

In summary, it is clear that acceleration of relatively simple tests, in the present program, can be accomplished by testing on tethered balloons at the Nevada Test Site, that larger-yield proof tests and certain developmental tests can be carried out by a completely air-borne operation within the next few months, but that it will take at least six months and a major operation to open up a Pacific Test Site for an extended development test program.

These three methods of atmospheric testing together with our underground capability would permit flexibility of response to the wide variety and frequent surprises of the developmental program.

I am sending copies of this letter to Secretary Rusk, Secretary McNamara, Mr. Bundy, Dr. Wiesner, Mr. Dulles, and Mr. Foster.

Respectfully,

**Glenn T. Seaborg**  
*Chairman*

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## 60. Memorandum from Ball to President Kennedy, October 12<sup>1</sup>

October 12, 1961

### SUBJECT

Memorandum to You from Ambassador Stevenson on Nuclear Testing and the United Nations.

On Wednesday, October 11, the Secretary sent to you for your approval a memorandum entitled “US Position for the General Assembly on the Nuclear Test Ban” which represented the economists on this issue of the Committee of Principals which met Tuesday evening.

Ambassador Stevenson is now aware of the views of the Committee of Principals. He has asked that we forward to you the attached memo-

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<sup>1</sup> Transmits October 12 memorandum from Stevenson outlining strategy on handling the nuclear testing issue at the U.N. Attached to Stevenson memorandum is a proposed Presidential statement. Confidential. 5 pp. Department of State, Central Files, 700.5611/10–1261.

random in which he accepts those views and urgently recommends that either you or he make an immediate statement offering to sign the present draft treaty on nuclear testing, or to return now to the negotiating talks.

I concur in Ambassador Stevenson's recommendation which I believe, as he points out, would be helpful in our efforts to maximize acceptance of our views in the test ban issue in the United Nations.

**George W. Ball**  
*Acting Secretary*

### **Attachment**

#### **SUBJECT**

*Nuclear Testing and the United Nations*

1. Last Saturday I sent to the White House and the State Department a proposed Presidential statement in which you would have invited the Soviet Union, first, immediately to discontinue all nuclear testing, and, second, to conclude within thirty days a treaty prohibiting all nuclear weapons tests. You would state at same time that the U.S. was going to prepare for atmospheric testing, and if your offer was not accepted within one week, the U.S. would be obliged to start testing when ready.

2. At a meeting in Washington Tuesday, the Committee of Principals decided against using this approach and also against taking any initiative to renew the Kennedy-MacMillan proposal that fall-out testing be banned.

3. On behalf of all the agencies concerned, the Secretary of State has now recommended a new policy under which we would continue to be willing to negotiate a treaty for a controlled test ban, whether for all types of tests or for atmospheric tests only, but in view of the Soviet test series we would not agree to a moratorium on testing during the period of negotiations.

4. I am told that at the meeting of the Committee of Principals it was the consensus that preparations should be made for atmospheric testing, but that such tests could not take place for several months. The proposal that we test in the atmosphere almost at once, for demonstration rather than technical purposes, was rejected—thank god!

5. I think that one more "last chance" challenge to negotiate a treaty within 30 days, with a joint test suspension during that limited period only, would be extremely useful in dealing here with the enthusiasm for the Indian proposal (to ban all tests, with no controls) and with

the skepticism about the U.S.-U.K. resolution (to negotiate forthwith a treaty along the lines of our Geneva draft).

6. However, I am not questioning the decision taken in Washington this week. What I do *urgently recommend* is an immediate statement from you or me offering to sign the present draft treaty or to return now to the negotiation table, either in Geneva or perhaps right here in New York. We would make clear that we were making preparations for further tests of our own; express our regret that Soviet actions make them necessary, as a matter of national security; and agree to stop as soon as a treaty is signed.

7. I am not proposing that we should stop our preparations for testing in the atmosphere. I think we should be completely frank in stating that these preparations are going forward. Indeed, the preparations may themselves serve as some incentive toward getting the Soviets back into negotiations. But since we cannot usefully test in the atmosphere for several months, I think we have everything to gain and nothing to lose by using the intervening time to conduct our educational campaign that stresses (a) our willingness to conclude a treaty, (b) Soviet obstruction and duplicity, and (c) the contrast between Soviet unconcern about the dangers of fall-out tests and U.S. reluctance to follow suit.

8. In summary, these are the reasons why I think a new offer to negotiate a treaty would prove useful:

(a) It will be a further boost for the disarmament initiative you took in your great speech here in the UN and it will show that the United States is supremely desirous of putting an end to nuclear weapons testing, with all its health hazards, its implications in terms of ever more destructive weapons, and its general exacerbating effect on international tensions.

(b) The offer would give us something other than a purely negative line to use as a basis for combating proposals for an uncontrolled, uninspected and unlimited test moratorium. While the present position that test cessation is possible only under a treaty with controls is thoroughly reasonable, it commands indifferent support in the General Assembly. Ninety-six of the 100 members of the UN are innocent bystanders in the nuclear arms race. Fearing that the health and safety of their peoples are jeopardised by continued testing, they are not interested in the rights and wrongs of the situation, or in who tested first. They will make a passionate appeal that the tests be stopped. If we must test for security reasons, it would help to dramatize the earnestness of our effort to avoid test resumption before we reached the point of no return.

(c) Our offer should win votes for our resolution and will moderate criticism we will certainly get for not agreeing to an Indian-type resolu-

tion. More than that, it will improve our standing with respect to other major political issues about to come up in the General Assembly. I need mention only the Chinese representation problem, the problem of the Secretary-General, and, if it comes into the UN, the problem of Berlin. In dealing with those difficult matters, it is surely best for us to appear as an earnest seeker of ways to diminish tensions.

(d) The renewed offer would focus attention on and dramatize our advocacy of a full nuclear test ban treaty with controls; it would greatly assist the process of public education we had intended in any event to carry out here at the UN.

9. In your press conference yesterday, you did indicate U.S. willingness to negotiate for a test ban treaty, and your conviction that a "moratorium" during negotiations is no longer an acceptable procedure as far as the United States is concerned. But the "news" in your statement was the possibility of atmospheric testing. My suggestion for a formal renewal of our treaty offer is to get the public's attention focussed once again on our desire to negotiate so as to stop tests, rather than on the melancholy necessity to continue them.

10. If you prefer to say no more on this subject, I would welcome your authorization to make a statement here, within a very few days, along the lines suggested in this memorandum. One way or the other, a formal U.S. announcement should be made very soon, before the Soviets complete their present test series.

**Adlai E. Stevenson**

### **Attachment**

#### *DRAFT STATEMENT BY THE PRESIDENT*

Since the Soviet Union resumed nuclear weapons testing in the atmosphere on September 2, it has detonated more than twenty fallout producing nuclear devices. Some of these devices have released energy equivalent to millions of tons of TNT.

The Soviet test series threatens to intensify competition in the development of more and more deadly nuclear weapons. Thus these tests increase the possibility of ultimate disaster for all mankind.

There is only one safe and sure way to stop nuclear weapons tests and to stop them quickly. That is to complete a treaty prohibiting all nuclear weapons tests under effective controls.

In the last two years the negotiations at Geneva made significant progress toward such a treaty. The United States stands ready to resume these negotiations for such a treaty today. It will devote all its resources to the quickest possible conclusion of these negotiations. If the Soviet Union would do the same, there is no reason why a nuclear test ban treaty with effective controls cannot be signed within thirty days.



My negotiators are ready now to sit down at the table with Soviet and British representatives for this purpose. Until there is a treaty and tests can be stopped, the United States, as a responsible nation, must prepare and take the actions that may be necessary to protect its own security and that of the world community.

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**61. Memorandum from McNamara to the Chairman, Joint Chiefs of Staff, October 12<sup>1</sup>**

October 12, 1961

SUBJECT

Weapons Tests Plans and Preparation

Attached is a copy of a letter which has been approved by the President. The letter provides information concerning nuclear tests urgently required to be conducted in the atmosphere and recommends that authority be granted to prepare for the tests.

You are authorized and directed to proceed with preparation of plans on an urgent basis as follows:

a. As first priority, prepare detailed plans for [*text not declassified*]. Possible locations for these tests are indicated in the attached letter.

b. Prepare plans for [*text not declassified*]. The memorandum from the Assistant to the Secretary of Defense (Atomic Energy) to the Departments of the Navy and Air Force, the Chairman, Joint Chiefs of Staff and the Chief, Defense Atomic Support Agency, dated 10 October 1961 is rescinded.

c. Prepare plans for [*text not declassified*].

d. Prepare plans for support of the Atomic Energy Commission as may be required for the weapons development tests indicated in the attached letter.

You are authorized to proceed with preparation for all the tests indicated above to include assembly of equipment and personnel in a manner to minimize the risk of a leak to the public concerning the purpose of such actions. No public announcement is desired. Phrasing

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<sup>1</sup> Weapons tests plans and preparation. Secret. 3 pp. Kennedy Library, National Security Files, Subjects Series, Nuclear Weapons Testing 10/11/61–10/15/61.

of the preparations shall be such that they can be practicably altered or terminated short of execution of the tests.

Planning and preparation for tests will be limited at this time to those indicated in the attached letter. However, in preliminary planning, selection of test locations and other matters, consideration should be given to the possibility of a continuing test program.

Reactivation of a Joint Test Organization is authorized within existing service manpower authorizations, and funds available. If additional resources are required, necessary requests will be made to this office prior to commitments being made.

We are beginning exploratory discussions with the Department of State to determine the feasibility of using Christmas Island for tests as may be desirable. You will be kept informed of the results of these discussions. Christmas Island appears to have many technical advantages for use as an atmospheric test site or staging base.

For each of the plans requested I desire, at the earliest possible date, the following:

a. Information as to how far we may proceed with preparation without serious risk of a leak to the public.

b. Information as to how far we may practicably proceed with preparations and hold pending authority to fire.

c. Copies of the completed plans. These may be provided in outline form.

d. Requirements for resources.

**Robert S. McNamara**  
*Secretary of Defense*

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## 62. Telegram 913 to USUN, October 13<sup>1</sup>

October 13, 1961

Deptel 566. Disarmament Item. Reftel suggested course of action for handling disarmament item 16th GA on assumption no agreement would be reached in bilaterals on either statement of principles or

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<sup>1</sup> Handling disarmament issue at U.N. following U.S.-U.S.S.R agreement on principles. Confidential. 5 pp. Department of State, Central Files, 600.0012/10-1361.

disarmament forum. Now that agreement reached on principles, request your comments on following course of action:

1. We would not seek endorsement our disarmament plan by 16th GA for reasons indicated reftel. However we would wish set forth our understanding of agreed principles and extract maximum advantage by explaining key provisions our plan as illustration and embodiment those principles.

2. In order avoid creating illusory impression wider US-USSR agreement in disarmament field than in fact exists and undesirable consequences such impression could have in view present world situation, we inclined not submit joint US-USSR resolution endorsing agreed principles and calling for resumption negotiations as suggested by UK (DEPTTEL 880). In view fact US-USSR agreement on principles we doubt there will be mediation effort by third parties as UK feels, and in any event believe disadvantages US-USSR joint action at this point are controlling. In general, we do not believe that US-USSR agreement on principles should be played up in debate.

3. Regarding disarmament forum we believe resolution advanced Section B our tel 566 still sound. Our thought is that dependent on results consultations with allies we would put forward resolution calling on DC appoint subcommittee of 20 as (1) counter to probable Soviet or neutral resolution calling for less favorable composition and (2) an earnest of our determination get effective consideration disarmament question. We realize problem posed by French opposition any forum other than 10-Nation forum but would hope French recognizing that we could not achieve favorable vote such resolution and in view tactical advantage this proposal could be persuaded remain relatively quiet on 20-nation proposal.

4. We anticipate probable outcome of debate will be resolution referring disarmament question to DC. This would appear to be result in view fact neither side may be able get agreement in Assembly debate on smaller forum. We believe best if resolution referring question to DC were put forward by representative group of nations and would suggest that Canadians, who put forward referral resolution in last GA, might organize group co-sponsors. In initial statements debate, while we would argue for soundness of 20-nation forum proposed in draft resolution, we would continue express willingness have problem considered in broader forum (including DC) which truly representative GA membership.

5. Following text suggested for resolution with alternative Section B referring matter to DC in event res on 20-nation subcommittee (part B Deptel 566) proves not to be feasible:

*"The General Assembly,*

A.

*"Conscious of its responsibilities under the Charter for disarmament;*

*"Recalling the terms of its resolution 1378 (XIV) of 20 November 1959, which called upon Governments to make every effort to achieve a constructive solution of the disarmament problem and which expressed the hope that measures leading toward the goal of general and complete disarmament under effective international control would be worked out in detail and agreed upon in the shortest possible time;*

*"Noting the report submitted to the General Assembly by the United States and the USSR following their exchange of views on questions relating to disarmament and to the resumption of negotiations in an appropriate body (Doc A/4879);*

*"1. Welcomes the joint US-USSR statement on agreed principles for disarmament negotiation included in that report;*

*"2. Recommends that negotiation on general and complete disarmament be based upon those principles.*

B.

*"Deeming it essential that negotiations for general and complete disarmament agreement under effective international control be resumed at the earliest possible time;*

*"Recognizing that all states have a deep interest and concern in disarmament negotiations;*

*"Noting that no agreement has been reached on the proposals for composition of a disarmament negotiating forum contained in the memoranda of the US dated July 29, 1961 (doc A/4880) and of the USSR dated July 28, 1961 (doc A/4887);*

*"1. Refers to the Disarmament Commission the proposals for general and complete disarmament which have been placed before it by the Governments of the United States and of the Soviet Union, and the various other proposals relating to disarmament which have been submitted during the deliberations of the 16th General Assembly;*

*"2. Recommends that the Disarmament Commission meet as soon as practicable in order to consider these proposals and to undertake the negotiation of a disarmament agreement; and*

*"3. Further recommends that the Disarmament Commission appoint such sub-committees as it may deem appropriate."*

6. Question whether Section A and B should be combined or treated as separate resolutions would depend tactical situation and our consultations with Canadians and other Allies.

**Ball**  
*Acting*

**63. Letter from Rusk to Seaborg, October 29<sup>1</sup>**

October 29, 1961

Dear Mr. Chairman:

The Department of State has supported the Atomic Energy Commission in keeping the door open for the resumption of atmospheric testing by the United States, should this become necessary in the interests of national security. We appreciate the difficulties of finding locations suitable for such testing. However, I have noted with concern that, in the event it should be decided that the United States is to resume the testing of atomic devices in the atmosphere, consideration is being given to the possible reactivation of the testing site on Eniwetok Atoll in the Trust Territory of the Pacific Islands. Use of the Eniwetok area would present us with particularly difficult problems.

Since our administration of the Territory is subject to supervision by the United Nations, we are required to defend our actions against hostile attack in the Trusteeship Council and in the Security Council, where the general revulsion against nuclear testing and a strong desire to protect the interests of dependent peoples create an unsympathetic atmosphere for the discussion of this question. We are especially vulnerable to charges that by conducting tests in the Trust Territory we avoid exposing our own continental inhabitants to the dangers involved in proximity to atomic blasts by exposing our Asian wards in the Trust Territory to those same dangers. Such an argument is strengthened by the fact that the people of Rongelap have already suffered some injury as a result of their proximity to an atomic blast in the past.

Another important factor in our thinking is our desire to maintain cordial relations with the people of the Trust Territory, who will probably be called upon eventually under the Trusteeship System to express their wishes as to their future, including the possibility of a continued close relationship with the United States. The unpopularity of nuclear testing among the island people would certainly influence their attitude on this question.

By seizing on the Trusteeship issue, those opposed to our testing would be able to adduce legal as well as political arguments purporting to distinguish our situation unfavorably from that of the Soviets. There is no doubt in our minds that the United States may legitimately conduct atomic tests within the Trust Territory of the Pacific Islands, and

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<sup>1</sup>Concerns over possible reactivation of testing site at Eniwetok. Secret. 2 pp. Kennedy Library, National Security Files, Subjects Series, Nuclear Weapons Testing, 10/16/61–10/29/61.

the United States has taken this position publicly on a number of occasions. It should nevertheless be recognized that a plausible argument may be, and has been, made to the contrary. For this reason, we have constantly been careful not to engage in a detailed legal defense of our right to test in the Trust Territory, since this would merely help to bring out all the arguments to the contrary. I do believe, however, we would face a much more concerted challenge in this respect than we had in the past and would run the serious risk of having the issue brought before the International Court of Justice where the possibility exists that we might be immediately enjoined from such use of the Territory, at least until the matter was finally passed on by the Court.

In view of these circumstances, I believe that we should seek to avoid using a site in the Trust Territory for any tests that may be decided upon. The Department of State would be glad to explore with the Atomic Energy Commission the possibilities of other alternative sites which would not pose the same problems.

Sincerely yours,

**Dean Rusk**

November 1961

64. **Memorandum from Smith to National Security Council,  
November 1<sup>1</sup>**

November 1, 1961

SUBJECT

Proposed Presidential Statement on Nuclear Testing

A draft Presidential statement is distributed herewith in connection with the November 2, 1961 meeting of the National Security Council.

**Bromley Smith**  
*Executive Secretary*

**Attachment**

**PROPOSED PRESIDENTIAL STATEMENT WITH  
RESPECT TO NUCLEAR TESTING**

With the Soviet Union now drawing to a close its current series of nuclear tests, it is time for every American, and for every friend of freedom, to examine the meaning of these tests in their true perspective. For whatever senseless threats have been made, whatever groundless fears have been raised, whatever irresponsible headlines, rumors and speculation have been circulated, the basic facts remain unchanged. We have not lost our lead in the military balance of power. We have not lost our determination to face any risk in the defense of our vital interests. And we have not lost our desire to achieve a world free from the fear of both nuclear tests and nuclear war.

I do not suggest that we can completely dismiss these Soviet tests as unimportant bluff and bluster. They are important to any thoughtful person, in any country, who cannot help but have new concern for the health of his children and new contempt for such crude and cruel tactics. Presumably these blasts are also important to Soviet military leaders and scientists for testing certain weapons or experiments—and as further evidence on these purposes becomes available, it will be evaluated in the light of our own progress.

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<sup>1</sup> Presidential statement on nuclear testing. Attached is a proposed Presidential statement. No classification marking. 3 pp. Seaborg, Journal, Vol. 2, pp. 350–352.

But this much can be said with certainty now:

(1) In terms of total military strength, we would not trade places with any nation on earth.

(2) Every potential aggressor knows that the strategic nuclear force which we could bring to bear—even if we had first been struck the most devastating blow he could launch—would still be greater than the total strategic forces he possessed before attacking us.

(3) It is not necessary for us to explode oversized bombs to confirm the hard fact that we have many times more nuclear power and strategic delivery systems—intercontinental bombers and ballistic missiles—than any other nation on earth in a force so deployed as to survive any sneak attack and capable of devastating any nation foolish enough to threaten the security of this nation or any of its allies.

In the absence of a signed and effective test ban treaty with enforceable inspection, our own testing program will proceed on the basis of our own needs. When our responsibilities to free world security require us to test new weapons in any environment, all necessary advance preparations will have been completed. But an actual test series is not undertaken lightly or hastily. Others may test nuclear weapons in the atmosphere for so-called psychological or political reasons—but the United States has no intention of rushing into precipitate atmospheric testing without solid military justification and careful scientific preparation. Others may conduct a series of such tests without taking any substantial steps to safeguard the health of their own citizens, their co-inhabitants of this planet and generations yet unborn—but the United States will conduct no such series without imposing whatever safeguards are necessary to prevent its world-wide fall-out from rising above a mere fraction of that resulting from the current Soviet series.

In short, the United States will undertake atmospheric nuclear tests only when such tests are deemed necessary, in the light of our evaluation of Soviet tests, to maintain the Free World's present superiority in defensive and deterrent strength—only to the degree that the orderly and essential scientific development of new weapons has reached a point where further progress is not possible without such tests—and only within limits that restrict the fall-out from such tests to an absolute minimum.

To sum up: As long as we can keep our heads clear, our voices calm and our powder dry, it will make no sense for the enemies of freedom to attack, or for the friends of freedom to face the future with any spirit other than one of abiding confidence.



**65. Paper, November 2<sup>1</sup>**

November 2, 1961

**THE FOSTER PANEL PLAN  
FOR GENERAL AND COMPLETE DISARMAMENT**

1. The so-called “Foster Plan” for disarmament, now in its 9th revision and under consideration by the JCS, differs substantially from the US plan submitted to the United Nations. It is based on two principles, neither of which is inherent in the present approved US plan.

a. Immediate progress is necessary in the reduction and control of strategic nuclear delivery vehicles, and

b. The degree of inspection will be equitably related to the amount of disarmament achieved through a zonal area inspection system.

2. Instead of the three stages in the currently approved US plan, the Foster Plan has six.

a. *Stage A.* This stage will involve only the US and USSR. At the outset of negotiations, and during each subsequent month for one year, or until Stage B goes into effect, both the US and USSR will deposit with the United Nations 30 medium jet bombers to be destroyed. If negotiations continue beyond one year, the rate will be 15 per month for the second year; at the end of the second year destruction will be discontinued. If agreement on Stage B is not reached by 1 January 1964, the above provisions would be subject to modification or withdrawal (this caveat holds for all stages.)

b. *Stage B.* The measures in this stage will apply to all members of NATO and the Warsaw Pact. It will last two years and will include both disarmament and inspection measures. During this stage (1) the strategic forces (missiles with more than some 200 mile range and aircraft of more than about 33,000 lbs. empty weight) of NATO and the Warsaw Pact, each will be reduced to 1000 vehicles; (2) the location and characteristics of all AICBMs will be declared and such system will be deployed only by agreement; (3) production of a new strategic vehicle will be accompanied by the destruction of an old one; (4) production of fissionable materials for military uses will stop.

Before Stage B begins all NATO and Warsaw Pact countries will divide themselves into 12 zones, and will declare by zone the number by type and model of strategic delivery vehicles, the location of key production facilities for vehicles and fissionable materials, the number

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<sup>1</sup> “Foster Panel Plan for General and Complete Disarmament.” Confidential. 3 pp. National Defense University, Taylor Papers, Disarmament.

of strategic delivery vehicles aboard ships including submarines, and the location and capabilities of airfields and ports. Inspectors of one side will be stationed at each key production facility of the other side, in all zones, with access to production records. Each side will also be allowed to station inspectors temporarily at all airfields and ports, etc., until inspection gets underway. NATO will choose a zone in each Warsaw Pact country, and the Warsaw Pact a zone in each NATO country. After a zone is selected the host country will identify the location, etc., of strategic vehicles and facilities in the zone. After a zone is selected, no strategic vehicles will be shifted until after the initial inspection; thereafter shifts will be permitted on adequate notice. Each side will be allowed to station inspectors at all key points within the zones chosen, with complete and unimpeded access in the zone. Zones once selected will remain subject to mobile and aerial inspection at any time. After eight months, one more zone in each country will be selected; the process will be repeated once more after 16 months.

c. *Stage C.* Stage C also will last two years and will extend the scope of participation from NATO-Warsaw Pact to Allies of the US and USSR, worldwide. Strategic vehicles will be reduced to 500 each. Mass destruction weapons in space will be prohibited. Nuclear technology will not be passed to countries not now possessing such technology; all states will sign a nuclear test ban agreement.

In this stage quotas will be placed on other weapons, to include tanks, armored personnel carriers, missiles with ranges of 35 to 200 miles, artillery and mortars exceeding 100 mm in caliber, combat aircraft greater than 5500 lbs., naval vessels of more than 500 tons. Quotas in each category will be determined by negotiation. During the two years military forces on each side of the types covered by this provision will be reduced on the order of at least 25%. Production of new weapons in all categories would be limited to a one for one replacement, with advance notification given. Any AICBM systems will be deployed only by agreement. Three more zones in each country would be inspected. Finally, each side would have unlimited access to documents pertaining to budgetary allocations of the other side for military purposes.

Preparatory to, and as a prerequisite for going to Stage D, agreement would be reached on an International Peace Force (IPF), and International Disarmament Organization (IDO), and needed improvements in world law.

d. *Stage D.* Stage D will last two years, will apply to all countries of the world. Strategic forces and other forces will be further reduced. Compulsory military training and refresher training of reserves will be limited. Armaments production will be further restricted, and fissionable material production for weapons will stop and more fissionable material will be transferred to peaceful uses. No new countries will

develop nuclear weapons, and no AICBMs will be deployed except by agreement. Production of CBR weapons will be halted and existing stocks destroyed, provided methods for policing prohibition of CBR weapons have been determined and put into effect.

During this stage the International Disarmament Organization (IDO) within the United Nations framework will be established, and the bilateral inspection organizations of previous stages will be incorporated in this Organization. The IDO will inspect three additional zones in each state that has participated in previous stages and all 9 zones of newly participating states. In addition to IDO, the United Nations Peace Force will be created.

e. *Stage E.* Stage E will last two years, during which all national armaments will be further reduced. The final three zones in each country will be opened to inspection. The United Nations Peace Force will be strengthened.

f. *Stage F.* In this final stage steps will be directed toward a world in which: (1) all national forces will be reduced to agreed numbers required for maintenance of civil order; (2) manufacture of armaments will be prohibited except for use by the United Nations Peace Force and those required to maintain internal order; (3) permanent inspection will be withdrawn and replaced by random inspections; and (4) "the peace-keeping capabilities of the United Nations will be made sufficiently strong and the obligations of all countries sufficiently far-reaching so that they will be able to maintain peace and ensure the just settlement of differences in a disarmed world."

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## 66. Notes on National Security Council Meeting, November 2<sup>1</sup>

November 2, 1961

Mr. McNamara set forth the Defense Department's conclusion regarding the tests which might be performed and the necessity for each type. He listed the following four groups of tests:

1. Systems tests (proving out existing systems and hardware).
2. Proof tests (proving stockpile items).
3. Development (increase yield; yield to weight).
4. Effects (ICBM warhead, vulnerabilities and AICBM).

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<sup>1</sup> Resumption of testing, evaluation of Soviet nuclear program, neutron bomb status, test sites, and review of Presidential statement. Top Secret. 4 pp. Johnson Library, Vice President's National Security File, NSC Documents, Testing.

Mr. McNamara stated that the first two categories of tests of which there would be approximately eight shots are presently ready. He pointed out that while certain advantages would accrue from both categories of tests there was no overriding reason to perform these tests at present. With regard to Categories 3 and 4, he stated that the Defense Department felt strongly that these tests should be accomplished. Otherwise the U.S. nuclear program would remain more or less stagnant and such advantage as this country might presently possess would sooner or later be overcome by the Soviets. Approximately 15 shots would be required and initiation of the series could begin in approximately 5 or 6 months. Mr. McNamara concluded by recommending that the testing program be resumed immediately. AEC and State concurred.

Following an introduction by General Cabell, Dr. Scoville presented the CIA evaluation of the Soviet nuclear program.

Dr. Seaborg agreed with McNamara's proposal to initiate testing immediately of Categories 1 and 2. He cautioned, however, that underground tests such as those presently underway cannot compete with an aboveground program, such as the Soviets are now conducting. He discounted the fallout from the U.S. program by forecasting that the entire test program envisioned within the four categories would produce a worldwide fallout of less than one megaton. Even the effects of this fallout could be controlled and limited. In citing the drawbacks of the Las Vegas testing area Dr. Seaborg said that the AEC had come to no conclusion as to where additional tests should be held.

Dr. Brown further discussed a detailed test program for the four categories cited by Mr. McNamara. He reaffirmed Mr. McNamara's statement that Categories 1 and 2 would reap marginal benefits from the military and technical standpoint. Dr. Brown made a strong case for the resumption immediately of a test program in Category 4. He stated that Defense studies in conjunction with AEC indicated that tests could not be resumed for approximately six months even if the decision were made immediately to resume atmospheric testing.

The President inquired as to how long it would take to complete a reasonable test program for Categories 3 and 4. Seaborg replied that a specific time period would be difficult to predict although he estimated that one shot per week would be an optimum rate in order to permit the recording and assimilation of the great volume of data normally obtained. He agreed that the program could be accelerated, but at the same time certain conditions, such as meteorological, at some testing sites might cause delays and it should be expected that 4 to 6 months would be required to complete this program.

Dr. Bradbury confirmed the disadvantages of testing underground, stating that a period of six months is sometimes required before even

the basic data becomes available and even then chemical analysis becomes extremely difficult. He reviewed the conditions at the various test sites and cited advantages and disadvantages of each. He pointed out clearly the advantages to be gained through atmospheric testing.

The President asked Dr. Bradbury about work on the neutron bomb. Bradbury replied that from a technical standpoint there was no such thing at present and he regretted that this notion had become so popular. He admitted that the laboratories were working on a fusion device which would have low radiation and fallout and from this idea has come the popular expression "neutron bomb." The feasibility of the principle has not been fully established, nor has the military usefulness or reasonable size of weapon been determined. The President suggested that Senator Russell be informed of the facts concerning this idea and the state of its development. The President further expressed regret that Senator Dodd had made certain statements about the weapon and the necessity for it—all of which now are clearly without foundation.

The President asked if the Council should consider abandoning the Nevada test site because of test limitations and of objections from residents of California and the mountain states. Dr. Bradbury suggested that Nevada be retained since the site was appropriate for certain kinds of testing, particularly for weapons suspended from balloons. But of the various sites suggested for the resumed program Bradbury offered the opinion that Eniwetok offered the best possibilities.

In response to the President's inquiry about the military requirements for testing, General Lemnitzer briefly confirmed Mr. McNamara's presentation. He asserted that all four categories were important and had been studied and supported extensively by the military although he agreed with the evaluation of the Council that Categories 3 and 4 were more important.

Ambassador Stevenson questioned the wisdom of resuming tests at Eniwetok since this island is not U.S. territory. He expected this fact would invoke criticism that the United States endangers the lives of citizens other than its own. He felt that the U.S. would be criticized further for resuming tests, but felt the criticism could be overcome if the initiation of the tests were handled right and timed right. By timing (with regard to the resumption of a full program for Categories 3 and 4) he hoped that the resumption would begin after the conclusion of this session of the General Assembly. He also expressed the hope that any test program would be compressed into the minimum time period. Mr. Foster observed that in spite of his position on disarmament he was convinced by the presentations that the United States should resume testing. He felt that the reasons and the necessity were clear and valid.

The President said that he did not want to leave the impression that this particular NSC meeting came to the conclusion that the United

States will resume testing. He preferred not to state U.S. intentions or to commit himself to a future course of action. He said that he could agree only to an implication that preparations might begin if in the best judgment testing were absolutely necessary.

Mr. Murrow stated that the reaction of most nations of the world to the Soviet testing was more one of anger than one of fear. He would like therefore not to invoke this same kind of reaction toward the United States. He expressed the belief that the United States should announce its intention clearly not to resume testing at this time. The President replied that such an announcement was not possible. The President then asked that members of the Council review the proposed Presidential Statement. But in view of the number of exceptions taken to the Statement as proposed, the President asked that the Vice President, Secretary of Defense, Chairman of AEC, and Director of USIA remain after the close of the meeting to assist him in the drafting of the new statement.

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#### 67. Telegram 1139 to USUN, November 4<sup>1</sup>

November 4, 1961

Dept has considered views expressed five power meeting reported New York 1350 re handling disarmament item. USDEL should at next five power meeting convey following response to views expressed and seek allied reactions on following further tactical suggestions re handling disarmament item.

##### *1. Endorsement agreed principles:*

Although Dept still inclined not [illegible in the original] joint US-USSR res endorsing agreed principles, agrees Italian and Canadian point that there be no appearance retreat from agreed principles and UK point that it would be useful have western initiative endorsing these principles to forestall possible revival Indian principles res. Accordingly suggest early initiative in form res sponsored by US or five powers endorsing principles. Believe also early submission western res would help maintain greater degree western control over debate and tactics. USDEL accordingly should seek five power comments on

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<sup>1</sup> Guidance for next five-power meeting on disarmament. Confidential. 2 pp. Department of State, Central Files, 600.0012/10-2661.

text part A res contained DEPTTEL 913 with view to submission soon as possible.

*2. UN framework:*

DEPT agrees Canadian view that negotiating forum should be squarely in UN framework. Believe move to bring this broad and significant aspect East-West dialogue back into UN useful part of general effort bolster UN. See advantage in body established by GA as opposed group established outside UN by four power agreement which can more readily be dissolved by SOV walk-out. Believe further that western proposal place negotiations in UN would be responsive increasing sentiment smaller powers for such move, and would help dispel any impression SOVS seek to convey that west opposes participation by neutrals.

*3. Forum:*

DEPT considers proposal for 20 nation forum appointed by GA as subcommittee of DC, which includes ten nations which participated in Geneva talks in 1960 and ten others on geographical representative basis has decided advantages. This composition permits west to oppose troika formulation, or any variation resembling troika, on grounds of principle, namely that of geographic representation. US can maintain that if present NATO-Warsaw forum to be reconstituted as world forum it must accord adequate representation to rest of world, and that addition of 10 is smallest number that could meet this requirement. Tactically this proposal also offers advantage of outbidding SOVS on number additional states to be included and of dispelling idea western reluctance include neutrals. At same time it is sufficiently large that considerations of geographic representation would probably preclude addition of exclusively QUOTE neutrals UNQUOTE in sense troika principle envisages.

Given these strong points both of principle and tactics we do not consider it necessary to accept any retreat to 5–5–3 or any other combination approximating troika. You should make clear to UK we believe 5–5–3 proposal smacks too much of troika. We believe French might be able to live with 5–5–10 better than 5–5–3.

Agree fully UK point implied NY 1291 para 1, however, that if GA could reach agreement on 20 specific states it would be preferable have their appointment made



**68. Telegram 1241 to USUN, November 14<sup>1</sup>**

November 14, 1961

Re disarmament, USUN 1574. We are of course fully aware pressures we will face on forum issue in forthcoming GA discussion. Our position in dealing with this matter is weakened by fact that UK, Canadians and Italians are prepared to settle for 5-5-3, that Assembly as a whole is unlikely to endorse any solution which is unacceptable to Sovs since they see principal issue as being to secure earliest resumption of disarmament negotiations, and believe forum question involves only picayune procedural considerations. Difficulties are increased by fact Sovs are aware of these factors.

However we believe issues of principle involved are of great importance, and that our memorandum to Sovs July 29 setting forth four alternative forum proposals gives us strong position which we may not have fully exploited. We do not at all need to be defensive about this position or to fall in with idea that considerations are only procedural.

Furthermore, change in France's position and its support ten plus ten or DC as forum (USUN 1592) most important factor not to be overlooked. Now that France has moved toward our position, we should avoid developments that would re-open breach which has haunted us for months.

From standpoint of expeditious conduct of serious disarmament negotiations, there was no reason for Sovs to refuse continuation of negotiations in 5-power subcommittee in 1957. Addition of such satellites as Bulgaria and Romania has added nothing to wisdom, realism or technical competence of negotiating group. Sov objective in insisting upon establishment 10-nation group was purely and simply one of establishing principle and precedent of NATO-Warsaw parity. Sovs sought in making this change to make our opposition to what was in reality significant issue of political principle and precedent appear as merely petty numbers game on part of West, which was thereby impeding return to disarmament negotiations.

Now once again, for reasons unrelated to utility 10-nation forum for disarmament negotiations, Sovs are seeking to establish new significant and highly unfavorable political principles and precedents by further alteration composition. While privately admitting neutrals will not contribute anything to disarmament (USUN 1578), they attempting capitalize on their willingness add neutrals per se and are seeking

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<sup>1</sup> Western strategy for countering Soviet tactics at U.N. Confidential. 6 pp. Department of State, Central Files, 600.0012/11-961.



additional victory to one they won in establishment of principle of NATO-Warsaw parity. They now seek to extend parity between Warsaw (8 states) and NATO (15 states) to new principle of parity between Sov bloc (11 states) and states participating in any type of military alliance with US (over 40 states). They would do this by displacing principle of geographic representation in UN bodies and replacing it with Sov concept of a 3-bloc troika world. SOV tactic once again is to characterize Western opposition to these far-reaching objectives of principle and precedent as mere Western rigidity in refusing to accept a minor alteration in the disarmament forum in order to get on with negotiations.

Believe, accordingly, that Western tactic should be to treat and debate forum question as matter of principle, while at same time pointing out US position of four alternate forums is in fact strong both on grounds principle and practicality, and range of proposals offered can be shown meet every legitimate Sov concern both re equality and re inclusion neutral states.

In order strengthen US position and underline principle geographic representation US should be prepared, if US-proposed additions prove unacceptable, register our willingness accept procedure whereby GA (or DC) would elect 10 countries to be added to 10-nation group on geographic basis, namely, 3 LA's, 3 Asian, 3 African and Middle East, and 1 non-NATO, non-Warsaw European.

In approaching problem of forum four US alternatives of July 29 can be used to disprove any impression we are opposed to broadening participation or to inclusion neutral element in negotiations which Sovs will try to make point of issue. We should, moreover, enlist assistance in debate of countries such as Argentina, Japan, Pakistan and others who should be made to realize that acceptance of principle embodied in 5-5-3 or 5-5-5, apart from innate undesirability as further step towards institutionalization of troika in UN, in effect penalizes countries participating in voluntary military alliance with US by ruling out opportunity for them to take part in disarmament talks: this would be step creating precedent of far-reaching significance. The so-called neutral states should be made to realize that under the 5-5-3 proposal the 11 contiguous Sov-bloc states are given greater representation than 50 widely dispersed non-aligned states.

Strong defense and firm stand on these positions probably will throw disarmament issue into full Disarmament Commission, our 4th alternative, since neither Sovs nor French probably prepared in long run refuse to participate in this body. We recognize may be some negative reaction since full DC will be regarded primarily as forum for propaganda exploitation and impracticable for conduct of serious negotiations. We should combat this attitude by pointing out that even

present 10-Nation forum also unwieldy and mainly used as platform for formal speech-making. While same conditions would exist in Disarmament Commission, it would provide umbrella for informal bilateral and quadrilateral negotiations and contacts, which, as past experience demonstrates, is way in which progress, if there is to be any, is made in any case. DC could set up subcommittees, as deemed desirable, for specific functional purposes, and entire machinery of UN could be brought into disarmament negotiation process in meaningful way.

In light of above you should submit as soon as possible, and if feasible before US opening speech on disarmament, US draft res containing Part A as in Deptel 913 and Part B communicated Deptel 566 as amended Deptel 1139. Do not believe Allies can object to our putting forward US position to which they agreed during bilaterals. French of course have indicated (USUN 1599) they would support Part A only if submitted together with Part B. Believe this procedure would put us in favorable tactical position since it would focus debate on our proposal and open way, if necessary, for later shift toward procedure suggested above for electing additional 10 members. Before submitting draft res you should contact reps countries listed in our draft, except members Ten-Nation Committee, and inform them our intention table draft. In approaching them you should recall fact draft contains US proposal of which their govts informed during bilaterals and to which no objection voiced at that time. At your discretion you may omit approaching those countries that appear on both US and USSR lists.

**Rusk**

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## **69. Memorandum from Battle to Bundy, November 17<sup>1</sup>**

November 17, 1961

Enclosed is a proposed text of a message from the President to Prime Minister Macmillan replying to the latter's letter of November 16. I believe it conforms in substance to the agreement you and Dr. Seaborg reached about the nature of a reply.

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<sup>1</sup> Conveys a suggested letter from President Kennedy to Macmillan on atmospheric nuclear tests. Also attached is copy of the President's November 21 letter to Macmillan. Top Secret. 6 pp. Department of State, Presidential Correspondence: Lot 66 D 204, Kennedy-Macmillan, 1960-1962.

However, since the proposed reply is a little more forthcoming in response to some of Mr. Macmillan's expressed concerns, you may wish to consider whether the President should review it prior to dispatch.

**L.D. Battle**

*Executive Secretary*

### **Attachment**

November 21, 1961

*Draft reply to Macmillan*

Dear Mr. Prime Minister:

I have read your letter of November 16. I share your sense of the gravity of a decision to conduct nuclear testing in the atmosphere. The sober picture emerging from analyses to date of more than two score Soviet tests warns us however that we may well need to strengthen our nuclear posture. It may interest you to have the criteria which I have provided my defense and atomic advisers in preparing recommendations for me:

1. Tests will be conducted in the atmosphere only if:
  - a. The test will provide information of substantial importance to the national defense.
  - b. The information needed can be obtained in no other way, with reasonable time and effort.
  - c. Atmospheric fall-out is minimized in all practicable ways.
  - d. The military need for the test outweighs the general desirability of avoiding all atmospheric fall-out.
2. Each proposed atmospheric test will be submitted to the President for decision:
  - a. For the present, recommendations will be restricted to tests which relate importantly to weapons development and weapons effects.
  - b. Approval of either proof tests or systems tests can be expected only if there is a convincing demonstration of unusual need in each case.

While no decision has been made to resume atmospheric testing, and of course no specific tests have been approved, our program is being developed under these guidelines. As these studies proceed, I will be in touch with you further regarding the consultations you propose.

Because of the time and effort likely to be required in the preparation of an island test site, we are eager to get underway the necessary work. I accept your suggestions concerning the reconnaissance party. Dr. Seaborg will approach your people to make arrangements for immediate despatch.

## Attachment

November 21, 1961

Dear Mr. Prime Minister:

I have read your letter of November 16th. I share your sense of the gravity of a decision to conduct nuclear testing in the atmosphere. The sober picture emerging from analyses to date of more than two score Soviet tests warns us however that we may well need to strengthen our nuclear posture.

While no decision has been made to resume atmospheric testing, and of course no specific tests have been approved, we are developing a test program and undertaking preparations to be in a position to conduct tests in the event we decide we must. As these studies proceed, I will be in touch with you promptly regarding the consultations you propose. I hope that these consultations will proceed quickly enough to permit us to reach an understanding by the end of the year, and if the idea of a meeting in Bermuda works out, that would be a good time to deal with the matter. Meanwhile, it may interest you to have the criteria which I have now provided my defense and atomic advisers to guide them in preparing for atmospheric tests and in making specific recommendations to me:

1. Tests will be conducted in the atmosphere only if:
  - a. The test will provide information of substantial importance to the national defense.
  - b. The information needed can be obtained in no other way, with reasonable time and effort.
  - c. Atmospheric fall-out is minimized in all practicable ways.
  - d. The military need for the test outweighs the general desirability of avoiding all atmospheric fallout.
2. Each proposed atmospheric test will be submitted to me for decision:
  - a. For the present, recommendations will be restricted to tests which relate importantly to weapons development and weapons effects.
  - b. Approval of either proof tests or systems tests can be expected only if there is a convincing demonstration of unusual need in each case.

Because of the time and effort likely to be required in the preparation of an island test site, we are eager to get under way the necessary work. I accept your suggestions concerning the reconnaissance party.

Dr. Seaborg will approach your people to make arrangements for immediate despatch.

Sincerely,

JFK

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**70. Notes on Telephone Conversation between Rusk and Stevenson, November 30<sup>1</sup>**

November 30, 1961

TELEPHONE CALL TO AMB STEVENSON

The Sec referred to last night and S said he was sick about it particularly because of the disarmament business. The Sec asked if there was any more to report. S said no but they will meet on Monday and he hopes to get 1 and 7 and the Sec said fine. S said it is the quantum and to whom and when the Comm should report. S thinks they can settle on the 7—may need a third meeting.

The Sec said he did talk further with the Pres on the Swedish res and we would prefer not to seem to be changing our position at this stage. He understands there will be 13 negative votes and 70 votes for in any event. Does not S think he can handle it by what he says at the time of the voting? The Swedes were wicked to do it without consultation with us. The Sec said the Pres was concerned with the points S raised. The Sec explained in detail including mentioning the fact we may have to go on without de Gaulle on Berlin but we have to have NATO with us. The Sec said if S could come through on this one with us, we will try to. . . . S would like more concert in the future. The Sec suggested having someone on his staff and someone from here like Walner to look ahead through the rest of the items as to how it looks we are going to be voting so we can get at the problems now rather than under pressures of time.

S said he thinks the telegram to Drumright was very good. S said he presented it to Tsiang there and thinks it shook him a good deal. They agreed we can't be a satellite of theirs.

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<sup>1</sup> General Assembly resolutions and current state of play. No classification marking.  
1 p. Department of State, Rusk Files, Lot 72 D 192, Telephone Conversations.

December 1961

**71. Memorandum from Gen. Lemnitzer to McNamara,  
December 6<sup>1</sup>**

December 6, 1961

SUBJECT

Foster Panel Draft, "Proposed Disarmament Program", Revision 9 (U)

1. Reference is made to the memorandum by the Assistant Secretary of Defense (ISA), I-17133/61, dated 20 October 1961, which requested the comments and recommendations of the Joint Chiefs of Staff on the "Foster Panel Proposed Disarmament Program," and reply to a list of questions related thereto.

2. The Joint Chiefs of Staff recognize the magnitude of the tasks confronting the Arms Control and Disarmament Agency. It is paradoxical that the agency must devise imaginative proposals to meet aggressive Soviet positions without impairing the capabilities of the United States to overcome Soviet aggression. Further, it is inevitable that tense international situations cause a sense of urgency for arms control negotiations. However, this urgency must not become the only basis for an arms control program.

3. In the development of a US disarmament position, the unswerving purposes of the Soviets toward world domination must be kept in mind. Concurrently, the United States must recognize its basic principles against which our actions and proposals must be constantly weighed. This does not indicate inflexibility, but it does indicate the need for well defined limits in disarmament matters. Such limits are not fully recognized in the Foster plan and unless they are established, the United States could move step by step to the position of our opponent. This trend, coupled with an honest desire for success in negotiations, could well jeopardize the security of the United States.

4. The subject proposal is based on the concept that immediate progress is necessary in the reduction and control of strategic nuclear delivery vehicles and that imbalances in other forms of military power would not become dangerous until a considerable reduction had taken

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<sup>1</sup> JCS views on the proposed disarmament program as devised by the Foster Panel. An appendix is attached containing additional comments on the Foster Panel program. Two additional attachments by McCone and Scoville provide a readout of the 12/18 Department of State meeting on resumption of nuclear testing. Secret. 23 pp. Kennedy Library, National Security Files, Kaysen Series, Disarmament, 12/61-4/62.

place. The Joint Chiefs of Staff do not consider this fundamentally valid. The proposal would trade off our strategic nuclear superiority for virtually no concession on the part of the Soviets. The Foster Panel approach implicitly underestimates the importance of the US strategic nuclear capability to our over-all defense posture and the extent to which it serves to maintain stability and peace.

5. The Joint Chiefs of Staff reaffirm that the United States cannot afford to reduce drastically its nuclear capability until there exists effective means for enforcing international agreements to which it can entrust its security. Moreover, the premature reduction of the US and USSR nuclear capabilities to a status of numerical parity without a corresponding elimination of the present Soviet conventional superiority, could upset the uneasy balance of opposing military power that exists today.

6. Additional comments concerning the proposal and the list of specific questions prepared by the Foster Panel are contained in the attached Appendix.

7. Although the Joint Chiefs of Staff recognise inherent shortcomings concerning the US Declaration on Disarmament, that program is considered more acceptable from a military point of view than the Foster Panel proposal. Accordingly, it is recommended that the Foster Panel proposal be withdrawn and that the current Declaration on Disarmament be utilised as the basic US proposal. Further, it is recommended that attention be directed toward the development of detailed negotiating positions and background papers for the US Declaration on Disarmament. These positions are needed for discussions with our Allies and with the USSR in the event the Soviets suddenly choose to enter into serious negotiations, using the US Declaration on Disarmament as a frame of reference.

For the Joint Chiefs of Staff:

**L.L. Lemnitzer**  
*Chairman*  
*Joint Chiefs of Staff*

## **Appendix**

### *ADDITIONAL COMMENTS CONCERNING FOSTER PANEL PROGRAM*

1. In a memorandum for the Secretary of Defense, dated 28 October 1960, the Joint Chiefs of Staff forwarded a recommended US policy on arms control. At that time, it was pointed out that any proposal with respect to arms control should only be made after careful consideration

of the international situation and its inevitable impact on US military strategy and security policies. This caveat continues to be valid. A paraphrase of the key principles from this memorandum follow:

a. The United States should not make concessions in advance of similar action by the Soviets in hope of inspiring similar Soviet concessions.

b. Should the Soviets enter into any arms control agreement, their probable intention will be to achieve net military advantage over the United States either through the operation of the agreement itself or reduction of Western defense efforts resulting from reduced tension.

c. US objective in arms control negotiations is to enhance national security through balanced, phased, and safeguarded arms control agreements.

d. There should be no major US reductions until all militarily significant States participate in similar reductions and there is a reliable system of inspection and verification.

e. We should never take the position of "appealing" for arms control measures. US eagerness for agreement spells weakness to the Communists.

f. We must strengthen our military posture *vis-à-vis* the Sino-Soviet threat until they have demonstrated sincerity.

g. There must be no restriction on readiness or employment of forces until suitable international controls exist.

h. We must maintain credibility and retain adequate capability to back up our Allies.

i. We must maintain a strategic nuclear advantage until:

- (1) Soviet bloc conventional forces have been significantly reduced.
- (2) Soviet strategic nuclear capability has been reduced.
- (3) There is adequate international peace enforcement.

j. We must not be in such a hurry that national security is compromised.

k. The entire Red bloc should be treated as an entity.

l. There should be no restrictions on research and development.

m. Any agreement should have a "fail safe" feature such that non-compliance by any party would not jeopardize the security of others.

2. Specifically, the United States must be able to maintain, at any stage of disarmament, an adequate response to the entire spectrum of the remaining Sino-Soviet bloc threat; namely, an evident, secure nuclear retaliatory capability and an evident flexible capability for military operations short of general war. In particular, the United States should retain an attitude and posture which would make credible to friend and foe alike its capabilities to fight with or without nuclear



weapons to maintain its security interests. The Foster Panel proposal does not meet these basic criteria.

3. The list of questions prepared by the Foster Panel is based on three assumptions designed to achieve military evaluations of specific features of the proposal. These assumptions are unrealistic. The answers developed therefrom would result in unreliable and dangerous military opinions which would serve no useful purpose. The answers, even if not separated from the assumptions, could be misleading and could place the Joint Chiefs of Staff in the position of tacitly agreeing to a proposal regarding which they thoroughly disapprove. In this sense the military security of the nation could be jeopardized. Further, several of the questions are unanswerable since they relate to future judgments involving not only military but political and economic considerations. Such judgments on precise levels of forces and armaments are meaningful only if developed at a time when the requirements to maintain secure and effective forces are imposed. Then, the international political atmosphere, the nature of the threat, and the national security policy, will dictate the levels of forces and armaments. For these reasons a specific response to each question proposed by the Foster Panel is not provided. However, comments, by Stage, using the questions as a guide, follow.

#### STAGE A

1. The surrender of 30 medium jet bombers was noted by the Foster Panel as being a “gimmick” to show earnestness of intent. Implementation of this measure would create the misleading picture for the American public that some progress was being made in disarmament. This could result in a false sense of security and thereby jeopardize other defense efforts.

2. The Soviets could be expected to point out that there is already an imbalance in long range aircraft in favor of the United States and that this measure merely aggravates the imbalance and is therefore inequitable. Further, they might be the first to label the measure as “deceptive,” pointing out that it is public knowledge the United States had previously planned to phase out the B-47 medium bombers. It is a fact, however, that the worsening political situation has caused the USAF to set aside their plan to phase out the B-47's. Therefore, to surrender these airplanes would be to the military disadvantage of the United States at this time.

3. If it is essential to create an environment of earnestness, it appears that some other confidence-building measure which would not involve early and substantial reductions in military capabilities, could be proposed to achieve this objective. Such measures could be in the category of those designed to safeguard against war by miscalculation, e.g.,

advance notification of major military movements or the exchange of information or limited mutual inspection teams.

## STAGE B

1. It is proposed in this stage to accept numerical parity in strategic nuclear delivery vehicles. Since World War II, the United States has relied on its strategic nuclear capability to deter nuclear attack on the United States. The United States must continue to rely on strategic nuclear weapons as the "backbone" of this deterrent strength. In a speech on 21 October 1961, at Hot Springs, Virginia, the Deputy Secretary of Defense re-emphasized this strategy while at the same time reiterating President Kennedy's determination to improve the US ability to make swift selective responses to enemy attacks regardless of time, place or choice of weapons. This capability cannot be maintained if a measure to reduce strategic nuclear delivery vehicles is treated as an initial measure in isolation from other measures in a comprehensive disarmament program. Basic National Security Policy does not rest upon a concept of "stabilized parity," nor, in the opinion of the Joint Chiefs of Staff, should "stabilized parity" be accepted as a goal of national security policy. It is nevertheless important to note that the Foster Panel proposal to accept numerical parity in strategic nuclear delivery vehicles in advance of reductions in other armaments is incompatible even with any arguable interpretation of the concept of "stabilized parity." It would neither add to stability to accept numerical parity in delivery vehicles, nor would a condition of over-all parity exist in circumstances where a numerical strategic stand-off lends disproportionately large weight militarily and psychologically to Soviet superiority in conventional forces and CBR warfare and to Soviet emphasis on large weapons.

2. The basic concept of the proposed program is that "immediate progress is necessary in the reduction and control of strategic delivery vehicles". There is an implication that the panel believes the existence of these vehicles constitutes the major threat of general war. This concept is not considered valid and any disarmament proposal based on this assumption involves grave danger to the security of the United States.

3. It has been erroneously argued that the United States accepted a form of "parity" when it tabled the 25 September 1961 Declaration on Disarmament. Although various meanings of the term "parity" can be asserted, the Joint Chiefs of Staff, in their consideration of the 25 September plan, never at any time intended to accept the notion of numerical parity. The 25 September plan was based on a concept of "balance," in which many factors other than numerical parity must be taken into account; e.g., geographic, economic, political, and ideologi-

cal. It is unlikely that under the “balance” concept a numerical parity as envisaged by the Foster Panel would result.

4. The effect of a numerical limitation of delivery vehicles on the strategy and military posture of the United States could be profound and adverse. For example:

a. Acceptance by the United States of the parity principle in strategic delivery vehicles might not permit us to make a substantive second strike, thereby making a pre-emptive strike more tempting to the Soviets.

b. A parity compact with the USSR might result in a higher threshold of provocation, which would in turn encourage more aggressive behavior in limited or cold war activities by the Communists, including the CHICOMS. This action would be in fields in which the Communists currently have a higher capability, that is, subversion and conventional forces.

c. A quantitative limitation on strategic delivery vehicles could result in a “quality race” to reduce reaction time, and to increase the effectiveness and sophistication of strategic weapon systems. This would require an expensive mobilization of R&D assets on a “crash” basis. Such a race might well increase world instability and therefore increase the chances of accidental wars utilizing more deadly and ingenious weapons (including CBR).

5. NATO strategy, in itself a critical political issue, would be affected and would have to be altered. Before the sword is shortened, the shield must be reinforced. Neither the burdens of substantial build-up of nonnuclear defenses in Western Europe nor the possibility of the devastation of Western Europe alone in tactical nuclear warfare would be attractive to the important NATO nations directly involved.

6. There are many imponderable factors to be considered in the calculation of minimal acceptable strategic force levels. It is doubtful that a level of 1000 or 500 or any other number can be established without continued and intense military study and judgments involving the impact of technological advances, source and nature of the threat, and the political environment at the time the vehicles are required. Moreover, the need for a precise figure does not seem to be an essential element of this proposal. Such words as “agreed levels” have served in other disarmament proposals and certainly with less risk.

7. The proposed definition of strategic delivery vehicles is based on the range capability of missiles and on empty weight of combat aircraft. Neither this or any other definition will serve the purpose and intent of the Foster Panel. In reality, most vehicles capable of delivering a nuclear weapon are potential strategic delivery vehicles. Therefore, a definition to cover this field will not be helpful. It would be necessary

to designate specific vehicles within agreed categories of systems for reduction, in order to achieve the objective of the panel.

8. Restriction on deployment, production and testing of weapons designed to counter strategic delivery vehicles is not desirable. Effective defensive weapons systems tend to increase international stability, just as it is conceived that hardened or hidden offensive weapons increase stability. Defensive systems are a matter for unilateral decision, not a matter for negotiation.

9. Cessation of production of fissionable materials is acceptable and to the advantage of the United States ONLY if the following conditions exist:

a. Any agreement to cease production of fissionable materials must include an agreement for the implementation of an effective inspection system which must be installed and properly functioning prior to a cessation of production. The consequences of the nearly three year long nuclear test moratorium demonstrate the necessity for adherence to this principle.

b. Any agreement to cease production of fissionable materials must exclude provisions for reduction of the nuclear weapons stockpile except as a subsequent arms control measure.

c. Tritium should be totally excluded from cessation negotiations or agreements.

d. Modernization of the stockpile must not be precluded.

e. A concurrent nuclear test ban, adequately enforced, is necessary if conclusions on the advisability of an agreement on cessation of production are to remain valid.

10. It is realized that the random zonal inspection concept is now being studied by a panel formed by the Arms Control and Disarmament Agency (ACDA). This concept deviates from the previously stated position of the United States which requires verification that force levels and armaments which remain do not exceed agreed limits at any stage. In addition, the subject proposal utilizes an untested random sampling technique developed to be unintrusive. Actually, it could result in procedures which might be impracticable to implement, noting that manpower and logistic problems have received only limited consideration. In fact, it could result in a major invasion into national territories if inspectors were stationed at all key production facilities, airfields, ports and highway centers. It is unlikely that the Soviets would agree to such an invasion. In the present situation, this type of inspection system would be inadequate to provide the degree of control and the security required in the most sensitive areas of arms control. Some reasons for this opinion follow:

a. The proposed inspection plan is geared to detection of evasion on a limited basis and therefore does not cover evasion on a militarily

important scale. The most promising evasion opportunities lie in the organization of secret armament schemes during the early stages of disarmament agreements. The Foster Panel inspection system cannot be expected to operate at maximum effectiveness during this critical period.

b. The Foster plan does not preclude national space rocket programs. The existence of such programs in any form complicates the arms control problem and simplifies the task of evasion. Both the United States and the USSR utilize military type rocket boosters in their space efforts. Thus, the USSR could declare the number and location of "strategic" nuclear delivery vehicles in the designated inspection zone; it could freely permit their inspection, including the ascertainment that they are armed with nuclear weapons. There could exist, undeclared, an additional number of similar vehicles positioned in readiness for firing. However, these would not have nuclear warheads. They could have instrumented or manned system nose cone or have no nose cone mounted. Upon discovery by some inspector exercising his right of unimpeded access, these vehicles would be described as intended for the "peaceful" exploration of space. However, at some contiguous, concealed location, there could exist a supply of nuclear warheads specifically intended for marriage to the vehicles at an opportune and propitious time. No inspection system has yet been envisaged which would ensure, with sufficient confidence, the detection of concealed nuclear warheads. Actually, in the proposed scheme, warheads are exempt from control and inspection.

c. In Stage B, the plan requires the declaration of the number of delivery vehicles by zone at home and in other NATO and Warsaw Pact countries. In addition, numbers and types of vehicles not in any of these areas will also be declared. This would require the USSR to declare X number of vehicles outside these zones, but would not require the naming of the country, e.g., Red China. This would enable the USSR to avoid the proposed inspection system since countries outside the agreement are not subject to inspection. Thus the USSR would be provided a storage site for vehicles above the declared level. In the short period of eight months in Stage B, the Soviets could gain major advantage in this critical field.

### STAGE C

1. In this stage the participation is extended to all militarily significant States in the Western and Eastern blocs, including Red China. This scope of participation is considered essential from the outset of any suitable disarmament program. Ideally, the membership, at the least, would include any nation that is developing a nuclear capability.

2. One of the major defects of the proposal is the underestimation of the necessity to link the reduction of conventional forces and arma-

ments with reductions of strategic delivery vehicles. The Joint Chiefs of Staff maintain that, in accordance with accepted US disarmament principles, there should be a linkage between these two areas so as to provide for balanced progress in both the nuclear and nonnuclear fields, assuring that no nation would acquire an advantage over the United States during the disarmament process. Only by adherence to such an approach will the United States be able to retain an adequate response to the entire spectrum of the remaining Communist threat.

3. The dangers and difficulties in seeking numbers of quotas of non-strategic armaments as the principal criterion for stability are the same as those discussed for strategic vehicles. This approach is further complicated when force levels are excluded from these considerations as in the proposed program. In any event, the use of quotas to effect these reductions would probably be the most difficult to work out and negotiate because of the various weapons involved. It seems percentage-type reductions would be the most manageable once the member nations declared their inventories.

4. The suggested figure of 25% representing total reductions of armaments in this stage is not appropriate. The degree or percentage of such cuts should only be determined, if at all, after an evaluation of the existing strategic and tactical weapons and delivery systems which would be available to support conventional operations. This evaluation is not feasible until some progress has been made in the early stages of this proposal.

5. One of the measures in this stage relates to advance notification of major military movements and maneuvers. As previously indicated in the comments on Stage A, this appears to be a measure more suited for an earlier stage of disarmament, therefore would offer no greater risk here.

#### STAGE D

1. Discussion of measures in this stage are limited by lack of detail in the proposal and lack of a clear picture of the nature of the international environment at the end of Stage C, which the panel considers essential for movement into this stage.

2. It does appear that the United Nations Peace Force, which is to be created in this stage, would be more effective if basic organizational elements of the force were set up in the earlier stages.

#### GENERAL COMMENTS

Throughout the Foster Panel program there are provisions for the withdrawal of participating states. The effect on the United States of a planned withdrawal by the Soviets should be contemplated. These tactics, so recently used in the test ban negotiations, can be expected.

Upon acceptance of the Foster Panel program, the United States could only proceed in good faith. The nature of our open society, public pressures and funding requirements would preclude major contingency preparations for a break in negotiations. The Soviets, on the other hand, could and probably would, make all the preparations necessary to gain the advantage by a deliberate break. The United States, faced with the considerably longer lead time in producing strategic vehicles, would be seriously handicapped in this rearmament race. The disadvantage could be so pronounced that the Soviets might choose to strike while they had a clear nuclear advantage.

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**72. Telegram 2050 from USUN, December 9<sup>1</sup>**

December 9, 1961

From Stevenson and Dean. Disarmament. Strongly advise against holding up agreement with Soviets on disarmament forum because of French objections to 5–5–8. French have known for weeks we were heading in this direction. They have been fully informed here at every step, and Dept has been informed of their reservations. French refuse to agree to any forum which is negotiable with the Soviets, and since their objection is not to details such as inclusion or exclusion of a Brazza state but apparently to whole idea of resuming disarmament negotiations at this time, we see no alternative but to press ahead. Recognize desirability maintaining best possible relations with French, but believe if they are informed there is no other alternative, they will ultimately come along.

**Stevenson**

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<sup>1</sup> Handling French objections to disarmament forum. Confidential. 1 p. Department of State, Central Files, 600.0012/12–961.



**72A. Memorandum for the Record Prepared by McCone,  
December 21<sup>1</sup>**

December 21, 1961

This memorandum will expand numbered paragraph 5 of Dr. Scoville's memorandum of December 19, 1961, reporting on the State Department meeting.

(1) Mr. McCone requested permission of Rusk that he be permitted to express his views on the question of resumption of nuclear testing, indicating that in doing so he, McCone, was going beyond his responsibilities as DCI, but desired to make his views known because he had been associated with the problem longer than any man in the room, with the exception of Mr. Farley.

(2) Mr. McCone stated that he felt it was of paramount importance to the United States that we maintain our nuclear superiority; it was not advisable, in McCone's opinion, to exchange moral leadership for proper security forces and in this modern day this meant, among other things, nuclear superiority. McCone further stated that if we were to lose nuclear superiority, our loss of prestige throughout the world would be very great—far greater, in his opinion, than the losses we have suffered because of our inferior position in space.

(3) McCone then said that it was very obvious that the Soviets had made a quantum jump in nuclear technology during the period of the three year moratorium, and that the analysis of the Soviet tests indicated a weapons sophistication equal to ours in most areas and superior to ours in some. He pointed out that the United States had made some advances during the moratorium through theoretical laboratory work, but the advances were relatively minor, and this was due to many factors not the least of which was the fact that the AEC weapon laboratories turned their attention to the peaceful applications of nuclear energy, competent scientists drifted into other work, and generally the tempo of weapon development slackened.

(4) McCone then stated that if we did pursue a moratorium policy for another two or three years, we would be awakened at some future time by a new series of Soviet tests which they would proceed with under some excuse or other, and that these tests would evidence a very great advance in weapon technology and a marked superiority of the Soviets over the United States in this critical field. McCone

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<sup>1</sup> DCI McCone views on resumption of nuclear testing. Supplementing meeting notes of Annex A. Secret. 8pp. CIA Files, McCone Files, Memos for the Record, 11/29/61-4/5/62, Box 2, Folder 1.



forecast that our laboratories would not make such advances as it was simply not in the American tradition to work hard at things unless there was a stated purpose for doing so. McCone made reference to the specific areas of advancement, 58 megaton and 25 megaton devices, the effects test, the improvement in weight yield ratio, as well as the high nuclear efficiency, all of which were indicators of the improvements made by the Soviets during the three year interregnum. McCone stated it still could not be determined whether clandestine underground testing conducted during the moratorium had assisted the Soviet laboratories in making their advances because no scientific means of detection were in existence during the three year period, or are in existence at the present time. With respect to pursuing our developments in the underground, McCone stated that while such a course was possible, recent shots had indicated greater difficulty with underground testing than had been expected, and moreover, he questioned whether we could confine ourselves to such a slow and costly program with our principal adversary free to test in the atmosphere.

(5) It is for all these reasons that McCone concluded that we must proceed with atmospheric testing, accept the political and propaganda consequences, but maintain nuclear superiority.

**John A. McCone**  
*Director*

## **Annex A**

### **SUBJECT**

State Department Meeting on 18 Dec. 1961 to Discuss Position Paper re Nuclear Testing for Bermuda Meeting.

Listed below are the names of those that were present at the above meeting:

#### *State Department*

Secretary of State Dean Rusk

Mr. William C. Foster, Director ACDA

Mr. Philip J. Farley, Special Asst. for Atomic Energy and Outer Space,  
Department of State

#### *Defense Department*

Hon. Robert S. McNamara, Secretary of Defense

Dr. Harold Brown, Director, DR&E, OSD

#### *Atomic Energy Commission*

Dr. Glenn A. Seaborg, Chairman

Brig. Gen. Austin Betts, Director, Div. of Military Applications

#### *White House*

Mr. McGeorge Bundy, Special Assistant for National Security

Dr. Jerome B. Wiesner, Special Asst. to the President for Science and Technology  
Mr. Spurgeon Keeny, Assistant to Dr. Wiesner

CIA

Mr. John A. McCone, Director  
Dr. Herbert Scoville, Jr., AD/SI

### **Attachment**

1. Secretary Rusk opened the meeting by summarizing his views that the probable British position would be a reluctance towards the resumption of atmospheric nuclear tests either by the U.S. or jointly with the British. He felt it was important that, if possible, the U.S. be in a more positive position since any waivering might be exploited by the Prime Minister. He requested a review of the status of the intelligence analysis. The CIA members presented the position that there was general agreement [*text not declassified*]. It was also generally agreed that while the analysis was still in a preliminary stage and would continue for a long time, it was unlikely that such further analysis could change sufficiently to affect the decision to resume testing.

2. The proposed U.S. program was discussed and all concurred that some 20–25 tests could be justified. However, it was agreed that, with the exception of effects tests, no single test was of overriding security importance but it was the sum total which was critical. It was generally agreed that the UK was cool to the US requirements although apparently no real attempt had yet been made to persuade the British. The DCI referred to our views that Sir William Penney, a key adviser to the PM in this matter, was unconvinced by the US arguments, although Dr. Seaborg pointed out that his session with Sir William just prior to his departure indicated that he probably did support the resumption. Mr. McNamara felt that the proposed position paper, which admittedly involved quotes from an agreed joint AEC-DOD study, did not truly set forth the DOD's strong requirement for atmospheric testing. It was agreed that the DOD would prepare such a paper so that their position could be explicit without any dilution by the views of other agencies. Mr. Bundy indicated that the DOD papers which he had seen did not put the case as strongly as Mr. McNamara indicated, in that need for testing to maintain nuclear superiority was not clearly enunciated. Dr. Seaborg stated that he felt that the critical feature was not the present relative status but the rate of progress of the USSR vs. US in a situation where the US was inhibited from atmospheric testing while the Soviets could test at intervals to their liking.

3. Secretary Rusk indicated that the greatest addition to US nuclear superiority that he had seen in the last year was our intelligence on

Soviet missile site information since this type of information did enable us to use our nuclear forces with very much greater effectiveness. Dr. Wiesner indicated that the development of a Soviet ABM capability could be most critical and therefore that the proposed test series (both tests for improving yield to weight ratios and effects) were designed to improve the US position in this connection.

4. Mr. Foster quoted from a draft paper of his group looking into the public relations aspects of US test resumption. This statement made a strong case for test resumption without defending any particular event. He indicated that Mr. Stevenson and perhaps others had the view that the US might afford some reduction in nuclear superiority if, in exchange, the US could assume moral leadership of the world. Mr. Foster did not agree with this view and indicated that various Embassies had been quizzed for possible foreign reactions to the US resumption. While the replies were still incomplete, the general tenor indicated that we might lose if we did *not* resume testing, since many countries were worried by the apparent loss of the US nuclear superiority as a result of the Soviet tests. Mr. Foster was worried about any nuclear developments which might make a major shift in the offensive-defensive balance.

5. Mr. McCone stated that he felt very strongly that it was paramount for the US to maintain nuclear superiority. The Soviets had already in the past three years made a quantum jump in weapons development and that a possible future jump of a similar nature is the most critical problem. US world leadership was in question, and underground tests by themselves could never compete in a situation where the Soviets were free to test in the atmosphere when they pleased. Secretary Rusk concurred in this view and was very skeptical that one could substitute moral leadership for power. Moral leadership could only be had when one had the power position to back it up. Dr. Wiesner indicated that we must not only have the power, but we must make it look to the world that we have this power; therefore, the US tests must be made to look significant.

6. When questioned as to the firmness of the US position on testing, Mr. Bundy indicated that the President was prepared to go ahead with atmospheric testing unless something drastic happened to change this view between now and the actual time for the tests. On the other hand, he did not wish to make such a firm decision now which would inevitably become publicly known. The President was also troubled by the difficulty of being able to point to any single test as crucial to the national security since the more generalized requirement was more difficult to defend. Mr. Farley quoted Mr. McMillan's criteria for resuming testing which were quite rigid.

7. During the meeting there was a discussion of the need for the use of Christmas Island for the US tests. The AEC indicated that this

could be useful for improving the quality of information but not at the expense of any loss of control. The AEC and DOD had prepared a staff paper which gave the minimum conditions of acceptability for the use of this site. Mr. McCone indicated that if Sir William Penney had been strongly in favor of the testing, then the program might have proceeded without any restrictions but in view of his present attitude, it is not certain that this could be guaranteed. Mr. Bundy summarized the US position that we would like to use Christmas Island if the UK would participate actively as a partner in the test series, but that we were not prepared to make any concessions to obtain this use.

8. State, DOD, and AEC were to prepare a revised position paper as soon as possible; CIA need not participate but were to obtain copies for review.

**Herbert Scoville, Jr.**  
*Assistant Director*  
*Scientific Intelligence*

January 1962

73. Letter from McNaughton to Rostow, January 3<sup>1</sup>

January 3, 1962

Dear Walt:

Henry Ramsey said yesterday at the meeting in Jacob Beam's office that you thought someone should have a paper prepared dealing with the wisdom of signing the US-UK test ban treaty. He said that you were referring in particular to the points, in that connection, that I had made in my colloquy with Bill Foster at the meeting which you attended in Bill's office on December 27.

There are two defects in the US-UK treaty which must be distinguished.

The first relates to whether that treaty sets up a system which would provide us with knowledge that a test *has taken place*.

This defect has for years been boiled, fried, poached and scrambled. It is old stuff. The argument is that the inspection system envisioned is actually not adequate to detect with sufficient reliability and accuracy clandestine underground shots. That is, the Soviets might pull some off without our knowing it. Everyone admitted that, from the technical point of view, there had to be some sort of a threshold and that, below that threshold, the detection system could not be relied on. Furthermore, there were many who believed that, even above the threshold, the system was sufficiently unreliable—especially when combined with severe limitations in numbers of on-site inspections and difficulty in carrying out on-site inspections—that the deterrence against even fairly large clandestine underground shots would be too small. In other words, the hardware people do not believe that the so-called Geneva system is much good. The Defense Department has gone along with the treaty, I think, partly because it was not fully aware in the beginning of the defects in the detection system and partly because it was persuaded later on that the patent deficiencies might be more than compensated for by the political (and some military) intangibles emanating from having, in "closed Russia," a number of control posts and on-site inspections.

The second defect is that the treaty, even if it performed according to the most wildly optimistic expectations, would inform us of Soviet

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<sup>1</sup> Defects in the U.S.-U.K. test ban treaty. Confidential. 4 pp. Department of State, S/P Files: Lot 69 D 121, Atomic Energy-Armaments, 1962.

tests only *after* they had occurred and therefore would permit the conniving Soviets to *get a substantial jump* on a trusting United States. This defect received almost no attention until the Soviets, in September 1961, sprang their atmospheric series on us.

This latter point is the one I was emphasizing at the meeting in Bill Foster's office. It is the point which is relevant to Paragraph A(5) of the "General Themes" portion of the public relations document now being prepared by the Foster Subcommittee. The implication of that paragraph and of the oral statement you made at the last meeting of the Foster group is that our objections to an atmospheric moratorium do not apply to the US-UK all-environments treaty. There is an implication that the US-UK all-environments treaty is OK because it provides for "verification" and that an atmospheric ban (which could be by treaty) is not OK because there is no provision for "verification."

My observations were two.

The first was that our preference for the US-UK all-environments treaty over an atmospheric-only treaty cannot be based on the fact that the former also bars underground tests. If anything, the US-USSR asymmetries are such that (as compared at least with an all-environments ban and perhaps even with no ban at all) it is probably to our *advantage* to have an atmospheric-only ban. It is probably to our advantage vis-à-vis the Soviets to have underground testing permitted while atmospheric is prohibited.

The second observation was that, if our objective is to deter atmospheric tests simply by *knowing when they occur*, we would be in *as good* a position to do that under an atmospheric moratorium or treaty as we would under the US-UK all-environments treaty (in either case, we would know almost immediately and with high reliability when atmospheric tests were conducted); and if our objective is to avoid being *caught with our pants down* by the Soviet Union, we would probably be in a *better* position under an atmospheric-only moratorium or treaty than under the US-UK all-environments treaty (it is more likely that the U.S. will be psychologically prepared to maintain a state of quick-reaction testing readiness under the obviously fragile conditions of an atmospheric-only moratorium or treaty than under the tranquilizing conditions of the US-UK all-environments treaty).

This was all I intended to convey.

I recognize that there are factors cutting in the other direction. For example, it is somewhat less likely that the Soviets would violate a treaty with the long and publicized history and with all of the implementing paraphernalia of the one we have been trying to negotiate in Geneva than it is that they would violate one (say) ginned up on 48 hours notice just prior to the scheduled commencement of our atmospheric series and involving no elaborate physical implementa-

tion. (The analogy here is the formal wedding on the one hand and the elopement on the other; the former is more likely to stick.) Another important factor is that the US–UK all-environments treaty does indeed involve a measure of opening up of the Soviet Union—an item not appearing in any atmospheric-only ban. This point, of course, is not germane to my analysis, but rather involves an apples-and-oranges judgment in which the value of such penetration must be weighed against the considerations that I have outlined.

I was not suggesting that the United States should change its present policy supporting the US–UK treaty. However, I think we should be prepared for that contingency—especially if the Soviet Union uses its head and agrees to sign on the dotted line. (For your information, the Joint Chiefs of Staff have just submitted a paper to the Secretary of Defense pointing out that in their judgment it would be unwise for the United States to sign the treaty now.) Also, although I did not suggest that we should consider pursuing an atmospheric-only treaty, the wisdom and appropriate timing of such a course of action certainly should be studied.

Sincerely,

**John T. McNaughton**  
*Deputy Assistant Secretary*

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**74. Memorandum from Kaysen to President Kennedy,  
January 5<sup>1</sup>**

January 5, 1962

1. The problem which confronts you of whether or not to resume testing nuclear weapons in the atmosphere in the near future is in essence one of timing. No one in the government proposes that we unilaterally renounce testing in the atmosphere once and for all. There are those who see a significant political gain in postponing resumption of atmospheric tests for some time, especially if the opportunity so provided is used for positive initiatives in this sphere of arms control and disarmament. The positive argument for the value of such a policy

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<sup>1</sup> Resumption of nuclear weapons testing: weighing the options. Secret. 4 pp. Kennedy Library, National Security Files, Subjects Series, Nuclear Weapons Tests, 12/21/61–1/8/62.

is made by Arthur Schlesinger in his memorandum of 29 December. This memorandum addresses itself to the military disadvantages which must be assessed on the other side of the argument.

2. Harold Brown's and Jerry Wiesner's letters to you of 12 and 19 December, respectively, set forth most of the arguments on both sides. I think the most significant part in Brown's letter lies in his discussion of the individual tests put in the paragraphs at the bottom of page 6 and the top of page 7 which state the framework of military policy within which the assessment of the test series must be made. Brown's argument was:

"How important these advantages are is a matter of individual judgment. The most likely military situation, in the period at which most of the weapons resulting from these tests would become available, is that the U.S. deterrent posture will be maintained by the variety and numbers of our delivery system. At the same time a first-strike capability which would prevent unacceptable retaliatory damage to the United States will be very difficult no matter what we are willing to spend or do (including atmospheric nuclear testing). This argues that failing to reduce warhead weights by factors of two or even five is not likely to make deterrence infeasible instead of feasible, nor will systems made available by these factors of improvement by themselves make pre-emptive attack feasible instead of infeasible.

"There is, however, a broad spectrum of intermediate situations between pure minimal deterrence and a full first-strike capability, and almost inevitably that is the situation in which the U.S. will find itself. If a war ensues under these conditions, the limitation of U.S. civilian damage resulting from Soviet follow-on attacks or as a result of spill-over from Soviet counter-force attacks will depend to a considerable extent on the details of the survivability, penetrability and deliverability of our own counter-force attack. This statement is not intended to gloss over the fact that in a nuclear war civilian casualties would be enormous in any event and that the societies of the countries involved would be catastrophically and perhaps irreparably damaged. There remains the additional fact that damage will depend in detail how much explosive power is delivered, and at what stage of the conflict, on the enemy's nuclear delivery capability. These factors depend upon the quality of the nuclear weapons as well as of the delivery systems on each side. This in turn cannot help but affect the calculations made by each side in determining its own estimate of its military strength and its resulting political behavior."

Within this framework there are two questions to be answered. How important is the extra margin over deterrence which is provided by the capability to strike back at Russian reserve striking power in the event that the Soviet Union initiates an attack upon us? How much contribution will the test series described make to that margin if it is made next spring rather than postponed for a year in the absence of further international agreements or for the duration of any effective agreement?



3. The problem of the margin of strategic striking power beyond what is required for deterrence is one with which you have already wrestled in the decisions on the Defense budget. Although members of your Cabinet and staff differed with regard to this matter, I think certain points on which there was agreement are worth repeating. The Department of Defense argument which justified some striking power beyond that sufficient for what could be called survivable minimum deterrence did not by common agreement indicate just how big this margin ought to be. According to present plans, the size of the margin in the mid-60's will depend on both the missile buildup and the ability of the bomber force to escape an attack and re-group. It is clear that any technical improvements in warheads and consequent improvement in missiles which testing permits will add something to the probable striking power of a force of any given size. But the significance of this addition must be judged in the context of ambiguity which surrounds any attempt to determine just how big this margin should be.

4. Further, Jerry Wiesner's paper suggests that some part of the prospective technological losses from the continued postponement of atmospheric testing can be made up by more intensive exploitation of testing possibilities underground and in space. To the extent that this is so the effect of postponement of testing on our military posture is even smaller. We could further reduce these effects, if it were thought necessary, by a bigger force deployment.

5. The relation of atmospheric testing to the development of anti-ICBM systems deserves a further word. The strongest arguments in favor of resumption of testing in the atmosphere are those that relate to what we may learn from effects tests about the related problems of designing AICBM systems and increasing the penetration capabilities of our own missiles against such systems. Here again there is nothing in the proposed Spring tests that is critical to our knowledge or pending decisions in either area. Our present bearish evaluation of the possibilities of Nike-Zeus and similar systems is made without taking into account which might be learned from tests of the effects of nuclear explosions on radar and the like. Thus the new knowledge will show us chiefly how much less good these systems are likely to be. In respect to penetration and reduction of the vulnerability of warheads to nuclear explosions, most of what needs to be learned can be discovered by underground tests.

Finally, there is the argument that atmospheric testing may lead to the discovery of new phenomena relevant to the AICBM problem. This, of course, cannot be denied, but the military exploitation of any such new knowledge, if indeed it accrues, can be achieved only as a result of a long series of tests over a period of years. The possibility of such new knowledge is an important argument against an indefinite

unilateral abstention from atmospheric testing. It is not however relevant to the problem of evaluating either the risks of mutual abstention from atmospheric testing or the risks of postponing the resumption of atmospheric tests.

6. By postponing testing in the atmosphere we give up two things of some military value. The first is a reduction of an unknown but not very large amount in the size of the margin which our strategic striking force will offer over the minimum survivable force which provides deterrence. Since we are in some doubt as to how big this margin ought to be, the military significance of a reduction in it is small. The second is a slow-down in the growth of our knowledge on the problems of designing AICBM systems, systems which we expect can only reach a moderate degree of effectiveness in the most favorable circumstances. It is the business of the Department of Defense to concentrate their energies on how our military forces would be used in the event of war. It is your responsibility to look at the broader question of how they can be used to advance our national interests on the whole foreign policy front in peace as well as in war, and thus you should weigh the magnitude of this military loss against the magnitude of the political gains which postponement may offer.

Carl Kaysen

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**75. Letter from Prime Minister Macmillan to President Kennedy, January 5<sup>1</sup>**

January 5, 1962

Dear Mr President—

When we met in Bermuda I undertook to consider as soon as possible with my colleagues your request for us to join with you in preparing Christmas Island for further atmospheric nuclear tests.

I have now discussed this question fully with the Cabinet. We recognised that the programme of tests now proposed seemed, so far as we could judge at present, to fall within the definitions of permissible nuclear tests which you and I made in the autumn. In these circum-

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<sup>1</sup> Use of Christmas Island for nuclear tests and review of Bermuda talks. Top Secret. 9 pp. Department of State, Presidential Correspondence: Lot 66 D 204, Macmillan-Kennedy, 1961-1963.

stances, whether we join with you in preparing Christmas-Island or not, we should feel morally bound to support any decision which you might make to carry out this programme. My colleagues and I therefore agreed that it would be right to make available to you the facilities at Christmas Island which you require, subject, of course, to the conclusion of an agreement on scientific and technical collaboration as well as about the financial and administrative arrangements. As a contribution to scientific collaboration we would wish to place at your disposal certain United Kingdom techniques and experience, for example in observing nuclear weapons tests, which we believe would be of some value.

We made this decision on two assumptions. The first is that we can be satisfied, from the advice of our scientists working with yours, that the programme of tests proposed do indeed fall within our definitions of justifiable tests. From what I heard in Bermuda I do not in fact anticipate any difficulty here. Secondly, as I am sure you would agree, we should expect full consultation before a decision to start tests from Christmas Island is actually made. This is of special importance in the light of the proposals regarding a political initiative which I set out below. We think that in any announcement about the facilities at Christmas Island it would be better to state firmly that we had jointly decided that further tests were militarily necessary rather than saying only that we had agreed to make preparations for tests against a possible decision to hold them. At the same time, however, as you will see from the last section of this letter, we believe that an announcement in these terms should be accompanied by a determined new initiative towards disarmament and that it should indicate that the timing of tests could, to some extent, depend upon Soviet reactions to our proposals. From what you said in Bermuda I believe that you yourself would take into account the general international situation at the time before making a final decision to resume tests and I hope therefore that you will agree with this general approach.

## II

In our discussions the Cabinet considered the probable progress which the Russians in their latest tests have made in the field of anti-missile work, and the danger that without some similar effort on our side we might one day find ourselves at their mercy. Of course at the very moment when we are beginning to work in this field we have to consider that the 100 megaton weapon seems not merely to correspond with Mr. Khrushchev's natural instinct for magnitude but also to have valuable potential military importance and to pose a further difficult requirement for a defence system, at a time when it is not yet clear that defence will be possible even against missiles which must come

much closer to their target before exploding. Even without this complication nobody knows whether either side will really be able to solve the immensely complicated problems of an anti-missile defensive system, towards which these are the first halting steps. Our scientific advisers, you will remember, said that, if it were not a matter on which national survival itself was at stake, they would say that it was impossible. But if, for such a stake, sufficient resources were developed and devoted to it, they could not definitely say that anything should be regarded as impossible. Yet, if we do what we are now contemplating, we shall be entering upon a new phase in this endless struggle, with all that this implies. When one adds to this the thought of the expenditure in money terms which will be necessary—and money terms are merely a convenient method of stating the vast resources, human and material, which are involved—it would really seem to any ordinary person who reflects calmly upon it that humanity is setting out on a path at once so fantastic and so retrograde, so sophisticated and so barbarous, as to be almost incredible. It certainly seems a strange irony, Mr. President, that I should have spent Christmas Day reflecting in what terms and by what arguments I should commend to my colleagues the dedication of Christmas Island for this purpose.

There are three aspects of this problem about which I am concerned. First, if we make these tests—modest in their size, without any serious effect in the pollution of the atmosphere and adding little from this point of view to the harm already done—undoubtedly the Russians will continue not only with preparing but with carrying out their next series. We shall later be forced to do the same; and so this contest will continue more or less indefinitely, each side trying to get the lead. But so heavy will be the expense, and so vast the claim upon resources, that I greatly fear the end may be what has nearly always been the end in these armament races—one side or the other, when it thinks it has the moment of superiority, will be tempted to put the issue to the test. The second point we ought to consider is whether there is any real justification on technical grounds for believing that an effective anti-missile system could be developed. For our small island, of course, there can be none; for if even eight or nine missiles of the present size were to get through there would be little left of us. For you or for the Russians the situation is a little different because of the sheer size of the territory. Nevertheless, I would imagine that with all the counter-measures, the decoys, the electronic devices and all the rest of it, it must be very doubtful indeed whether a defence system can be achieved which will provide the minimum protection. Thirdly, there is the position of all the other countries. If the test programme of the Great Powers goes on there is no hope of dealing with what you call the Nth country problem. Some countries will develop powerful

systems, probably the Chinese and eventually the Germans—and, of course, the French. Nothing can stop them if the Great Powers go on. Others will develop nuisance systems—but they will be very formidable nuisances. And if all this capacity for destruction is spread about the world in the hands of all kinds of different characters—dictators, reactionaries, revolutionaries, madmen—then sooner or later, and certainly I think by the end of this century, either by error or folly or insanity, the great crime will be committed.

These are thoughts, Mr. President, about which I feel that you and I should ponder a little further. I ventured to put some of this to you in our short talks in Bermuda and it was because you were so responsive to the motives that lay behind that I am encouraged to send you this further analysis.

### III

In Bermuda we covered a wide range of subjects. Apart from those mentioned in the Communiqué—Berlin, Nuclear Tests, the Congo, the European Common Market—we touched on a number of other points of almost equal importance. These included Laos and Viet-Nam and the general position in the Far East; the confused and always uncertain situation in the Middle East; Africa, where almost equal dangers may follow “Colonialism” persisted in too long or abandoned too soon; the future of the emerging States like Ghana; and the likely development of the United Nations in its present form and under its present influence.

Running through all these discussions there was one common thread. All of these problems in their different ways reflect the great division which has dominated the world since the end of the second world war. At every point and on every issue is the contest between Communism and the Free World, each struggling to contain the other and to attract the support of the so-called unaligned nations.

The more I reflect on all these problems the more I am led to the conclusion that none can be satisfactorily dealt with singly. But if, on the other hand, there could be some genuine improvement in the underlying malady from which humanity suffers, fairly rapid solutions of the particular problems would follow. In recent years there have been two attempts to break through the deadlock which seemed at one time to present some hope. The first was the Geneva negotiations for the abolition of nuclear tests, and the second was the series of efforts, including the interchange of visits between statesmen on both sides of the Iron Curtain which led up to the Summit meeting in Paris in 1960. Both these attempts ended in failure. Looking back, I think one must agree that the major blame for both these failures lay with the Soviet Government although the Allies were not wholly free from responsibility. For instance, I am personally convinced that an agree-

ment at Geneva could have been reached on the basis of the abolition of tests above the threshold. That would have given us the enormous advantage of the introduction of at least an elementary system of inspection and control in a field where from its very nature the Russian suspicions or accusations of espionage were less plausible.

Similarly, the Summit meeting in Paris was the culminating point of a long and carefully prepared sequence of events, all of which seemed to afford some expectation of a genuine *détente*. Yet it not only failed, but broke up in a disorderly and discreditable way, in which we had to carry some of the blame. At the time no-one seemed able to understand the excessive importance which Mr. Khrushchev attached to the U-2 incident. But I am inclined to think now that there was more connection than we then believed between Geneva and Paris. Mr. Khrushchev may have felt a genuine sense of shock at the discovery of how much we knew about the positions of their large rockets, on which they were depending so greatly. This in turn may have affected their attitude in Geneva and, combined with the remarkable success of the United States with nuclear submarines and Polaris missiles, may have led to the Russian decision to carry out their recent tests, on the preparation of which they had of course been long engaged.

At any rate, whatever the cause, the only two big diplomatic attempts which promised any success proved a disastrous failure. There is however this degree of comfort to be drawn from what followed. Mr. Khrushchev originally announced his decision to sign a peace treaty with the East Germans as long ago as November 27, 1958. At the time of my visit to Moscow in February, 1959, he deferred this threat; and, although he renewed it after the Paris *debacle*, he is still showing some degree of moderation by refraining from implementing it even at the end of this year. I know there are some who say that this springs, not so much from a desire to appear reasonable towards the Western Allies and the world at large, as from his unwillingness to entrust dangerous decisions to Mr. Ulbricht and his friends. However that may be, we have been given a breathing space; and I know that it is your intention, in spite of all the difficulties inside the Western Alliance, to make full use of it.

The difficulty, as we all know, is to decide what to do. The somewhat sombre thoughts which I have developed can have no purpose unless they are intended to lead to at least some proposals for finding "a way out" of the maze in which we are set. It may be that there is no way out. It may be that we are condemned, like the heroes of the old Greek tragedies, to an ineluctable fate from which there is no escape; and that like those doomed figures we must endure it, with only the consolation of the admonitory and sometimes irritating commentaries of the chorus, the forerunners of the columnists of to-day.

On the other hand, it may be that even those who cannot accept so pessimistic a view would feel it wiser to avoid any attempt to bring about a dramatic change of events and to rely upon “something turning up” and somehow postponing at least for a period a fatal crisis. All my life there have been two views about the best way of dealing with this sort of problem. I can remember these arguments before the first war; they were of course in full flush between the wars; and they are still subject to much debate. One line of argument suggests that we should keep patiently at work trying to chisel away the excrescences which deface the body politic of mankind, and hope by this method to remove one by one the major dangers, whether local or general, arriving eventually at a point when an effective all-round settlement can become practical politics. The other view has been that there are moments in history when it is better to take a bolder choice and put a larger stake upon a more ambitious throw. A similar dispute has gone on recently between those who would wish to narrow and those who would wish to widen the discussions on Berlin. Chancellor Adenauer and his friends, after some hesitation, seem to have come down upon the side of narrowing any negotiation so as to deal only with access and the minimum amount of recognition of the D.D.R. required for practical purposes, thus avoiding such larger issues as the Oder-Neisse Line or the ultimate future of Germany. General de Gaulle, on the other hand, has seemed to argue that without a general *détente* over a wide field any limited agreement on Berlin is hardly worth the paper it is written on.

All these arguments of detail must not be allowed to obscure the basic fact that the balance of power and continued peace in the world is maintained by the deterrent power of the United States and the United Kingdom on the one side against that of the U.S.S.R. on the other. The future of the uncommitted world, which tries to remain neutral on this great issue is, in fact, dependent on the outcome. This lays a very great responsibility upon our two countries and I know, from our talks in Bermuda, that you feel as strongly as I do the overriding need to find some way of breaking the deadlock between East and West. On the one side we have the problem of Berlin, on which we are now trying to find a basis for an understanding, and on the other the grim problem of the nuclear race, a new phase of which is opening before us and threatens to exhaust the resources of both sides.

We cannot tell at present how the Berlin exploration will go but at least we have a plan of campaign designed to test out the possibilities of agreement. We shall know in the next few weeks or months what prospects there are on this and it will certainly affect our whole approach to the question of relations with Russia. But in the meantime I believe we should make a supreme effort to make progress in the



field of disarmament and nuclear tests, in which we at present have not worked out an effective plan of campaign. My idea is that you and we might agree upon a scheme of policy designed to give new impetus to the disarmament negotiations and to unlock the present log-jam. With great respect I would propose the following procedure and I beg you to consider it carefully and sympathetically.

#### IV

It has been agreed between us and the Russians that there will be an 18-power conference on Disarmament beginning in the middle of March. We must build on this. But there is no doubt that this rather unwieldy, heterogeneous group of countries is not likely to achieve results unless it is given impulsion and leadership by the main nuclear powers. My idea would be that you and I, who, are in the lead on the Western side, should take the initiative and invite Mr. Khrushchev to concert with us, before this committee meets, on the best methods of ensuring that practical progress is made. We might, for example, propose a conference of the Foreign Ministers of the three nuclear powers (perhaps joined by the French) backed by scientific as well as official advisers to meet before the opening of the Disarmament Commission in order to discuss the possibility of working as a team for its success. The purposes of this three (or four) power meeting would be:—

- (1) to reconcile our desire for adequate control over disarmament with the Soviet fear of espionage;
- (2) to try to determine rapidly the conditions in which a permanent abolition of nuclear tests could be agreed;
- (3) to discuss measures for ensuring greater security for the two sides pending an agreement on controlled disarmament;
- (4) to issue a joint declaration to implement the Irish resolution passed at the last session of the United Nations Assembly which enjoined nuclear powers not to relinquish control of nuclear weapons or to transfer knowledge relating to their manufacture to non-nuclear powers.

In proposing this meeting I suggest that we should make a declaration that we intend to make the success of the Disarmament Conference a major plank in our foreign policy, that we will take personal responsibility for the conduct of the negotiations and perhaps that we or our Foreign Ministers will personally attend the first meetings of the Commission.

If you should agree that a programme along these lines was desirable the next question would be how to present it both to our own public opinions and to the Russians. So far as I can judge opinion in the United States, there has been a very natural inclination to resume tests following the large-scale Russian tests. Yet, I would also think that there will be a growing feeling of despair if nothing can be done



to stop the present drift in the world. As regards my country, while our partnership with you in all this goes right back to the days of the Second World War and is highly valued, a decision to resume tests and to make British territory available for the purpose will not be readily understood unless it is accompanied by some public indication that we were making a new move to influence events. For that reason I would want to be able to announce at the same time the broad lines of this proposal and the decision to make available facilities at Christmas Island. On the other hand, if we are to achieve anything practical with the Russians, we must not handle this as a matter of public statement only but must approach Khrushchev direct and make it clear to him that we have a genuine desire for his co-operation in checking the nuclear arms race. Moreover, it would be important not to give him the impression that by a proposal of this kind we were seeking to avoid the issue of Berlin on which as we well know he is determined to achieve some settlement. My suggestion would be, therefore, that in addition to a public statement of our intentions, we should make a private communication of a rather more detailed kind to Khrushchev urging him to co-operate with us in a genuine effort to give impetus to the Disarmament Commission's work and to join in a meeting of Foreign Ministers of the nuclear powers on the lines described above. The purpose of the private approach to Khrushchev would be to indicate that we were genuinely concerned to save humanity from the threat and the wastage of a new competition designed to provide immunity against nuclear attack, a competition which we believe would almost certainly be fruitless and which could distort the whole economic life of the world.

It would be necessary of course to inform General de Gaulle and Dr. Adenauer of what we had in mind and perhaps to invite the French to take part in the initial approach to Khrushchev.

I suggest that we could meet the need to carry public opinion with us if we could make public statements on the following lines shortly after our approach to Khrushchev. We would say that:—

(a) in our view the present technical situation justifies and indeed requires the West to make a further series of nuclear tests for purely military reasons. For this reason the United States and British Governments have decided to make preparations for such a series in various places including Christmas Island;

(b) We recognise that further tests by the West may be followed by more Soviet tests and so the cycle will continue indefinitely. Nevertheless, we see no justification here for abandoning our present plans but we are deeply concerned at the situation in which we find ourselves and for the future of mankind if a halt to the nuclear arms race cannot be called;

(c) [illegible in the original] before determined to make every effort [illegible in the original] and are making proposals [illegible in the original] of which we can give a priority [illegible in the original] the result of our proposals will be both [illegible in the original] the nuclear powers to stop testing altogether is the first move towards general disarmament.

If you agree with the above, I think the first step is to set up machinery for urgent discussion between our two countries on the programme envisaged and on the technical problems involved. This could include not only the question of tests and a disarmament programme but also, perhaps, of measures to ensure greater security in Europe and possibly elsewhere, including anti-surprise attack measures (notification of major military moves, observation teams, etc.) and, if we can overcome the doubts of the French and the Germans, limitation and inspection of armaments in specified areas not limited to particular countries. I would like David Ormsby-Gore to take this on for us with such assistance as he requires. After that we should have to try to bring the French in and perhaps other allies; all this in preparation for the 18-power Disarmament Commission's work. As there is very little time I would hope that we could get on with this work straight away.

As I said, all this will be affected by the progress of the discussions on Berlin. If the probe is unsuccessful and we have to hold a negotiation in a bad atmosphere, we in the West will not be in a good situation. But, as you told me in Bermuda, this would not be the end of the attempt to reach an understanding with the Soviet Union and it might be that the approach which I am proposing on disarmament would help us in making a new move to negotiate with the Russians on the serious situation which would then have arisen in Germany. If, on the other hand, the Berlin explorations go well and seem likely to lead to a negotiation between Foreign Ministers on that subject, there again general prospects might be improved by the other initiative and we could perhaps link the two negotiations with one another. We might possibly envisage a Summit meeting later on, to conclude a series of agreements covering these two major problems and thus pave the way to a general improvement in East/West relations.

It is, of course, easy to do nothing or to do nothing in particular. But, on the whole, it is not the things one did in one's life that one regrets but rather the opportunities missed.

With warm regards,

Your very sincerely,

**Harold Macmillan**

**76. Report of Foreign Weapons Evaluation Group, January 16<sup>1</sup>**

January 16, 1962

Prof. H.A. Bethe, Chairman

Dr. Hans A. Bethe, Cornell University

Dr. John S. Foster, Lawrence Radiation Laboratory

Dr. R.H. Goeckermann (last meeting only), Lawrence Radiation Laboratory

Dr. Kenneth Street (last meeting only), Lawrence Radiation Laboratory

Dr. J. Carson Mark, Los Alamos Scientific Laboratory

Dr. R.W. Spence, Los Alamos Scientific Laboratory

Dr. George A. Cowan, Los Alamos Scientific Laboratory

Dr. Walter Goad, Los Alamos Scientific Laboratory

The group met three times (in November, December, and January) to consider AFTAC data and evaluation of the Soviet devices tested in their fall 1961 series.

The Soviet development tests showed a highly sophisticated nuclear weapons technology. [*text not declassified*]

*1–5 Megatons*

Twelve of the Soviet tests fall in the yield range from 1.5 to 5 MT while there are none between 6 and 25 MT. Thus their interest in the lower megaton range has continued but this yield range now corresponds to lower weight, [*text not declassified*]. Their interest may be connected with some missile development.

Of the 1–5 MT tests, JOE 96 (2.9 MT), 97 (4.6 MT), and 112 (5.1 MT) gave radiochemical data [*text not declassified*] and can be treated on this basis. JOE 87 (1.6 MT), 89 (2.3 MT), and 104 (2.7 MT) appear to be proof tests of 1958 devices. Also JOE 80 (4.7 MT) is very similar to JOE 70 of the 1958 series, and this test can be compared [*text not declassified*].

At least two other tests, i.e., JOE 86 (2.0 MT) and 91 (1.5 MT) appear to represent modest but significant improvements over Soviet 1958 tests of the same yield range. [*text not declassified*]

Still in the 1–5 MT class, JOE 96 (2.9 MT) and JOE 97 (4.6 MT) and 112 (5.1 MT) provided debris which markedly differs from that obtained from the shots, discussed above. In addition, the isotopic ratios for [*text not declassified*].

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<sup>1</sup> Soviet development tests. Secret. 9 pp. Washington National Records Center, RG 330, OSD Files: FRC 69 A 2243, 58 AWT USSR Tests, 1961–1965.

This series of Soviet devices is impressive also in other respects which do not depend on the weight estimate. *[text not declassified]*

### *25 Megatons*

The 25-megaton test, JOE 106, presents similar difficulties to the [illegible in the original] as the series 96 (2.9 MT), 97 (4.6 MT) and 112 (5.1 MT). *[text not declassified]*.

### *50–100 Megatons*

The Soviet 58 megaton device (JOE 111) *[text not declassified]*.

### *Sub-Megaton*

Four of the Soviet tests, 93, 94, 108 and 116 were in the sub-megaton range with yields between about 0.3 MT and 0.85 MT. *[text not declassified]* Some part of this increase could probably be realized with confidence without full scale test, but it would seem unlikely that such a change would be made to the full extent indicated without additional tests. The 1961 Soviet series of tests does not include any devices with weights in the neighborhood of *[text not declassified]*. The Soviets would need additional tests if they want to match U.S. technology in this low weight range.

### *Fission Devices*

The analysis of the small kiloton tests indicate that a substantial portion of these devices was boosted (over half of these tests for which debris was collected show evidence of boosting). This marks a considerably increased Soviet interest in boosting and from these tests a variety of boosted fission devices are now available to them. Several of the tested devices gave boosted yields of a few kilotons *[text not declassified]*. These may be associated with an interest in tactical weapons. In two instances the yield appears unusually high (75 KT). *[text not declassified]*

### *Summary*

In summary, we find that the Soviet test series includes various impressive devices. Their advanced experimentation in the yield range from 1.5 to 5 MT should have given them very solid knowledge of the functioning of thermonuclear weapons. *[text not declassified]*

The panel commends the effort to obtain close-in diagnostic data on staging of Soviet devices from an aircraft. It is recognized that success in such a hazardous operation depends upon a combination of favorable weather conditions, accurate forecasts of shot location and time and faultless performance of complex airborne equipment. Nevertheless, staging information on future Soviet thermonuclear tests is of such importance that all possible effort should go into improving

the quality of the measuring equipment, calibrating it on U.S. tests and operating it on possible future Soviet tests at Novaya Zemlya.

**H.A. Bethe**

*Chairman, Foreign Weapons  
Evaluation Group*

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**77. Memorandum Prepared by British Embassy, January 19<sup>1</sup>**

January 19, 1962

*NUCLEAR TESTS*

The United Kingdom Cabinet, after thorough consideration, decided on January 18 that Her Majesty's Government are willing in principle to agree to the use of Christmas Island on the following basis.

2. The Cabinet fully understood and were highly gratified by the desire of the President of the United States to avoid any formula declaring in terms that the United Kingdom and United States governments have decided to make tests. The Cabinet were also pleased that the President of the United States is taking the possibilities of an initiative on disarmament so seriously. The Cabinet considered that the British and American positions on this are very close together and the Cabinet are now prepared for work to begin on the Christmas Island Agreement. A draft of this Agreement is being sent to Her Majesty's Embassy and it is assumed that work would go ahead simultaneously in Washington on this Agreement, on the form which the disarmament initiative might take, and on the wording of paragraph C of the draft announcement.

3. Her Majesty's Government can broadly accept the revised form of paragraph A of the draft announcement, that is the amendment suggested by the United States Government so as to make the first sentence after the word "factor" to read "would justify the West in making such further nuclear tests as may be necessary for purely military reasons". However Her Majesty's Government would prefer the whole of paragraph A now to read as follows:—

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<sup>1</sup> Agreement on use of Christmas Island. Top Secret. 3 pp. Kennedy Library, National Security Files, Subjects Series, Nuclear Weapons Tests, 1/16/62–1/22/62.

"It is the joint view of the United States and the United Kingdom Governments that the existing state of nuclear development, in which the recent massive Soviet tests are an important factor, would justify the West in making such further series of nuclear tests as may be necessary for purely military reasons.

The United States and United Kingdom Governments have therefore decided that preparations should be made in various places, and as part of these the United Kingdom Government are making available to the United States Government the facilities at Christmas Island."

4. The above formula, unlike that proposed in the annex to the Prime Minister's message of January 16 to the President, will immediately prompt the question "Who will make the final decision?". The Prime Minister anticipates this question being put to him in Parliament, and no doubt to the President in his press conference. The Prime Minister feels sure that the President would agree that the answer to this should be obscured so far as possible and that reference should be made to the continuous close consultation on both scientific and political aspects which would continue all the time. So far as Her Majesty's Government are concerned, it would be a great help if it could be said that this consultation will include an Anglo/American Technical Committee to advise both the Prime Minister and the President on the scientific aspects so that they could be satisfied that the very similar formulae which they put out last autumn were really met. If the President were pressed as to what he would do if Her Majesty's Government disagreed about the military necessity for tests, he could perhaps say that such a dispute was surely impossible in view of the Joint Statement and close consultation. If the Prime Minister were pressed on the same point he would say that of course if both Her Majesty's Government and the United States Government agreed that further tests were after all militarily unnecessary, so much the better. But having reached agreement in principle as to the moral justification for making further tests, neither Government would stand in the way of the other if, in the end, it felt that further tests were militarily necessary. Meanwhile there would be close consultation between the two governments.

5. Once the formula for paragraph C of the announcement has been worked out, the two governments will, of course, have to consult together again about the timing of the announcement as a whole. Her Majesty's Government agree that paragraph B of the draft announcement can be omitted if the United States Government prefer. Then work could start on Christmas Island just as soon as the draft agreement has been concluded.

**78. Memorandum from Wiesner to President Kennedy,  
January 25<sup>1</sup>**

January 25, 1962

In recent discussions and correspondence relating to Christmas Island and the resumption of atmospheric testing, there has been frequent mention of new initiatives in the field of disarmament prior to the scheduled starting date for our atmospheric nuclear test series, but there has been little explicit discussion of what such initiative might be beyond the proposal of an atmospheric test ban treaty.

I would like to suggest that consideration be given to two more comprehensive proposals which I believe would have greater political appeal than an atmospheric test ban proposal. If either proposal were acceptable to the Soviets, we would accomplish a major step forward in the disarmament effort.

With regard to nuclear testing, it would be possible to take a significant new initiative on the complete test ban treaty by restating our inspection requirements in a fashion which would in large measure satisfy expressed Soviet fear of espionage in connection with inspection while not significantly reducing the degree of confidence we could place in the Geneva System. The size of the inspection quota has been the key issue in the Geneva negotiations. We have called for an annual quota of 20 inspections while the Soviets have called for an annual quota of only 3 inspections. In an effort to accommodate the Soviet position, we offered last Summer to reduce the quota on a sliding scale to as few as 12 inspections if future data on the frequency of earthquakes permitted. In a new proposal, we could offer to accept the Soviet number of 3 inspections to cover all of European Russia and almost all of Siberia. We would reserve the balance of our 20 inspections (or a minimum of 12 with the sliding scale) for use in the relatively small, remote areas in south central and far eastern Siberia where most of the earthquakes in the Soviet Union actually occur. In return for this major move to meet Soviet objections to our inspection proposals, we could ask the Soviets to support the other elements of the test ban treaty we have tabled in Geneva.

Although the possibilities of using the localization of earthquakes to simplify the inspection problem was not recognized until last Summer, the fact that most earthquakes occur in limited areas of the Soviet

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<sup>1</sup> Proposed expansion of U.S. disarmament initiatives. Secret. 3 pp. Kennedy Library, National Security Files, Subject Series, Nuclear Weapons Tests, 1/23/62–1/26/62.

Union has long been recognized by seismologists. For example, the 1960 RAND study on the capabilities of the Geneva System estimated that the seismicity of the Soviet Union is divided approximately as follows: Kamchatka-Kuriles-Sakhalin Island—62%; Pamire area—30%; and the remainder of the Soviet Union—8% (of which half is in the Caspian Sea area). It is significant that these areas of high seismicity are very remote, isolated areas of little real security interest to the Soviet Union. While these numbers would appear to justify only 2 inspections for the remainder of the Soviet Union, I have suggested 3 in keeping with the Soviet proposal since the percentages are not known with great precision and since I believe a number less than 3 would be difficult to utilize without running the risk of exhausting the quota too early in an annual inspection period. A similar localization of earthquakes exists in the case of the United States, where the seismicity was estimated by RAND as follows: Aleutian Islands—43%; Alaska—40%; California-Nevada—16%; and the remainder of the U.S.—1%. I have attached a rough map showing how inspections might be divided between various regions in the USSR and U.S. under this plan. I am confident that, if this approach were deemed a useful initiative, it would be possible for our seismologists very quickly to delineate these regions accurately and to break down the quota in a fashion that would adequately cover the uncertainty in our knowledge of the location and frequency of earthquakes.

A much more comprehensive initiative would involve the so-called Foster Plan for comprehensive disarmament. This plan represents a substantial step beyond any previous comprehensive disarmament plan proposed by the Soviet Union or ourselves in that it sets forth specific disarmament measures and associated inspection requirements. Although under active consideration, this plan has not been agreed to within the U.S. Government. However, I believe that with your support existing disagreements between the Department of Defense and the Disarmament Agency could be resolved by about two weeks of hard work. I am confident that we could have the proposal ready for private discussions with the USSR prior to March 1. If this were accomplished, we would have a fairly detailed proposal built upon the principles of your U.N. speech. This proposal would be exciting to the world and realistic enough to provide the basis for meaningful discussions if the Soviet Union is interested.

Finally, the two proposals could be linked, if desired, with the complete test ban becoming part of the first stage of the Foster Plan.

I believe that by making either of these proposals, we would take an important initiative which would receive wide support here and



abroad whether or not the Soviets reacted favorably. If the Soviets accept our initiative, we will have made a great gain for world peace.

**Jerome B. Wiesner**

## February 1962

### 79. Minutes of White House Meeting, February 2<sup>1</sup>

February 2, 1962

#### PARTICIPANTS

The President  
Mr. Robert S. McNamara, DOD  
Mr. Roswell L. Gilpatric, DOD  
General Lyman L. Lemnitzer, DOD  
Dr. Harold Brown, DOD  
Dr. Gerald W. Sol  
Mr. Paul M. Nitze, DOD  
Dr. Glenn T. Seaborg, AEC  
General Austin W. Bathe, AEC  
Mr. Robert Amery, Jr., CIA  
Dr. Herbert Scoville, Jr., CIA  
Dr. McGeorge Bundy, WH  
General Maxwell Taylor, WH  
Dr. Jerome B. Wiesner, WH  
Dr. Carl Kaysen, WH  
Mr. Spurgeon M. Keeny, Jr., WH

#### *Minutes of Meeting on the Status of U.S. and Soviet Nuclear Tests—February 2, 1962*

At the request of the President, representatives of the AEC, CIA, and DOD presented a status report on U.S. and Soviet nuclear tests. This report constituted a summary and up-dating of information previously presented to the President.

U.S. and Soviet capabilities in higher yield nuclear weapons as of the completion of the 1958 test series and as of the completion of the proposed U.S. atmospheric test series in the Spring of 1962 were compared in the following table:

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<sup>1</sup> Status of U.S. and Soviet nuclear tests. Top Secret. 11 pp. Kennedy Library, National Security Files, Subjects Series, Nuclear Weapons Testing, 497th NSC Meeting, Keeny Report.

U.S./U.S.S.R. TN CAPABILITIES

Weight Class (lb.)	AFTER		AFTER	
	1958 TESTS		1961/62 TESTS	
	U.S.	U.S.S.R.	U.S.	U.S.S.R.

[text not declassified]

In discussing the present Soviet capabilities as reflected in the above table, the following points were made by the CIA representative:

[text not declassified]

In discussing the significance of the proposed U.S. atmospheric tests on the status of U.S. nuclear weapons capabilities, the AEC representative made the following points:

(1) [text not declassified]

In reviewing the 17 tests which were originally proposed by the Seaborg Committee for inclusion in an atmospheric test series (see Chart B), the AEC representative pointed out that, in order to minimize the number of atmospheric tests, it was now planned to conduct [text not declassified].

With regard to the possibility of conducting larger yield tests underground, it was stated that tests of a few hundred kilotons could certainly be conducted underground although at greater cost than in the atmosphere and with some time delay. It was also noted that if there were sufficient incentive, it would probably be possible to test as high as 1 MT underground. [text not declassified].

The AEC representative reviewed [text not declassified] in the present series and summarized the principal objectives of [text not declassified]. These include [text not declassified].

[text not declassified] The two experiments were hastily broadened to obtain data on a broad range of phenomenon including radar and communication blackout. However, the instrumentation was not good and the data obtained was incomplete. While general information was obtained on radar and communications blackout, the data did not include close-in observations of radar blackout by the fireball. Nevertheless the [text not declassified] was increased as a result of this test in an effort to minimize the radar blackout. There was general surprise at the extent of the visual and the atomic phenomena associated with these tests. In addition, in the late Summer of 1958 the U.S. conducted the ARGUS experiments which involved the firing of three small yield weapons at altitudes of a few hundred miles in the South Atlantic. These experiments were initiated in an attempt to determine if electrons could be injected onto the earth's magnetic field as a possible AICBM weapon, a concept that was subsequently shown to be marginal at

best. Although the experiments produced useful scientific information they were poorly instrumented and produced generally inadequate data for the purpose of understanding effects.

The DOD representative described in detail the two proposed high altitude effects tests. These tests will obtain data in two different high altitude environments on the nuclear blackout of radar and radio communications and on the vulnerability of weapons to various nuclear effects. Particular attention will be given to the observations of the various forms of interferences with normal radar reception which can result from a nuclear explosion. These effects (see Chart G) which were described in some detail are very difficult to calculate. To date, there is no information on the exact extent of the radar blackout caused by the nuclear fireball itself, although it is certain this will be very evident. The study of the vulnerability of nuclear weapons to nuclear effects will [illegible in the original] on the effect of neutrons. It was noted that this latter effect could also be studied to a considerable degree in underground experiments.

[*text not declassified*] There is also some uncertainty as to the nature of the effects since this will depend on the extent to which the weapon debris is ionized and, if it is, on how it interacts with the earth's magnetic field. The different effects that might occur in this test were discussed (see Charts 1 and 3). It is actually anticipated that the effects from this test will involve a combination of the effects discussed in these two extreme cases. [*text not declassified*]

With regard to the problem of proof tests of weapons in stockpile, the AEC and DOD representatives stated that the weapons already in stockpile had either been tested in their present configurations or in similar forms from which extrapolations could be made with confidence. In the case of the Minutemen warhead, [*text not declassified*]. However, the designers and the AEC had certified this design with essentially the same confidence that they had in weapons that had been tested in their [illegible in the original] configurations. The DOD representative indicated that if systems tests were undertaken they considered that a complete systems test of [*text not declassified*] would be most useful. The DOD indicated that it was proceeding with planning for these tests, and if a decision to carry out atmospheric tests was made, it would recommend that these systems tests be included in the series.

Prior to the status report on U.S. and Soviet nuclear tests, the CIA representative briefed the President on the intelligence on the Soviet underground test at Semipalatinsk that had been detected earlier in the day (2 February); and it was decided that a public announcement should be made by the AEC.

**80. Memorandum from Gen. Lemnitzer to President Kennedy,  
February 16<sup>1</sup>**

JCSM-127-62

February 16, 1962

**SUBJECT**

Joint Chiefs of Staff Views on Resumption of Nuclear Testing (U)

1. The Joint Chiefs of Staff consider that there is an urgent military requirement for an accelerated program of nuclear tests in various environments, including the atmosphere. The security of the United States depends to a large extent upon our ability to assure superiority in nuclear weapons and our ability to employ them effectively. This requires that our weapons development programs be pursued aggressively without handicaps of self-imposed restrictions on the manner of testing new concepts.

2. The basic objective of the nuclear test program is to increase the military capability of US forces. In order to achieve this objective, full-scale nuclear testing in various environments is needed to permit:

- a. Further development of advanced nuclear weapons.
- b. Better understanding of the effects of nuclear weapons.
- c. Proof testing of complete nuclear weapon systems in operational environments.

3. Although progress can be made in developing advanced nuclear weapons by underground tests supported by laboratory experimentation and theoretical analysis, only limited information can be obtained in the vital field of nuclear weapons effects. Then, too, there appears to be a finite yield limitation which cannot be exceeded in underground testing. Testing in the atmosphere offers the greatest opportunity for obtaining significant diagnostic and effects data for the devices and weapons fired. Additionally, complete weapons systems tests cannot be conducted in an underground environment.

4. Our knowledge of certain weapon effects phenomena is extremely limited. The areas of principal uncertainty are the effects, particularly at high altitudes, which are pertinent to our missile defense, and to radio propagation and radar blackout; the effects in the oceans which are pertinent to fleet operations and antisubmarine warfare efforts; and the effects including both electromagnetic pulse and blast on hardened underground sites. The areas in which information is notably deficient include:

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<sup>1</sup> JCS views on resumption of nuclear testing. Top Secret. 7 pp. Kennedy Library, National Security Files, Subjects Series, Nuclear Weapons Testing, 497th NSC Meeting.

a. *Effects of the high intensity electromagnetic pulse generated by a nuclear detonation.* We know this phenomenon exists. In the conduct of previous nuclear test series, certain detrimental effects of the EM pulse were noted but often not explained. For example, instrumentation cables were fused or melted at considerable distances from the detonation. Spurious signals were acquired, often destroying records and sometimes even equipment. We now have insufficient data to determine specific effects against our command-control, communications, and weapons systems. However, the possibility that vital elements of our defensive and offensive weapon systems may be paralyzed or destroyed by an enemy attack is a matter for investigation at the highest priority. One test is now planned to investigate this phenomenon in the spring of 1962. If we discover that our cabling for our command and control systems is highly vulnerable to specific yields from particular heights of burst, then we may be able to proceed toward a solution. Resulting actions could include: redesign and shielding of all important land lines systems; redesign and hardening of the communications and control systems of our missile launch sites; and the introduction of new, less vulnerable communication and control systems. Until we have adequate data, it is difficult to fully evaluate the extent of the impact upon our own capability. It is imperative that we not underestimate the potential effect that this knowledge by the enemy could have on our deterrent posture. The control and weapon systems supporting our nuclear deterrent posture may have serious technical flaws.

b. *The phenomenon of electromagnetic blackout.* Again, we know that this phenomenon exists. Certain of our tests at high altitude indicate that radio communications and certain radar equipment may be seriously degraded and in some cases rendered ineffective for some hours after a detonation. We now have insufficient data to determine the extent to which this effect may be used against the United States to paralyze essential elements of our warning, command and control systems or to degrade our anti-aircraft or antimissile systems. The limitations of our knowledge emphasize the high degree of risk which may be involved. Two tests are now planned to investigate this phenomenon in the spring of 1962. Resulting actions could include: changes in communication and radar frequencies; the multiplication of our radar sites and techniques. Again it is imperative that we not underestimate the potential effect that knowledge of these effects by the enemy could have on our deterrent posture. Conversely, our knowledge and use of these effects might so degrade enemy defenses that our own deterrent capability could be greatly enhanced.

c. *The phenomenon of weapon system kill.* There is reason to believe that the use of nuclear weapons will be the most effective means of countering the threat of enemy ICBM systems. Blast, thermal radiation,

X-rays, and neutron flux may individually or collectively provide the mechanisms for the “kill” of enemy missiles. The degree to which any one of these effects may be of importance will depend upon the yield, detonation altitude, and CEP of the counterweapon and upon the degree of hardening of the enemy weapon. US knowledge of the magnitude and relative importance of these effects suffers badly from the paucity of experimental data. The evaluation of our defensive systems and the hardening of our own warheads and bombs against Soviet defenses are dependent upon such knowledge. Three of the tests planned for the US tests in the spring of 1962 will provide data on weapon kill effects and still other tests will be used as data sources if they are properly instrumented. It is known that the Soviets have a vigorous AICBM program and several of their recent tests can best be explained as efforts to enhance both their ICBM and AICBM capability. What measures we might take to prevent a degradation of our military posture will be dependent to a large degree on the information we obtained from our own planned tests. Some hardening against neutron heating is being incorporated in the warheads for POLARIS, ATLAS and TITAN. Also, a basic research program on warhead hardening has been proposed by the Defense Atomic Support Agency (DASA) to the Joint AEC-Department of Defense Warhead Vulnerability Board and action has been started to carry out this program.

5. Development tests are important, since they will have a decided impact on the military capability of the nation. The purpose of nuclear weapons development is to provide this country with a stockpile of reliable, safe and efficient nuclear weapons, discriminating in effect and flexible in application consistent with military objectives. From development tests we could expect an increased yield-to-weight ratio that would basically permit delivery of higher yields for a given weight or allow for delivery to greater ranges of a given yield weapon by missiles and aircraft. Specifically, missile warheads of small weight will lead to smaller, more mobile, more serviceable missiles and will allow for better penetration through enemy defenses. New types of tactical weapons, including [*text not declassified*]. Frequently, in the past, new concepts or ideas of great value have developed from the effort to fulfill specific weapon needs. In this regard, the Joint Chiefs of Staff consider that the Atomic Energy Commission should be encouraged and permitted to explore new weapons technology at the maximum possible pace and be permitted to conduct the required nuclear testing with minimum restrictions as to the amount of testing.

6. The Joint Chiefs of Staff consider certain actions of the United States to be of paramount importance if the military confidence in our weapons, which comprise our current deterrent posture and operational capability, is to be maintained. Specifically, the primary weapons

and weapon systems which comprise the major elements of the United States offensive and defensive military power should be mated and tested under operational conditions and in realistic environments. It is a matter of grave concern to the Joint Chiefs of Staff, the operational commanders of the Armed Forces, and to the organizations which support them, that plans involving national defense and survival should be dependent upon the validity of mathematical computations and indirect applications of components when positive proof is immediately available. A number of weapons have reached stockpile configuration only as a result of testing separate devices, component parts, shapes and laboratory experimentation, and, since entry into the stockpile, have been subjected to extensive modification and retro-fit. Many types of weapons now in the stockpile and included in war plans designed to accomplish US wartime objectives have never been completely tested in their war reserve configuration under those severe environmental conditions which will be experienced by the whole system, or delivered by the weapon systems designed to deliver them. For example, the warhead for the POLARIS, one of our primary strategic missile systems in being today, has not been tested in its present war reserve configuration. *[text not declassified]* example of the technical problems that lessen our complete confidence in the new sophisticated weapons of our arsenal. Firing of complete operational missile systems could and should be integrated into over-all cold war planning so as to enhance not only our military posture in international negotiations but to increase our own level of confidence in the total reliability of our systems. Successful tests of two of our SIOP operational missile systems, ATLAS and POLARIS, would permit the United States to operate from a position of demonstrated strength and readiness.

7. In recommending the resumption of atmospheric testing, the question of fallout was considered. It has been stated that world-wide fallout resulting from atmospheric testing presents a real hazard to the population of the world. In contrast to these widely publicized opinions concerning the hazard, the Defense Atomic Support Agency has determined from extensive studies over the past few years that world-wide fallout from past nuclear tests has not produced a demonstrable biological hazard nor is it expected that any similar future tests would do so. By using the same careful procedures of analysis and prediction employed in previous tests in the atmosphere, control of local fallout can be accomplished without hazard.

8. The Joint Chiefs of Staff do not advocate the resumption of nuclear testing simply because of the recent Soviet tests. Nevertheless, the fact that the Soviets have completed these tests has accelerated the military requirement for resumption of testing. The full impact and military significance of the recent Soviet test series cannot be completely



evaluated until the final technical assessment of all Soviet tests has been made. At the present time and for the near term, the strategic long-range nuclear delivery capabilities of the United States vis-à-vis that of the Soviets are clearly in favor of the United States. However, there is good evidence that the Soviets, in recognition of this imbalance in relative strengths, are striving for weapons systems that could in the future, provide them with a military advantage. It is apparent that the Soviets have achieved advances in nuclear weapon technology beyond that which was commonly anticipated. Since no less than 45 tests were exploded by the Soviets during the recent series they have now at their disposal a mass of experimental data on weapons design and weapons effects which can be utilized during the next two or three years to greatly enhance the capabilities of their weapons systems. Preliminary information now available indicates that the 1961 nuclear test series has given the Soviets increased confidence in current weapons systems, advanced their weapon design significantly, added greatly to their understanding of thermonuclear weapon technology and contributed vital weapon effects knowledge. From the strategic viewpoint, Soviet progress in nuclear weapon technology will give the USSR increased confidence in their over-all military capability and their national power.

9. The Soviets can be expected to conduct further testing as required. They have already laid the political ground work for resumption of testing by their statements that US testing will force them to resume testing for national security reasons. Furthermore, their intransigence on the nuclear test moratorium issue indicates their unwillingness to limit their freedom of action in this respect unless a comparative strategic advantage in nuclear weapons can be obtained. The Joint Chiefs of Staff are confident that past Soviet behavior makes it patently clear that US self-restraint concerning atmospheric nuclear tests will not prevent the Soviets from further atmospheric testing.

10. In summary, the Joint Chiefs of Staff position for resumption of nuclear testing in all environments is based on the fact that the survival of the United States and its Allies may well depend on our ability to:

a. Obtain the critical effects data which could affect our:

- (1) Radar warning systems.
- (2) Radar guidance systems for our strategic missiles and aircraft.
- (3) Communications with our National Command Posts and Retaliatory Control Systems.
- (4) AICBM's effectiveness.
- (5) ICBM's survivability for retaliation.
- (6) Delivery of ASW nuclear weapons.

b. Maintain the credibility of all of our nuclear deterrent forces ranging from our strategic ICBM systems and our air and submarine

defense systems, down to the smallest battlefield tactical weapon. This credibility cannot be totally meaningful without each system having been completely proof tested and fired by operational crews.

c. Attain a strong posture with which we can increase our capability to execute the strategy of "controlled response".

11. Our security and that of the Free World requires that we maintain a substantial nuclear superiority over the Soviet Union and the Communist Bloc. Early resumption of atmospheric testing, in the face of Soviet nuclear advances, will be required in order to maintain US nuclear superiority. In view of the above, the Joint Chiefs of Staff reaffirm their position on:

a. The necessity for resumption of full-scale nuclear tests as soon as practicable.

b. The military necessity for conduct of the presently proposed series of tests.

c. The necessity for not agreeing to any treaty which would limit the conduct of future US nuclear tests unless an effective inspection and control system is implemented and properly functioning.

d. The need for greatly augmented research in new weapons technology.

12. Appendix A contains a list of tests that the Joint Chiefs of Staff consider to be the most important from a military point of view.

13. In the event consideration is given to additional tests, Appendix B contains a list that the Joint Chiefs of Staff consider to have important military significance and would contribute to the over-all security of the nation.

For the Joint Chiefs of Staff:

**L.L. Lemnitzer**  
*Chairman*  
*Joint Chiefs of Staff*

**81. Memorandum from Bundy to President Kennedy,  
February 19<sup>1</sup>**

February 19, 1962

**SUBJECT**

Notes on Atmospheric Testing for Use with Gaitskell

The military justification for atmospheric testing is as follows:

1. The Soviet tests of 1961 showed significant advances, especially in effects testing and anti-missile technology.

2. While there is no immediate danger, it would not be safe to accept a further series of Soviet tests if we make no progress in the meantime.

3. Only some form of inspection and control can give us proper assurances against a repetition of the events of last fall.

4. Thus, until such agreement is reached, we have no choice but to maintain a lively development program of our own.

5. The particular object of this program is to ensure the continued effectiveness of the strategic deterrent.

6. For this purpose, three kinds of tests are important:

a. Confidence tests which will allow us to be sure that our designed warheads and weapons systems really work. The Russians did many of these, but they are the least important part of our own series and do not in and of themselves justify a resumption of testing.

b. Development tests—these are important because they allow us to deliver the same effective yield with a lighter warhead and thus permit adding to our missiles decoys and other penetration aids which will guarantee effectiveness even in the face of an anti-missile system.

c. Effects tests. These are the most important of all, because they will tell us things we do not know about the effects of nuclear explosions high in the air. This knowledge is essential if we are to have real confidence that something we don't know may not be used against us in anti-missile systems.

In summary, no individual test in and of itself can be said to justify the resumption of testing, but a posture of non-testing is simply untenable, in straight military terms, as long as the Russians retain an uninspected freedom to repeat the operations of last year. In addition, Gaitskell, like Stevenson, will be impressed by your account of the careful and repeated consideration which all aspects of this matter

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<sup>1</sup> Background information for meeting with Gaitskell. Secret. 9 pp. Kennedy Library, National Security Files, Subject Series, Nuclear Weapons Testing, 2/17/62–4/4/62.

have had—the intelligence, the military balance—the exploration of possible alternatives like an atmospheric test ban agreement.

McG. B.

## Tab A

### *The President's Review of the Atmospheric Testing Problem*

1. The President has not had a more difficult decision—or one to which more careful study has been given. The following are indications of this:

a. the results of Soviet tests have been reviewed by a first-rate panel under Hans Bethe, and the President has had repeated briefings with the help of critical comment by such men as Wiesner and the careful English expert, Sir William Penny. It is plain that the Soviets have made substantial progress, and it is agreed that if we do not test and they go on to a further series, they may make very significant advances relating to anti-missile weapons systems.

b. the tests proposed for this series have been reviewed repeatedly, in the same critical fashion, and the President will restrict them to those which are genuinely relevant to maintaining the effectiveness and credibility of our nuclear deterrent. While no one test in this series is decisive, each of them will be authorized only if the President is convinced that it is militarily and technically a serious contribution to deterrence. The tests proposed are described at Tab B.

c. the President himself has repeatedly sought for a reasonable alternative to test resumption, and it is with deep disappointment that he is facing the conclusion that he has no alternative—unless and until there is a big change in the Soviet position. Some of the questions that have been studied at the President's direction are listed below together with the conclusions that have been reached so far:

(1) *Why can't we say that we will prepare for testing, but not actually test unless the Soviets take to the air again?*

This is at first sight an attractive option, because many—though not all—of the experts contend that a technological stand-still agreement today—even after the Soviet tests—would be safe enough. Unfortunately, an unpoliced moratorium is not safe for us—even if we keep our laboratories as ready as possible. As Sir William Penny told the President and Mr. Macmillan at Bermuda, first-rate scientists in an open society simply will not keep their minds on problems that can only be attacked if and when someone else breaks an agreement—nor can a large technical establishment be kept fully alert and active on

any such contingency basis. Thus it will always be open to the Soviets, using French or Chinese or Israeli activities (or even our own underground testing) as an excuse, to prepare another series of tests and set them off when they feel ready. A second surprise of this sort would not only be dangerous technologically; it would shake the confidence of our own people—and our Allies—in our good sense. It would thus be open to the Soviets, by a simple resumption of testing, to strengthen the Goldwaters and the Walkers quite a lot.

In other words, there is no half-way house between an inspected and controlled arrangement which would let us stop our weapons research and a reluctant decision to go ahead with necessary research and experiments, including atmospheric tests.

*2. Can we not put off the decision in the hope that real progress will be made at Geneva in March?*

The trouble with this proposal is partly technical and partly political. Technically it is very hard to hold a large task force of thousands of scientific men, with a supporting military team, on a basis of indefinite readiness. It's like arranging to invade North Africa with no D-day.

The political objection is even stronger. If our decisions on testing are governed merely by changes in the negotiating "atmosphere," we put it in Khrushchev's power to control our behavior by unreal but tempting hopes and promises. We have had three years of this, climaxed by the tests of last fall. Short of effective and binding agreements, we must now follow the courses necessary for our safety.

Obviously, March and April are not very good months for test resumption—but really any time is bad, from now on. From the public relations point of view an earlier date might have been better (though not perhaps at the UN). But the series has been set so as to be genuinely useful, and not simply to make a big bang at a convenient time.

We continue to be deeply concerned about disarmament, but we cannot accept a one-sided unpoliced moratorium—we believe, indeed, that such a course would weaken the chance of reviving Russian interest in effective disarmament agreement.

*3. What about fall-out?*

The series has been prepared under guidelines which require that fall-out be minimized and the currently proposed list would have about  $\frac{1}{3}$  the fall-out of the Soviet series of 1961. We are preparing careful and thorough statements of just what this means, as far as scientists can say. There can be little doubt that fall-out has some dangers—but it is equally clear that exaggerated fears have been generated. Our proposed new tests will add perhaps  $\frac{1}{2}$  of 1% to the natural level of radiation in the Northern Hemisphere (very little goes south). This is

about 1/50 of the change you would experience if you moved from Washington to Denver.

Except for the moral problem of inflicting damage on the environment of other nations, the magnitude of the fall-out problem is smaller than that of building roads on which, statistically, many thousands of people will die. If nuclear energy had only peaceful uses, it is doubtful that this kind of fall-out would be such an issue, or would stand in the way of harbor-building, canal-making, and other construction activities. It is not fall-out, but the horror of atomic war which it suggests, that makes the difficulty important. But on this larger scale the fall-out problem has to be measured against the danger of giving the Soviets hope of achieving a decisive advantage.

Still, fall-out is bad, and there will be no attempt to avoid this unhappy fact.

*4. Will testing make it harder to reach understanding with the Soviets on disarmament and other cold-war issues?*

Probably the deepest objection to testing—in the Administration as well as in the country—is that so many hopes have been invested in the test-ban as a means to progress in arms control and in mutual understanding. Many Americans who recognize the new problems created by the Soviet tests, and Soviet intransigence on effective test controls, still hope that we will not “double-bar the door” by tests of our own.

But the strong consensus of our experts on Soviet behavior is that a decision not to test now would *not* improve the chances of real progress. The judgment is that the Soviets would not attribute such a decision to genuine good will, but rather to weakness in the face of “peace-loving opinion.” The strongly dominant view is that the Soviets will move toward a disarmament agreement only when they are persuaded that they cannot have it both ways—and then only when they see that disarmament is less dangerous than the arms race. Thus the probability is that in terms of the Soviet state of mind, a decision to test is now desirable. The decision will not be made on this ground—but it does seem clear that testing will *not* cost us a great chance to make real progress by an act of trust and confidence.

*5. Does this mean that the test-ban treaty is pretty much of a dead duck?*

On our side there is still a real desire to stop atmospheric testing—but it is hard right now to be very hopeful. We ourselves have some questions about the existing treaty draft, although we are reluctant to abandon it. On our side, what seems needed is some safeguard against a repetition of the surprise of last September; the President has ordered studies of this problem. It may turn out that the problem is not techni-

cally very difficult—conceivably surveillance of a few testing grounds and limited rights of reciprocal access to a few developmental laboratories would give substantial assurances, and conceivably the existing treaty could be softened in the area of inspection for underground tests, which no longer seem either as important or as hard to detect as they once did.

But the Soviet Union seems still to resist *any* form of effective inspection and control. Moreover, its interest in the specific problem of the test-ban may have been much reduced by its difficulties with Peking, which has probably made very clear its unwillingness to accept any limitation on its own development of nuclear weapons. We have our own problem, of course, with the French, but this did not bother the Soviets until they began to object on other grounds as well.

In sum, then, while a workable treaty is not hard to design, the prospect of its acceptance seems lower than at any time since 1958, and it is hard to avoid the judgment of Hans Bethe that a test-ban is no longer the most promising first step to disarmament.

*6. Are we then embarked on an unlimited round of test and counter-test?*

No one can give a definite answer to that question. Our own testing will be governed by our need for a secure deterrent. We shall not test this time as much as the Russians did, and our plans for future tests will be governed essentially by the development of our judgment of the relation of tests to the balance of strength.

We cannot tell for certain today which of two opinions is right. One group holds that the technological future of nuclear research is essentially limitless, and it expects that as long as the arms race continues it will be urgently important for the United States to maintain a very large development and testing effort. The other group takes the position that there is a practical as well as a theoretical limit to what nuclear weapons can do, and that at least at the upper levels of yield a stand-off can be maintained with relatively little effort, as long as there is vigilance against any possible breakthrough.

Currently the President inclines to the second view, and if it should prove accurate, the need for further atmospheric tests—*whatever* the Russians do—should be limited. Smaller tactical weapons can, in the main, be tested underground, and the probability is that effects tests in the next few years will confirm our present belief that a secure deterrent is relatively easy to sustain. In any event there will be no testing race merely for its own sake.

McG. B.

## Tab B

### *Brief Description of the Proposed Tests*

The proposed tests fall into three categories:

#### 1. *Confidence Tests*

These are tests of warheads, and probably of two major weapons systems as a whole, designed to make sure that we have what we think we have in our basic new missile systems—especially Polaris and Minuteman. The case for these is the weakest of the three, and probably we would not approve a resumption of testing for this category alone. Many of our technical men believe that such tests are not necessary and that the necessary confidence can be obtained as well or better in other ways.

But it is a fact that the Soviets engaged in very extensive tests of this sort, and it is also a fact that the President's military advisers (McNamara-Gilpatric, the JCS, and General Taylor, independently) believe strongly that our military planning and our basic self-confidence require that we do *some* of this now that the Russians have done a lot. And no less an authority than Hans Bethe has strongly supported tests of the warheads (as distinct from the weapons system as a whole.)

One important subordinate argument in favor of such tests is that as long as the military do *not* have full confidence in these missiles they are likely to want twice as much of everything (this is General LeMay's explicit argument for the B-70 and other things the President has turned down).

#### 2. *Development Tests*

These tests are aimed, essentially, at improving the weight-to-yield ratio of our weapons. This is important not because we need bigger yields or lighter warheads for their own sake, but because the ability to deliver a given yield at a reduced weight is a highly significant element in assuring our ability to penetrate enemy anti-missile defenses. When we can reduce the weight of the warhead, we can add decoys and other devices to increase the probability that the weapon will get through. Thus weight-to-yield improvement is a part of our reply to the hazard of Russian anti-missile development.

#### 3. *Effects Tests*

The most important tests, four in number, relate to effects of atomic weapons. One of these relates to anti-submarine warfare and is of tactical significance for the Navy. The other three relate to the environment of missiles. One is to take place on land, for the purpose of measuring nuclear effects on hardened missile sites. The remaining



two, the most important in the series, are high altitude tests designed to enlarge our knowledge of the effects of nuclear explosions in this environment. The Atomic Energy Commission rates one of these experiments as “vital to the technical evaluation of possible U.S. AICBM systems and of penetration of enemy defenses by our ICBM’s.” The other test is equally significant in its relation to “black out,” the effect which atomic explosions may have on the radar equipment of AICBM systems.

These effects tests will not end our areas of ignorance in this very difficult field, but they should allow us to proceed, perhaps with another series or two, to a full confidence that the Soviet Union will not confront us at some future date with an anti-missile capability that might change the whole balance of power.

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**82. Memorandum from Wiesner to President Kennedy,  
February 21<sup>1</sup>**

February 21, 1962

I am attaching for your consideration a possible plan which could serve as the basis for a new disarmament initiative involving a nuclear test ban. I believe that this proposal could shift the present unproductive nuclear test ban debate to new ground with much broader significance without abandoning important features of our previous nuclear test ban proposal. Specifically, the plan would include the following measures with appropriate controls: 1) a *complete* ban on nuclear weapons tests in all environments; 2) the cessation of all research and development on nuclear weapons; and 3) a complete cut-off of the production of fissionable material except for agreed quantities to be used for peaceful purposes.

I believe that such a proposal might serve to bridge the gap between Soviet objections to the elaborate control and inspection requirements associated with the rather modest objective of the present U.S. Geneva test ban proposal, which would permit underground testing below a certain “threshold,” and our desire for even more effective protection against possible clandestine testing and protection against covert

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<sup>1</sup> Plan for new disarmament initiative. Attachment outlines proposal. Secret. 7 pp. Kennedy Library, National Security Files, Subjects Series, Nuclear Weapons Testing, 2/17/62–4/4/62.

preparations for the resumption of development testing under the cover of a treaty. By making a new proposal calling for a *complete* ban on nuclear tests coupled with a prohibition on research and development on nuclear weapons and a cut-off of fissionable material production for weapons, we would very substantially increase the content of our proposal and thereby justify a higher level of control.

The attached proposal would essentially retain the control system and the provision for 20 annual inspections contained in the present U.S. draft test ban treaty with the exception that inspections could be conducted against any located seismic events that are considered suspicious. In this connection, it should be noted that the Geneva system could locate events far below the so-called "threshold" of the present U.S. draft proposal, (i.e., down to a fraction of a kiloton) and that the current Nevada tests have shown that on-site inspections would be much more effective than had previously been claimed in some quarters. The access resulting from the 20 annual inspections could be reduced by allocating them within the Soviet Union and the U.S. to those areas where practically all of the seismic activity actually occurs. For example, as I proposed in my memorandum of January 25, it would be possible to restrict the number of inspections within all of European U.S.S.R. and most of Asian U.S.S.R. to 3 and to allocate the remaining 17 inspections to certain small remote areas in south central and far eastern Siberia.

The ban on research and development on nuclear weapons would be implemented by prohibiting all laboratory work in this field. This measure would be controlled by placing permanent inspectors in all weapons laboratories and by maintaining a check on the activities of all scientific personnel previously engaged in weapons work. This measure would complement the test detection system by providing a mechanism to control the conduct of nuclear tests that might not otherwise be detected because of their small size and would prevent extensive preparations for a weapons development test series under the cover of the treaty. A small quota of peremptory inspections would permit detailed inspection of any sites suspected of being clandestine weapons laboratories. These inspections would be selected either on the basis of information obtained by the overt control system or by unilateral intelligence. Given our unilateral capabilities, I believe that the proposed control of laboratories and scientific personnel would probably prevent (or at least seriously interfere with) any attempt at significant clandestine testing or preparations for atmospheric or underground nuclear weapons development tests.

The measures to monitor the fissionable material cut-off would involve the stationing of inspectors at declared production plants, the control of fissionable material manufactured for and used for peaceful

purposes, and a quota of peremptory inspections against facilities suspected of clandestine production of fissionable material. These measures have been studied in great detail over the past few years and were recommended in essentially the form in the attached proposal by the Perkins Panel which reported to the U.S. Disarmament Agency last year. Our intelligence in this area is very good, and I think there is general agreement that the proposed type of control would be very effective.

In summary, I believe that the attached proposal could provide a basis for a significant new initiative, if you should consider it desirable to shift the present unproductive debate on nuclear tests to new ground. I think there is no question that it would find a favorable reception in world opinion. If the Soviets should accept such a proposal, it would clearly be a much more significant step forward in disarmament than the present U.S. test ban proposals.

**Jerome B. Wiesner**

### **Attachment**

#### **Outline of a Proposed Plan to Control the Testing and Development of Nuclear Weapons and the Production of Fissionable Material**

The parties to the Treaty would agree to a complete ban on nuclear weapon tests, to the cessation of research and development on nuclear weapons, and to a complete cut-off on the production of fissionable material except for specified quantities for peaceful purposes. The initial parties to the Treaty would be the U.S., U.S.S.R., and U.K. and all other states would be encouraged to adhere to the Treaty as soon as possible after it came into effect. The Treaty would be of indefinite duration except that any party could free itself of its obligations if after 2 years all members of the NATO and Warsaw Pact had not become parties to the Treaty, or if after 4 years all states deemed capable of achieving a nuclear capability in the foreseeable future had not become parties to the Treaty (or if after 6 years all states had not become parties to the Treaty).

Each country on becoming a party to the Treaty would declare the nature and location of the following facilities within its borders or otherwise under its control: all plants engaged in or capable of producing or processing fissionable materials; all power, research, and dual-purpose nuclear reactors; and all laboratories (and other facilities) engaged in research and development on nuclear weapons. Inspectors would be stationed at all of these facilities to assure that no fissionable

material is produced except for peaceful purposes, that no research and development on nuclear weapons is undertaken at declared laboratories, and that no diversions of fissionable material occur from peaceful applications. In the case of any fissionable material production plants that continue in full or partial operation for peaceful purposes as well as power, research and dual-purpose reactors, the inspectors would have full access to the operation of the facility in order to permit both inventory and physical control of the operation. In the case of laboratories that continue operation in areas other than research and development on nuclear weapons, the inspectors would have sufficient access to these activities to assure that they do not involve work on nuclear weapons.

Each country, on becoming a party to the Treaty, would also declare the names and present location of all scientific and technical personnel who are at present, or who have ever been, involved in research and development on nuclear weapons. The inspection organization would determine on an annual basis by direct questioning the nature of the current activity and the location of employment of all the declared scientific and technical personnel and would obtain from each individual a declaration that he had not been engaged in research and development on weapons during the preceding year.

During the first year, the U.S.-U.K. could on demand undertake up to 3 peremptory inspections in the U.S.S.R. and the U.S.S.R. could on demand undertake up to 3 peremptory inspections in both the U.S. and U.K. in order to determine whether any undeclared facility was in fact engaged in the production of fissionable material or research and development on nuclear weapons. These inspections would be restricted to an area of ten (10) square miles and inspectors would be permitted to go up to the walls but not inside of any facility or structure. Inspectors may take technical samples, photographs, and identify and question personnel entering or leaving the installation. If any evidence pointing to undeclared production of fissionable material production or research and development on nuclear weapons is developed by the inspectors, further inspection would be authorized including full access to the suspected facility. Other parties to the Treaty could be subject to a single peremptory inspection during the first year of their accession to the Treaty. The site of the inspection would be selected by the Western Bloc states in the case of Communist Bloc states; by the Communist Bloc in the case of Western Bloc states; and the Control Organization in the case of non-aligned states.

During the second and each successive year, the U.S.-U.K. could on demand undertake 2 peremptory inspections annually in the U.S.S.R. and the U.S.S.R. could on demand undertake 2 peremptory inspections annually in both the U.S. and U.K. in order to determine

if any undeclared facility were in fact engaged in the production of fissionable material or research and development on nuclear weapons. After the first year of their accession to the Treaty, other parties to the Treaty could on demand be subject to 1 peremptory inspection every two years. The site of the inspection would be selected by the Western Bloc states in the case of Communist Bloc states; by the Communist Bloc in the case of Western Bloc states, and by the Control Organization in the case of non-aligned states.

The Control Organization would periodically collect environmental samples on a broad grid in the U.S., U.K., and U.S.S.R., and in any other country deemed by the Control Organization as having or being capable of having a fissionable material production capability. The findings from this environmental sampling program could be used to select the site of an inspection but would not be a prerequisite for a peremptory inspection.

A technical system for the detection and identification of nuclear tests as described in the U.S. Draft Treaty on the Discontinuance of Nuclear Weapon Tests would be installed progressively on a world-wide basis over a six-year period on the schedule set forth in the U.S. Draft Treaty. It would be permissible to locate the indicated number of control posts within any given country in a manner to optimize the effectiveness of the system in the detection and identification of seismic events.

The U.S., U.K., and U.S.S.R. would each be subject annually on demand to up to 20 inspections of unidentified seismic events. In the case of the U.S.S.R., the 20 annual inspections would be divided as follows: 3 for the area of the U.S.S.R. excluding the region of the Pamirs and the region of Kamchatka-Kuriles Islands and Sakhalin Island; 6 for the region of the Pamirs; and 11 for the region of Kamchatka-Kuriles Islands and Sakhalin Island. In the case of the U.S., the 20 annual inspections would be divided as follows: 4 for the U.S. excluding Alaska and the Aleutian Islands; 8 for Alaska; and 8 for the Aleutian Islands. In the case of other parties to the Treaty, the number of annual inspections will be determined by the formula set forth in the U.S. Draft Treaty on the Discontinuance of Nuclear Weapon Tests. The procedure for selecting events and conducting inspections will be the same as set forth in the U.S. Draft Treaty except the criteria for on-site inspection will be modified to include all located seismic events.

83. Letter from Amb. Ormsby Gore to Rusk, February 24<sup>1</sup>

February 24, 1962

Dear Dean,

I am sending you with this letter the text of a message containing some ideas which the Prime Minister had wished me to put orally to the President. As the President is away, I am sending this message to you and McGeorge Bundy in writing. I should like to emphasize that they are not so much firm proposals as ideas which the Prime Minister would like the President to consider. In the meantime, he would hope that the reply to Mr. Khrushchev could be so worded as not to exclude the possibility of an initiative along the lines he is tentatively suggesting.

Yours sincerely,

David

## TEXT OF MESSAGE

We are in some difficulty over Khrushchev's latest letter about disarmament. So far as the eighteen States are concerned, it seems that with the exception of the satellites and Burma there is a general view that a meeting of eighteen Heads of Government, many of whom have very slender practical knowledge of the problems involved, is not likely to advance the work of disarmament—at any rate not at the beginning of the conference. At the same time our proposal for the meeting of Foreign Secretaries and our determination that we should individually take a personal interest in the work of the commission has been interpreted as a genuine effort to stop what we called the sterile competition, especially in nuclear weapons.

But if we simply repeat our original proposals some people will argue that we are being too negative and not living up to our professed intention to make a new effort with the Russians. We must therefore find a constructive line. One plan would be for you and me to say: "All right, since you won't have the preliminary meeting of the three Foreign Secretaries, for the reasons you have given, we will come to Geneva about March 10 and have a preliminary discussion with you". If de Gaulle wished to come too, all the better. This has the advantage that the meeting of Heads of Government would at least take place

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<sup>1</sup> Conveys text of message from Prime Minister Macmillan to President Kennedy regarding Khrushchev's latest letter on disarmament. Secret. 4 pp. Department of State, Presidential Correspondence: Lot 66 D 204, Macmillan-Kennedy.

before we have to do such tests as we may decide to be necessary. But it has the disadvantage of abandoning our original position to an extent which, in view of the general reception of Khrushchev's proposals, may not be necessary.

A second plan would be to suggest at least the three Heads of Government coming at a later stage in the conference, say in mid-May. But then we would be in the difficulty that we might have wished to do the tests at the very time that we propose to meet Khrushchev. This would give him a chance of calling the meeting off and making a great rumpus.

A third plan has therefore occurred to me. This, which may seem rather a strange idea, is that you might invite Khrushchev to come to Washington at the end of April when I am already due to go there. I would of course postpone my journey to Canada so that we could have a short meeting together first, followed by a day or two with Khrushchev. If, as seems almost certain, we made no real progress, then our tests could still be carried out with no real disadvantage, by announcing the dates immediately after the meeting.

This plan would really trump his card. It would be difficult for him to resist. If he accepted, it would allow us to talk in the light of any work the conference had done, and would let us still maintain the genuineness of our desire to make a real effort before such tests as may seem necessary have to be done. If he refused this offer, we could then stand on our present position and let him do the sulking, even if he went so far as to stop his people attending the conference at all. If he did accept, we could then ask de Gaulle to join us.

What do you think of this?

**84. Memorandum for the Record, February 27<sup>1</sup>**

February 27, 1962

SUBJECT

NCS Meeting, 27 February 1962

1. For testing:  
Rusk, McNamara, Gilpatric, Lemnitzer, Foster, Seaborg, VP.
2. Against:  
Stevenson, Moral and political factors. Equality favors disarmament.  
Peace package.
3. For March shot:  
Foster, VP.
4. Against March shot:  
Rusk, Seaborg (marginal), HA (marginal; picture)
5. USSR acceptance of ban treaty.
  - a. Stop: Rusk, McNamara, Gilpatric, Foster.
  - b. Continue: Lemnitzer.
  - c. Revise treaty: Dean.
6. Timing considered.
  - a. Minimum delay after announcement: Murrow.
  - b. Announce intention, then wait several weeks to see effect at Geneva.

**M.D.T.**

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<sup>1</sup> Status of interest on testing, March shot, and U.S.S.R. acceptance of test ban treaty by NSC meeting participants. Secret. 1 p. National Defense University, Taylor Papers.



**85. Letter from Amb. Ormsby Gore to Rusk, February 28<sup>1</sup>**

February 28, 1962

Dear Secretary of State,

I am enclosing a copy of the text of the Prime Minister's reply to the President's letter of February 27 about Nuclear Tests.

Yours sincerely,

**David Ormsby Gore**

**Attachment**

February 28, 1962

Dear Mr. President,

I have been asked to pass to you the enclosed text of the Prime Minister's reply to your letter of February 27 about Nuclear Tests.

Yours sincerely,

**David Ormsby Gore**

London, February 28, 1962

**TEXT OF MESSAGE**

Dear Mr. President,

Many thanks for your message about nuclear testing. It is of course very short notice and as you frankly say represents a change of plan. I hope you will understand that [illegible in the original] this before [illegible in the original], which I will do tomorrow morning, Thursday, March 1.

With regard to the [illegible in the original] for the tests, I feel then the need to [illegible in the original] the statement I made in the House of Commons on October 31, conforms with the discuss [illegible in the original] and the communiqué we then issued; and as the programme has been discussed between our experts I will stand by you on this in full. The point about the last two tests is perhaps more difficult to reconcile, but I agree with you on this, that in for a penny in for a pound.

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<sup>1</sup> Encloses copy of Prime Minister Macmillan's February 28 letter to President Kennedy on nuclear testing. Top Secret. 8 pp. Department of State, Presidential Correspondence: Lot 66 D 204, Macmillan–Kennedy.

There will of course be a violent reaction in this country and I think in many parts of the world against this sudden decision and we shall have to face it. Worthy people all over the world are hoping against hope that the conference opening on March 14 will lead to some result and allow us to end what we called this sterile contest. At the same time I see the dangers of waiting. It is rather evenly balanced.

I must plead that you will meet us on two points. First on the date of your announcement. If you make it tomorrow night, March 1, it will be published here on Friday morning, March 2. The House of Commons meets on Fridays, but will not regard it as a suitable day for so dramatic a discussion, and would even suspect it had been arranged so as to avoid a debate until Monday. This is only my private difficulty. But I do feel also that we should give advance warning to the other three members of the Western Five, Canada, France and Italy—the first country being particularly sensitive about decisions of this kind being taken without prior knowledge. We should also perhaps consider informing N.A.T.O. on the morning of the announcement. If you could see your way to a short postponement therefore it would be helpful. The announcement could be either Friday or Saturday morning, and you would only have lost two or three days.

Now as to the contents of the statement. If you wished to put us absolutely straight with world opinion you could say that tests would be resumed on June 1, by which time the Committee of Eighteen ought to report to the United Nations, unless the Russians had signed a test agreement by then. But if this is really too far off for you could we not at least postpone the date from April 15 to say, May 3? That would allow us to argue that we had given two months' grace from the date of the announcement, and we would point out that the Russians could get in touch with us immediately for preliminary talks for a treaty. Even if they did not, there would still be a full six weeks' discussion in the conference itself.

The first alternative would be much the best but even the second would be much easier to defend. We would of course use the argument that after the last moratorium we cannot be dragged along from month to month. At the same time we want to convince people we are giving the Russians a reasonable time to make up their mind. I beg you to consider this. It would make all the difference in presentation throughout the world. I realise the technical difficulties involved but I have no doubt they can be overcome by your experts.

On the wording of your proposed announcement as communicated to David Ormsby Gore there is a further point of importance. We are both committed to making a supreme effort to break the deadlock on the problems of nuclear disarmament, and in the light of this commitment I would not find it easy to open the Geneva conference by tabling

again the draft treaty on a nuclear test ban of April 1961, which we know in advance that the Russians will reject. We have some other ideas which we wish to put to you. They do not, I think, represent any concession of principle and the Russians are likely enough to reject them. They would however represent in the eyes of the world a genuine and fresh effort to break the deadlock.

I am not going to put these ideas forward in detail now for your consideration. What I would ask you is not to shut the door finally in any announcement about the resumption of tests to the possibility of putting forward at Geneva some ideas which are not included in the treaty text of April 1961. With this end in view I would propose that the second sentence in the formula which you gave to David Ormsby Gore (beginning "The United States and the United Kingdom . . . ") should be replaced by the following sentences.

*"The United States and United Kingdom, represented at the outset by their foreign policy chiefs, will present to the Geneva disarmament conference opening March 14 their proposals for a separate comprehensive treaty, with appropriate arrangements for detection and verification, to halt the testing of nuclear weapons in every environment: in the air, in outer space, underground or under water. Alternatively they would be ready to discuss these proposals earlier with representative of the U.S.S.R., if they so desire".*

This would give us all opportunity to consider fresh ideas, and not preclude us from going back to the 1961 treaty text, if that ultimately seemed best.

I should be grateful if you could let me have a message in time for the Cabinet which meets at 11.00 a.m. tomorrow morning (6.00 a.m. your time).

One last point which I am sure you have considered. The Russians may do one of two things. First they may boycott the conference on the grounds that your statement is a provocative action. Secondly, and more tiresome, they may take some action over Berlin which will precipitate a crisis. And we must remember that it is not altogether impossible that Khrushchev really wants to get in touch with us for some constructive purpose.

With warm regard,

Yours sincerely,

**Harold Macmillan**

**86. Telegram 4608 to London, February 28<sup>1</sup>**

February 28, 1962

Eyes only for Ambassador Bruce. There follows text of President's letter to Prime Minister for delivery soonest:

QUOTE February 28, 1962

Dear Mr. Prime Minister:

Thank you for your letter of February 28th. Your understanding and support on the basic issue are a great source of encouragement. On your other comments, I think I understand and agree with most of what you say, and I think I can do something to meet you on nearly all points.

First, we will make the announcement here Friday night, although I fear there will be rumors before that time. We shall have to indicate on Friday morning that a television speech is coming, and probably we shall have to indicate the subject as well, but there will be no announcement of my decision before I talk to the country. While I know this is not perfect from the point of view of your problem with the House, David Ormsby Gore tells me that it should meet much of the difficulty. I agree with you that there should be advance notice to the other three members of the Western Five and to NATO, and unless you object, we shall plan to take care of that here.

The dates which you suggest for the resumption of tests are unfortunately too late from the point of view of our arrangements here, and I think myself that we do not need to give quite so long a time to our Soviet friends. But I think I can say in my speech that we will not test until the latter part of April, and on this basis I would expect that no tests would go off until after April 22nd, which gives a considerable space of time to the Russians.

Your comments on the wording of the announcement are quite in line with my own thinking, and while the language in your message may not be fitting for a speech, I can assure you that I agree with your view that we ought not to tie on tight to the treaty of April 1961. We have firmly decided here that we genuinely want a decent treaty if we can get one, and I am instructing my experts to work at full steam with yours so that we can make a really good offer in the nuclear test ban field at Geneva.

Your last paragraph raises prospects which I know are possible, but I plan to point out in my speech that it will be strange if the Soviets

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<sup>1</sup> Conveys President's letter to Prime Minister Macmillan on resumption of nuclear testing. Secret. 3 pp. Department of State, Central Files, 700.5611/2-2862.

now refuse to talk, because we ourselves bargained with them on disarmament during their own atmospheric tests, and even reached agreement on the statement of agreed principles.

As for Berlin, I am of the view that we should find a new and better way of talking with them, and I hope to be in touch with you on that soon. And finally, it may be that Khrushchev really wants to talk with us, but I must say I think his last letter is a strange way of showing it. You and I know that when Heads of Government really want to meet, they make their arrangements in other ways—and so does Khrushchev.

With warm personal regards,

Sincerely, John F. Kennedy UNQUOTE

**Rusk**

March 1962

87. Memorandum from Kaysen for the Record, March 1<sup>1</sup>

March 1, 1962

SUBJECT

Meeting of the Committee of Principals, March 1, 1962, 2:30 P.M.

PRESENT

Secretaries Rusk and McNamara, General Lemnitzer, Messrs. Foster, Seaborg, Murrow, Wiesner, Bundy, and others, including Haworth, McGhee, Rostow, Fisher, Nitze, Dean, Beam, Kaysen

After a great deal of discussion, Rusk and McNamara indicated they thought an approach to the 30% cut across the board as a first stage proposal applying to the U.S. and the Soviet Union alone was the most promising approach. Foster indicated that he continued to see an advantage in focusing strategic vehicles only for the first stage.

It was agreed that three subcommittees should look intensively with an early deadline (Monday?) on three questions: the plan on the first basis; the plan on the second basis; and the problems of where to have a production cutoff, including the problems of how to specify the reduction.

Bundy and Murrow indicated the importance of making a strong impression and being in a position to counter Russian propaganda proposals. Wiesner and Kaysen emphasized the importance of inspection procedures and of having some specific view on inspection for the conference. Nitze expressed concern as to whether a zonal inspection system was one which Defense could agree on. It was agreed that the report of the inspection subcommittee now in process would be expected on Monday, March 5

Carl Kaysen

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<sup>1</sup> Principals Committee discussion on disarmament stages. Secret. 1 p. Kennedy Library, National Security Files, Kaysen Series, Disarmament, Basic Memoranda, 2/62-4/62.

**88. Memorandum from Wiesner to President Kennedy,  
March 6<sup>1</sup>**

March 6, 1962

1. The attached memorandum presents the recommendations of the ACDA as to the U.S. position at the forthcoming Eighteen-Nation Disarmament Conference. The paper has not been reviewed by the Committee of Principals and does not reflect the consensus of the meeting of the Committee of Principals on 2 March on the linkage of strategic and conventional armaments. The paper is not fully responsive to the understanding reached in your meeting with Messrs. Foster and Fisher on 27 February, the approved minutes of which are attached.

2. The paper discusses a large number of problems related to our position at the Conference; however, the basic policy issues involved appear to be the following:

a) Should we propose a specific, detailed proposal for at least the first stages of General and Complete Disarmament at the beginning of the Conference? Although it is our stated policy to seek General and Complete Disarmament as a goal and to present specific proposals at the forthcoming Conference, the leadership of the ACDA appears to have serious reservations about this policy and has therefore had difficulty in coming to grips with concrete proposals in this field. A restatement within government of our policy on this fundamental point appears desirable.

b) Should our plan link strategic and conventional armaments, or should strategic armaments be treated separately? By definition strategic and conventional armaments are linked in any plan for General and Complete Disarmament. Although the ACDA paper does not make a clear cut recommendation on this point, the ACDA (as opposed to the majority of the Committee of Principals) apparently believes that our specific proposal should deal only with strategic vehicles. While it could be argued that the linkage would occur in a second or subsequent stage, these stages are not defined by the ACDA paper. The ACDA's basic argument is that by separating out strategic vehicles, we would freeze our strategic advantage while permitting ourselves and our allies to build up our conventional armaments in order to overcome our disadvantage in this area. Aside from the question as to whether this could be accepted as part of a GCD plan, this proposal raises the serious

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<sup>1</sup> Review of ACDA's recommendations on U.S. posture at 18-Nation Disarmament Conference for President's March 6 meeting. Attached is a recommended list of questions for possible discussion. Secret. 7 pp. Kennedy Library, President's Office Files, 18-Nation Committee, 3/6/62–11/20/62.

security question as to whether we should reduce our strategic forces without a parallel reduction in the conventional forces in which the Soviets have an advantage. It is by no means clear that we or our allies would in fact make a major effort to build up our conventional forces in the environment of a successful disarmament treaty. From the practical standpoint, linkage avoids the difficult problem of defining the dividing line between strategic and tactical vehicles and would simplify the inspection problem since there would not be large categories of armaments permitted outside of the agreement.

c) Should our plan include a cut-off in the production of armaments or should production be permitted within quotas? Again, by definition, a cut-off in the production of armaments is central to any plan for GCD. Although the ACDA paper does not make a clear recommendation on this point, the ACDA appears to believe that continued production is desirable. Production under quotas would substitute a quality race for a quantity race. The ACDA paper argues that this would have the advantage of permitting us to improve the quality and surviveability of our strategic systems. Although it is not stated in the paper, the ACDA is also very concerned about the economic impact of a production cut-off. Aside from the obvious problem of explaining the concept of continued large scale military production as part of a GCD plan, there is a serious question as to whether a quality race is a desirable objective of disarmament and whether our security would not be better served by freezing armaments at their present level of sophistication. Inspection for undeclared production would be simplified considerably if the production of all armaments were prohibited as opposed to being continued at a relatively high level since any production would constitute a violation.

d) Should our plan contain specific inspection provisions? Although the concept of inspection is central to our disarmament position, the various ACDA proposals for GCD are not coupled to specific inspection plans. The ACDA paper indicates that it is studying various inspection concepts and includes some comments on the zonal approach to inspection, but concludes that we are not in a position to make a specific proposal. There is no indication when we might be in a position to make a proposal even as to our general concept of the inspection process. At the same time, the paper asks for authority to explore the inspection problem informally with the USSR and other countries at the Conference. If our specific disarmament plan is to have any real impact as a serious proposal, it would appear mandatory that it have associated with it at least a general concept of inspection that would balance in some understandable fashion the degree of access required with the degree of disarmament achieved.

3. The ACDA paper presents several variations on alternative plans for the first stage of a GCD plan. The above policy questions are implicit



in considering the merits of the various proposals. Each of the following alternatives would apply to a ban affecting either all major armaments or just strategic vehicles.

One proposal of ACDA (Alternative B) would apply if there were a production cut-off. This proposal would involve a reduction by 30% in each and every type of major armament (or strategic delivery vehicles) e.g., B-52, B-47, Titan, etc. There would be a complete cut-off in production of all major armaments (or strategic delivery vehicles) except for necessary replacement in kind and supply of spare parts. This alternative would also require complete cessation of testing of all new designs or components.

The other ACDA proposal (Alternative A) would apply if production were continued. This would involve the following rather involved formula.

"There would be a dual reduction with respect to strategic delivery vehicles, both by 30% of the total number of such vehicles and by 30% of the total strategic nuclear destructive capability. The following delivery vehicles would be considered as 'strategic nuclear delivery vehicles'; All armed combat aircraft with an empty weight of more than 15,000 kg., and all surface-to-surface and air-to-surface missiles with designed range of more than 300 km. The exact manner of reducing destructive capability has not been worked out, but a preliminary investigation suggests that an adequate criterion might be some function of the gross loaded weight of the delivery vehicles, aircraft and missiles being subject to the same weight formula.

*"Method 1*

Within the agreed limits of allowed levels of vehicles, production of new and improved vehicles would be restricted to 10 percent per year of the inventories existing at the beginning of each year. Since new and improved vehicles would be produced under this alternative, some testing would be required. Production and testing of vehicles for peaceful purposes would be permitted within specified limits and safeguards.

*"Method 2*

Production would not be limited except to the extent that the total number of vehicles and the total destructive capacity of these vehicles, reduced to the extent provided above in Alternative A, be exceeded. Within these limits there would be freedom to vary the mix. To the extent permitted by these limits of production, testing would also be permitted. Production and testing of vehicles for peaceful purposes would be permitted within specified limits and safeguards.

The ACDA proposes that this could be extended to include non-strategic armaments as follows:

"a. There would be a 30% reduction in the total number (and perhaps, simultaneously, in the total gross weight of armaments in

certain of the various categories, particularly in combatant ships) in each of the following categories:

- (1) Armed combat aircraft (between 2500 and 15,000 kg. empty weight);
- (2) Tanks;
- (3) Armed cars and armored personnel carriers;
- (4) Surface-to-surface ballistic and aerodynamic missiles, air-to-surface missiles, and free rockets with range capabilities from 5 to 500 km.;
- (5) All artillery, and mortars and rocket launchers over 100 mm. in caliber; and

(6) Combatant ships with standard displacement over 400 tons of the following classes: Carriers, battleships, cruisers, destroyer types and submarines.

"b. As a further feature and within the above context of a 30% overall reduction, there might be a stipulation that, by mutual agreement, the U.S. would be willing to make a larger cut in some categories of weapons if it were permitted to make a smaller cut in other categories. The U.S. should also be willing to make additional reductions in categories in which it has larger numbers of arms than the USSR, if the USSR would be willing to reciprocate in the categories in which it has larger numbers than the U.S.

"c. Under either of the above alternatives, there are two ways in which production and testing might be limited:

*"Method 1*

Within the agreed limits of allowed levels of weapons, production of new and improved weapons would be restricted to 10 percent per year of the inventories existing at the beginning of each year. Since new and improved vehicles would be produced under this alternative, some testing would be required.

*"Method 2*

Production would not be limited except to the extent that the total number of weapons reduced to the extent provided above in Alternative A could not be exceeded."

4. Rather than deal with the details of the above alternatives at this afternoon's meeting, it would appear most useful to resolve the broader policy issues involved. The following list of questions are suggested as a method of getting at these policy issues:

A. Should we propose a specific, detailed proposal for at least the first stages of General and Complete Disarmament at the beginning of the Conference?

B. Should our plan link strategic and conventional armaments, or should strategic armaments be treated separately?

C. Should our plan include a cut-off in the production of armaments or should production be permitted within quotas?

D. Should our plan contain specific inspection provisions?

E. If we cannot be prepared to make a general inspection proposal by the beginning of the Conference, when will we be prepared to make such a proposal?

**J.B. Wiesner**

## Attachment

### Questions for 6 March Meeting on Posture for Eighteen-Nation Disarmament Conference

The following questions are suggested as a means of getting at the basic policy issues involved in developing our position for the Eighteen-Nation Disarmament Conference:

1. Should we prepare a specific, detailed proposal for at least the first stages of General and Complete Disarmament at the beginning of the Conference?
2. Should our plan link strategic and conventional armaments, or should strategic armaments be treated separately?
3. Should our plan include a cut-off in the production of armaments or should production be permitted within quotas?
4. Should our plan contain specific inspection provisions?
5. If we cannot be prepared to make a general proposal on inspection at the beginning of the Conference, when will we be prepared to make such a proposal?

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#### 89. Memorandum from Col. Smith to Gen. Taylor, March 6<sup>1</sup>

March 6, 1962

##### SUBJECT

Disarmament Meeting With the President

1. *Background.* The meeting this afternoon will be a follow-on to that of the Principals last week and its purpose is to reach some agreement on the US position to be presented at the 18 Nation Disarmament Conference which begins on 14 March. The basic paper for discussion is one developed over the weekend by ACDA and was not distributed to attendees at the meeting until this morning. (This upset some of the serious disarmers who oppose ACDA's line of attack).

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<sup>1</sup> Background information for disarmament meeting with President. Confidential. 2 pp. National Defense University, Taylor Papers, Disarmament 2, 1962.

2. ACDA gives as the overall US objective that "the US should seek to develop a policy which results in a reduction in the nuclear destructive capability of the world and also in the prevention of the proliferation of nuclear weapons to an increasing number of countries." Specific objectives include the working out with other nations of a program for general and complete disarmament, to negotiate with the Soviets the widest measure of disarmament possible, to negotiate with the Soviets any arms control measures which would improve the prospect of further disarmament, and finally, to effect favorably the attitudes and actions of both our friends and enemies. The paper lists on page 6-8 the area of agreement we share with our allies at this point. The list shows there is broad agreement on the general approach to the problem.

3. The central issue appears to be whether the US should press for reduction of only strategic vehicles in the initial stages or whether it should propose an across-the-board reduction. Appendix A of the ACDA paper contains a summary of the basic arguments on this point. As presented the paper tends to oppose across-the-board reductions because it would freeze US conventional inferiority, and as noted in the overall objective, ACDA would hope to have us rely more on these forces for deterrence. Given this reasoning ACDA favors a 30% reduction in strategic delivery vehicles without reduction of other armaments. Such a reduction would be proportionate according to the ACDA proposal and would thus permit us to maintain our strategic superiority while building up our conventional forces. A third alternative discussed would allow some trade-off of US strategic superiority for some US conventional superiority.

4. The arguments on these points have become esoteric among the professional arms controllers and they may tend to become so in the discussion this afternoon. Irrespective of reductions in strategic nuclear capabilities it does not seem feasible that the Soviets would willingly permit us to achieve conventional superiority. Their actions in the recent Berlin crisis have shown that if we increase our forces they will increase theirs. Moreover, it seems somewhat incongruous to believe there could be much progress in disarmament in a world so hostile that the major powers believed it essential to expand their military forces.

5. The paper contains a lot of refinements to the three broad alternatives mentioned above. Under certain conditions some modernization would be allowed. Under others all military production would cease.

6. If Mr. McNamara attends the meeting and if he acts as he did at the State Department the other day he may take over the meeting and lobby for the overall 30% reduction figure. If so, the meeting could proceed fairly orderly. If not, it is impossible to predict what might happen.

**90. Memorandum for the Record, March 7<sup>1</sup>**

March 7, 1962

**SUBJECT**

Disarmament Meeting with the President, 6 March 1962

In the course of a two-hour discussion, the following points were made and decisions taken:

1. *a.* With regard to the US position on a test ban, it was noted that we have declared our intention to suggest some modification of the old April treaty. Unhappily it is becoming apparent that there is no feasible way to guard against secret preparations. However, something needs to be done to take into account the President's statement on this subject.

*b.* The modifications which will be proposed will include a compression of the time spread, some guard against secret preparations, and a modification of the threshold of the moratorium. The British will be contacted at once to line them up.

2. *a.* With regard to Foster's latest paper entitled, "U.S. Position on the Forthcoming 18-Nation Disarmament Conference," dated March 3, 1962, Alternative B, page 11, was approved as the overall position, upon the recommendation of Defense, JCS and Wiesner. This decision included an across-the-board cut of all weapons and personnel. Foster himself preferred Alternative A, but was overruled. However, in deference to some of Foster's views, it was decided that, in taking Alternative B, we would support a continuation of arms production for modernization.

*b.* In the discussion, Secretary Rusk stressed the need to improve the political situation before expecting progress in disarmament. His general approach would be to propose a one-third across-the-board cut, along with some reasonable inspection system. He would apply the cut by categories of weapons and weapons systems.

*c.* Foster described the proposed inspection system as being a zonal random sampling. He estimated the personnel initially required as perhaps 2,000. Everybody agreed to stay away from numbers at this time.

*d.* The meeting ended in a debate over a renewal of the offer to ante up a certain amount of fission material for peaceful purposes. Foster wanted us to offer 60,000 kilograms versus 40,000 by the USSR.

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<sup>1</sup> Read-out of disarmament meeting with the President. Confidential. 1 p. National Defense University, Taylor Papers, T-37-71.

Lemnitzer indicated the Chiefs were opposed to any such proposal, although he himself would go along with an equal offer from both sides. The final word was that we would start off with a 50-50 proposal, with perhaps a willingness to fall back to something like 60-40.

M.D.T.

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**91. Memorandum from Kaysen to President Kennedy, March 9<sup>1</sup>**

March 9, 1962

SUBJECT

Positions for the Disarmament Conference

1. The ACDA's preparations have advanced on both fronts since Tuesday's meeting. On the test ban treaty, the situation is as follows:

a. Careful examination of the April 18th treaty shows that in order to shorten the period between the signature of the treaty and the beginning of the inspection process, new language in the treaty as such is not necessary. On-site inspection could begin as soon as four control posts are in station. This could be done in about nine to ten months from the signature of the treaty. What is required is that the preparatory commission agree to do the job; this in turn, of course, depends on the willingness of the Soviets to do it. New language in the treaty cannot bring this about. Conversely, if the Soviets are willing to cooperate in the preparatory commission, no new language in the treaty is needed.

b. On the questions of location of the control posts and allocation of inspections by zones, we are now willing to discuss both these matters should the discussions on the treaty advance. Our technicians consider that there is little to be gained by changing the locations of the control posts. The zonal scheme for allocation of inspection has been agreed in principle by all the technically competent people. We could be prepared to discuss it in detail in Geneva within a week or ten days.

c. Inspection for preparation remains a difficult problem. The best proposal that the experts were able to produce was one that combined declarations, either initially or at six-month intervals by the heads

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<sup>1</sup> Positions for disarmament conference. Top Secret. 6 pp. Kennedy Library, President's Office Files, 18-Nation Committee, 3/6/62-11/20/62.

of governments, that they are not making preparations “for nuclear weapons developmental tests which involve the activation of, or increased activities at, test sites or the gathering of instruments, test vehicles, people, or nuclear devices, at test sites.” This would be combined with a provision for inspection up to four times a year of a declared list of test sites. Treaty language is available for embodying this proposal. Nobody thinks this is a very good proposal from either the point of view of protection or negotiability.

From the point of view of protection, there was an agreement among those technically competent that the best protection against preparations we could get would be the continuation of underground testing in some way. Ambassador Dean felt very strongly that the moratorium on underground testing had become a part of the treaty, that we had re-examined our intentions on this so frequently that we could not change our position on it now. The experts offered a final suggestion something like as follows: The threshold should be maintained and tests under the threshold permitted until the inspection process was in operation. Once the control posts and the inspection processes were functioning, the threshold would go to zero and accordingly all tests would be forbidden. This would have the advantage of keeping the laboratories in some state of activity for the first year in which the treaty was in force. Dean considered this no more negotiable and no more consistent with our previous positions than any other change in the moratorium. Others pointed out, however, that negotiability of this was no less than the negotiability of the proposed declarations on preparations and inspection of named test sites.

The issue remains unresolved; the advice you have gotten from the experts has gone full circle and now says that the maintenance of activity in the laboratories previously declared to be impossible is our best guard against secret preparations on the other side.

d. On the question of the threshold itself, there is agreement that, from a technical point of view, abandoning the threshold would not detract from the security of the treaty and might add to it. We are presently in a position to detect and locate events much below the present threshold, and our ability to inspect them under the treaty would add to the deterrent power of the treaty against the Soviets’ conducting smaller underground tests clandestinely. This conclusion is subject to the assumption that the three-year moratorium on tests below the present threshold embodied in the treaty would in fact turn into a permanent moratorium from our point of view; we could not at the end of three years say that the moratorium had expired and we were proposing to resume tests below the threshold. Arthur Dean agreed that this assumption was the only one that could be made. Your instruction on Tuesday made clear that we do not wish to make any

initial offer with respect to the threshold, but that we should be prepared to discuss it. We are, and we are prepared in particular to try to get additional control stations or additional inspection as a *quid pro quo* for abandoning the threshold.

e. At the moment, the professed positions of the UK are far apart from ours. It is Fisher's and Foster's judgment, after conversations with Ormsby Gore that an indication to the British that we are prepared to discuss dropping the threshold at an appropriate point would satisfy them sufficiently that we would not press their other proposals, such as reliance on national inspection, which is totally unacceptable to us.

2. While there has been considerable advance in thinking about the GCD plan, there has not been as much progress in reducing it to paper. In accordance with your instructions at the Tuesday meeting, ACDA is proposing a plan for a 30 per cent cut, in 3 annual 10 per cent steps, in all armaments. The cut would be measured in both numbers and total weight within defined categories. There is at present no final agreement on the appropriate categories for classifying strategic nuclear delivery vehicles. There are two alternative proposals—one which divides them by range into intercontinental and continental systems and one which divides them by weight into heavy and medium delivery systems. At the moment the Defense Department prefers the first and the ACDA does not yet have a recommendation. The other categories are those which are already defined in the ACDA paper of 3 March.

On the other elements of the GCD plan the ACDA is proceeding according to the results of the Tuesday discussion. There will be no production cut-off in Stage I. We will offer a zonal inspection system in which the amount of inspection will be related to the amount of disarmament. The definition of transition from Stage I to Stage II and the sketch of Stage II are not complete.

3. There are still some undecided issues for your attention. First, on the test ban treaty there is something of a puzzle of how to deal with preparations. The proposed method of a combination of declarations and inspections of a limited number of test sites meets the need for saying something but it offers little useful assurance. The alternative propositions seem both to contradict what you have said in your speech and to present serious negotiating difficulties in Dean's view. Second, the GCD plan is still incomplete although some progress has been made since Tuesday and more may be made in the next several days before the Conference formally begins on Wednesday. The delegation, of course, is departing tomorrow morning, but a sufficient part of ACDA is remaining behind to make it possible for more progress to be made by Wednesday.

Carl Kaysen



**92. Memorandum for the File, March 9<sup>1</sup>**

March 9, 1962

FROM

William C. Foster, Director

SUBJECT

Decisions on Key Issues for Forthcoming Eighteen-Nation Disarmament Conference

At a meeting with the President at 12 noon on March 9, 1962, the following decisions were made:

*I. Arms Control and Disarmament Measures*

1. It has been decided to propose an across-the board cut of 30% in both strategic and conventional weapons in increments of 10% a year over a three-year period. It has been decided not to separate out strategic nuclear delivery vehicles as an initial measure but the President has indicated he will be prepared to hear the Arms Control and Disarmament Agency's position on this issue again at some future time.

2. With respect to strategic weapons this cut is to be both in numbers and in total destructive capability, of which total full loaded weight is a possible yardstick. There has been a decision that the cuts in strategic delivery vehicles are to be in two categories: intercontinental systems and less than intercontinental systems but the precise definitions have not been agreed upon and are to be urgently studied by ACDA. For the purposes of the early stages of the forthcoming Geneva conference it is sufficient that the U.S. representatives be authorized to make the proposal in terms of 30% in numbers and 30% in destructive capability without being precise on the issues of categories and of measuring nuclear capability.

3. In the case of strategic nuclear delivery vehicles we are to proceed on the basis of a production limitation in the first stage in terms of some percentage (perhaps 10%) of inventories existing at the beginning of the year.

4. With respect to armaments other than strategic delivery vehicles there has been a decision on the categories for reduction and a decision that the reduction within certain of these categories should be by numbers as well as by total weight. Nuclear warheads and weapons of

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<sup>1</sup> Decisions on key issues for 18-Nation Disarmament Conference. Confidential. 4 pp. Kennedy Library, National Security Files, Kaysen Series, Disarmament, Basic Memoranda, 2/62–4/62.

chemical and biological warfare are not included in this proposal because the problems of inspecting stockpiles of such weapons are so great as to place them in another category for the purposes of their reduction and control. However, we would propose that possibilities for reducing and controlling them be studied in an international experts commission as envisaged in the U.S. plan of September 25, 1961. An urgent study is to be made within the U.S. Government of the feasibility of reducing and controlling such weapons.

5. A decision has not yet been made on a possible production limitation in conventional armaments. An urgent study is to be made to determine whether it would be feasible to effect a production limitation comparable to that indicated in 3 above.

6. It has been decided that the U.S. should continue to press the proposal of 2.1 million force levels. The U.S. would be prepared to proceed at least through the first stage in the absence of the Chinese Communists although the possibility of a defeasance procedure (comparable to that in the test ban) should be examined.

7. The U.S. representatives have been authorized to discuss with the U.S.S.R. an inspection system based on sampling techniques perhaps accompanied by progressive zonal techniques.

8. A decision has been made to propose that, contingent on agreement on the cut-off of fissionable material for use in weapons, the U.S. and the U.S.S.R. each transfer 50,000 kg of U-235 to peaceful purposes. There is to be an urgent study within the U.S. Government to determine whether we could agree to a proportional transfer, whereby we would transfer 50,000 kg to the Soviet's 40,000 kgs.

9. It would be expected that with adequate progress in Stage I, the annual reductions to be proposed during the second stage would be the same order of magnitude as the first stage and that it should be possible to impose in addition a more stringent limitation on production of delivery vehicles and other armaments.

## *II. Nuclear Test Ban Questions*

1. The United States will sign the April 18, 1961 nuclear test ban treaty with the three amendments of May and June 1961 and including the proposals of August 1961 if the Soviet Union offers to do so.

2. The United States will not at this time agree to concluding a separate nuclear test ban treaty on any basis other than that envisaged in the April 18 treaty. If the Soviet Union flatly refuses to negotiate on the basis of a control system along the lines of that defined in the April 18 draft treaty, the United States will consider that the President's offer of March 2 has been rejected.

3. If the Soviet Union is interested in negotiating an effectively controlled test ban treaty, the U.S. will indicate our willingness to

negotiate a test ban treaty along the lines of the April 18 draft and should suggest that the conference establish a sub-committee of the 18-Nation committee to consist of the US, UK and USSR in order to conduct such negotiations. Alternatively, we would offer to reactivate the test ban conference itself if the Soviet Union shows any interest in this approach.

4. As appropriate, either in the course of serious negotiations with the Soviet Union or in response to situations which might arise in the 18-Nation Conference, the United States representative is authorized to put forward the following proposals and concepts:

*A. Inspection for Preparations*

The United States would propose an inspection system to monitor preparations. The system would consist of periodic declarations of activities associated with preparations for weapons development tests combined with the right to inspect declared test sites.

*B. Shortening the Time Span Between Treaty Signature and Beginning of On-Site Inspections*

The United States would propose that on-site inspections begin as soon as a sufficient number of control posts are operating. In order to speed up the construction of control posts the United States would propose an active cooperative effort between the US, UK and USSR in order to get control posts installed in the shortest possible time. It may be possible to begin inspections within a year of ratification. We should state that we will have specific proposals to make in this regard, when the treaty is signed.

*C. The Threshold-Moratorium Question*

If there is any serious negotiation on the April 18 draft we will be prepared to eliminate the threshold and make the treaty comprehend all tests from the outset. We would justify this on grounds that arrangements of this kind are no longer acceptable and that we would prefer to ban all tests by treaty obligations, including the right to inspect all unidentified events up to the limit of the quota.

*D. Allocating on-site Inspections by Area*

It is possible to define an aseismic area which includes the greater part of Soviet territory. In order to alleviate Soviet concern about on-site inspections being used for espionage, the U.S. will offer to limit inspection in the aseismic zone to no more than a specified number. An urgent study is to be made of the precise boundaries of the area, the specific maximum number of inspections for this area, and the relationship of these to the elimination of the threshold. If there is a

4.75 magnitude threshold, inspections might be decreased to 1 for every 6 unidentified events. But if the threshold is eliminated there will be need for the full 20 inspections, and probably more.

*E. Number of control posts*

We are presently on record as favoring 19 control posts in the Soviet Union. If serious negotiations were to eventuate, we would be willing to accept 17 posts on Soviet territory. This should not interfere with the additional posts that may be necessary in connection with the elimination of the threshold.

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**93. Message from Prime Minister Macmillan to  
President Kennedy, March 9<sup>1</sup>**

TEXT OF MESSAGE

March 9, 1962

Dear Friend,

I hope I may be [illegible in the original] to use this less formal beginning.

Thank you very much for the telephone message which you gave to David Gore [illegible in the original] defence policy and the Opposition statements. Please don't worry about it at all. Gaitskell is very respectable and never suggested that you had said anything to him about our defence policy generally. Wilson is perhaps rather less responsible and has a more liberal view of what Winston used to call the "many-sidedness of truth."

As regards the present state of discussions about nuclear tests, I would like just to say how much I have valued our co-operation since the Russian tests last November. Our discussions at Bermuda and our correspondence were, I think, of real help. I must really congratulate you on the great skill with which you argued the case for the decision to resume. It has made a deep impression over here. Of course, people are now hoping that Geneva will produce some result, although I do

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<sup>1</sup> Present state of discussions on nuclear tests and Berlin issue. Top Secret. 5 pp. Department of State, Presidential Correspondence: Lot 66 D 204, Macmillan-Kennedy, 1961-1962.

not think that expectations are foolishly high. Naturally they were encouraged by what you said in your speech on March 2 to the effect that “new modifications will also be offered in the light of new experiences. I would only urge the importance of making a supreme effort now to get a nuclear test treaty agreed with the Russians. We must not only make this effort, but be seen to be making it so as to get the maximum of general support if the Russians unreasonably turn us down. I am, therefore, greatly concerned that we should not be put on the defensive immediately the Disarmament Conference opens.

There is one sweeping proposal which we could put forward if it can be justified by our scientists. It is that we might accept a much simpler treaty based on national detection systems alone, but with the very important proviso that these shall be supported by an international authority (as provided for in our 1961 treaty) but responsible in the main for two primary functions. These would be:

- (i) To collate and evaluate seismic data from all over the world, and
- (ii) to have under its control mobile inspection teams, who could be sent to investigate without hindrance any suspected violation of the treaty in any country.

Our latest scientific advice seems to suggest that this would give acceptable coverage. No doubt your scientists are considering this and I hope means can be found for a rapid joint assessment. If in fact this advance is reasonably acceptable, a treaty on this basis would give adequate assurance of detection of tests, without the more elaborate procedures of the 1961 draft treaty, and it would seem to provide some means of making an imaginative new proposal. Moreover by reason of its simplicity it could come into effect immediately on signing, and would thus eliminate the long preparatory period envisaged in the 1961 draft treaty, which was a matter of much concern to Congress. We could add a proposal for inspection of known proving grounds as a safeguard against secret preparations for tests.

It is very doubtful whether the Russians will accept even this offer because of the provision for inspection teams who could travel without hindrance on the territories of States concerned, but if they were to turn it down it would put them in a very bad position. I would be grateful if you would give urgent consideration to this problem.

I quite understand that it will be very difficult for the scientists to reach an agreed view before Mr. Rusk and Lord Home meet Mr. Gromyko on Monday. I hope, however, that you will authorise Mr. Rusk to leave the way open for a possible change of position, by saying, for instance, that while at present we regard the 1961 treaty text as a sound basis for further discussion, the situation would be to some extent changed if it could be proved that national systems provided an entirely adequate basis for detection.

One point which strikes me as an amateur is that we always assume that the Russians cheat. If they do, it would hardly be worth their while to do so with only one test; for useful results they would need a series. And a series is surely bound to be found out.

I was much interested by what you said to David Gore about Berlin. I look forward with keen anticipation to your new ideas.

With warm regard,  
Yours very sincerely,

**Harold Macmillan**

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**94. Tosec 55 to Geneva, March 15<sup>1</sup>**

March 15, 1962

Text of President's letter to Macmillan March 10 follows: QTE Thank you very much for yours of March 9. I have already talked with some of our technical people about your sweeping proposal, and we shall certainly be glad to have a further hard look at it. Their first reaction—and this comes from people who are deeply in favor of a workable agreement—is that the lower capabilities of external detection would tend to make for an increased inspection requirement, so that on balance such an arrangement might be less acceptable to the Soviets. But further study may show that they are wrong, and the experts on both sides should certainly study it out.

Meanwhile, I am giving David Ormsby Gore an account of the modifications that have been worked out on our side, including an abandonment of the threshold, and I believe that our 1962 model will show a proper and forthcoming response to our new understanding of what is and is not important.

On Berlin I have indeed been thinking hard and some of the results Rusk will be sharing with Home tomorrow. But I should like also to give you a few private comments which I think should stay out of our two bureaucracies. My view is that we must find a way of making very sure that Khrushchev knows we are willing to work out a reasonable settlement, if it is. This is the old problem you and Home put so well

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<sup>1</sup> Text of President's March 10 reply to Prime Minister Macmillan's March 9 letter. Top Secret. 3 pp. Department of State, Presidential Correspondence: Lot 66 D 204, Kennedy-Macmillan, 1961-1962.

in Bermuda: he must be given a good smell of the dinner he can have if he leaves Berlin alone, and the problem is how to do it without getting the Germans in an uproar.

My conclusion is that the thing to do is to suggest a written *modus vivendi* with no time limit under which the real situation would go on as it is while all sorts of problems are discussed in a continuing body of foreign ministers' deputies. We are prepared to indicate informally to Gromyko that in that framework we think there could be progress on limiting nuclear dispersal, on technical meetings of the East-West Germans, on declarations of non-aggression, and on boundary stabilization. Some things could be said right away, and other would come out of the continuing discussions. We believe that in this way we can avoid restatements of positions which are in flat conflict on such matters as our troops in Berlin and the formal status of the city. Moreover, if the real situation can be stabilized in a written *modus vivendi*, we think the Russians might be able to have their peace treaty without serious consequences to our own position, though we do not plan to say so directly. And on "respect for sovereignty" we are inclined to argue that time is the best and safest instrument the Soviets have—although if they want to make real and rapid progress all they have to do is fire Ulbricht and put a more civilized man in his place. And finally, I am of a mind to say that if serious progress could be made on this sort of thing, I would of course be glad to go to a meeting of Heads of Government to get it settled.

None of all this is sure to work. If the Russians want a further test of will and strength, they will probably pay no attention, at least at present. But I hope it may tempt Khrushchev if in fact he wants to cool things off for a while. And at least we shall feel that we have done our best to dissuade him from more dangerous courses.

This at least is how my own mind is going, and Rusk is authorized to make quite private explorations in this direction at Geneva. I will let you know what, if anything, he gets back, and meanwhile I should be glad to have your comments and advice. UNQTE.

**Ball**

**95. Memorandum from Bundy to Amb. Ormsby Gore, March 10<sup>1</sup>**

March 10, 1962

The President has asked me to transmit this summary of the current position of the United States Government on the test ban issue at Geneva.

We are willing to accept the Treaty of April 1961, and we are also willing to offer a new version with the following modifications.

To meet new dangers we would like to shorten the time between signature of the treaty and the beginning of the inspection process; this is not a matter of treaty language but of Soviet responsiveness. We would also like to have something on preparations for testing; our view is that there ought to be declarations against such preparations and a right to inspect certain numbers of test sites from time to time.

On the other hand, in the direction of things that may be more acceptable to the Soviet Union, we would propose:

(1) to drop the threshold of test events to zero; we think this is both more acceptable to them and safer for us;

(2) to make certain other changes and modifications which Ambassador Dean has previously been authorized to put forward;

(3) to allocate the agreed number of inspections according to zones defined in terms of natural seismic activity.

In our view, the first public presentation in Geneva should include not only our joint willingness to sign the Treaty of 1961, but our joint willingness to offer these modifications in the light of new experience.

**McGeorge Bundy**

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<sup>1</sup> Current U.S. positions on test ban issues at Geneva Conference. Attached is memo from Bundy to Battle noting reason for Ormsby Gore memorandum and transmitting copy for information. Secret. 2 pp. Department of State, Presidential Correspondence: Lot 66 D 204, Secretary Rusk's Conversations with UK Officials, 1961-1962, Vol. 1.



## Attachment

TO

Mr. Lucius D. Battle Executive Secretary Department of State

FROM

McGeorge Bundy

The attached copy of memorandum (Secret) to Ambassador Ormsby Gore is sent to you for information.

The President is sending his own instruction to the Secretary from Palm Beach, but meanwhile he asked me to send this summary to Ormsby Gore, and I have just done so.

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### 96. Notes on Telephone Conversation between Kohler and Ball, March 11<sup>1</sup>

March 11, 1962

Kohler said about the talks with Gromyko on the disarmament situation in general, they prepared a talking paper which in general the Secretary followed quite strongly and they are telegraphing back. Home was particularly good on the subject. He really got excited and threatened to leave the conference if this kind of business continued. The combination of the Secretary and Home talking to Gromyko with only the interpreters present was effective although inconclusive. Gromyko's reaction by moral indignation claimed that he knew nothing about this and that the report must be wrong. They were doing normal things in the corridor. His attitude generally was defensive. The Secretary and Home continued to press him, however, and while there were no commitments on his part, they think he will be sending a message of importance to Moscow tonight. However, they think it is important that Norstad have the authority to go ahead with his plan in case there is no reaction from the Soviets. Kohler is going back to dictate a telegram so that we will have it in the morning. On the disarmament question the talks were only of a technical nature and agreement was reached on a meeting of the Technical Committee to be held tomorrow, to

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<sup>1</sup> Brief readout of Rusk/Home/Gromyko discussions on disarmament in Geneva. No classification marking. 1 p. Kennedy Library, Ball Papers, Telephone Conversations, Disarmament.

proceed with this. Possibly Bill Foster or Stillwell from our side; Michael Wright on the British side, and Zorin from the Soviet side. The Secretary touched on the nuclear testing question. This resulted in a somewhat polemical discussion. The Secretary turned it off and said they would discuss it later. All he wanted to do was emphasize the importance of the question. They have some kind of a meeting tomorrow. They have a luncheon engagement for tomorrow with the Russians and will send us a report after that.

(Dictated by Mr. Ball after his conversation.)

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**97. Notes on Telephone Conversation between Kaysen and Ball,  
March 11<sup>1</sup>**

March 11, 1962

Kaysen asked Ball if he had talked to Mac about the response to the Geneva inquiry about the treaty. It seems to Kaysen these fellows are trying to pull something. There is a message from the President to the Secretary, Foster and Dean which Beam and Boodby did. He told Ball he might note also TOSEC 2 and TOSEC 6 to Geneva. They contain the President's policy line. After Kaysen talks to Goodby and straightens him out he will get back to Ball later.

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<sup>1</sup> Geneva discussion concerns. No classification marking. 1 p. Kennedy Library, Ball Papers, Telephone Conversations, Disarmament.

**98. Notes on Telephone Conversation between Kaysen and Ball, March 11<sup>1</sup>**

March 11, 1962

Kaysen referred to a cable drafted by Goodby and Beam. Ball asked what was the sense of it. Kaysen replied to say in response to the two questions: Should we sign the treaty now, the answer is yes, if that is what they want. On the other there is no linkage. If we can get something in the trade we will take it. Ball asked if we eliminate the threshold we would take it? Kaysen replied yes, we don't insist on it as trade. The President's message and Mac's memorandum to OG contain the direct leads to these conditions. Ball asked if he would send it out and Kaysen said he would. He will have a check on the draft and he has told Beam he was going to check it with Ball.

Ball said the President was going to call after he gets off the boat.

Kaysen asked if Ball expected a call from the Secretary after his dinner. Ball said he would call the President if anything very exciting comes out of it. After Ball talks with the President, he will call the Secretary.

Kaysen said he would stand by.

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<sup>1</sup> Guidance to Geneva negotiators on treaty signing and linkage issues. No classification marking. 1 p. Kennedy Library, Ball Papers, Telephone Conversations, Disarmament.

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**99. Todis 35 to Geneva, March 12<sup>1</sup>**

March 12, 1962

UK idea of declaring that we will rely on national detection systems when scientific developments permit would open door to proposals for atmospheric test ban to be monitored by national systems. Since our position is that Soviet rejection of treaty along lines of April 18 draft constitutes rejection of President's March 2 offer, we believe that

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<sup>1</sup> Guidance on handling U.K. declaration on national detection systems. Confidential. 1 p. Department of State, Central Files, 700.5611/3-1262.

initial emphasis must be placed on control system envisaged in that treaty. We would therefore not favor adding proposed UK declaration.

Ball

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**100. Memorandum from Fisher to Kaysen, March 13<sup>1</sup>**

March 13, 1962

SUBJECT

U.S. Position on Disarmament Measures at Geneva Negotiations

The following consists of the basic disarmament positions of the United States, as authorized by the President and as discussed by the Committee of Principals, and the status of current work regarding the further development of these positions.

1. The United States will propose an across-the-board cut of 30 per cent in both strategic and conventional weapons in increments of 10 percent a year over a three-year period. In presenting this position there should be no indication, without further specific authorization by the President, that the reduction of strategic delivery vehicles can be separated from other disarmament measures for the purpose of being negotiated as a separate measure.

2. With respect to strategic weapons this cut is to be both in numbers and in total destructive capability, of which total full loaded weight is a possible yardstick. The cuts in strategic delivery vehicles are to be in two categories: the present thinking is to divide them between intercontinental systems and less than intercontinental systems. To develop the above a paper is in preparation which deals with the definitions of the intercontinental systems and the less than intercontinental systems, including what weapons come under each category. The paper also deals with the use of gross weight as a measure of the destructive carrying capacity of each U.S. and Soviet vehicle to be included in the above two categories. Included in this paper will be tables of what reductions might look like when the double 30 per cent is applied to all vehicles in the above two categories.

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<sup>1</sup> U.S. position on disarmament measures at Geneva negotiations. Confidential. 4 pp. Kennedy Library, National Security Files, Kaysen Series, Disarmament, Position Papers, 2/62-3/62.

3. Production of strategic delivery vehicles and other armaments would be limited in Stage I to some percentage of the number of vehicles and armaments in the inventories of the U.S. and the U.S.S.R. at the beginning date of Stage I. In preparation is a paper on the limitation on production using 5, 10, and 15 as possible percentages for permitting production of new vehicles. In this connection the Defense Department has been asked to furnish ACDA with planned production rates of all armaments for the next four years and a statement on replacement requirements for existing vehicles and armaments. Also, NASA is being asked to furnish ACDA with planned rates for use of vehicles for peaceful uses and exploration of outer space. The Federal Aviation Agency is being asked to supply certain information in the event we need to make statements regarding the production of aircraft for peaceful purposes. Finally, ACDA is preparing a paper on the extent to which the testing of missiles, aircraft, and other armaments would be permitted in connection with the various schemes for limiting and halting production. With respect to all of the above, all production of new and improved armaments and testing of new and improved armaments would be halted in Stage II. Included in the production study by ACDA will be recommendations regarding the extent to which the same percentage formulas for limiting strategic delivery vehicle production can be applied to limitations on the production of other armaments.

4. On armaments other than strategic delivery vehicles reductions will be according to categories specified in the March 3 Memorandum to the President. Reductions within certain of these categories will be by numbers and by total weight. ACDA is preparing a paper recommending in which categories reductions should be by weight as well as by numbers.

5. Because inspection for the stockpiles of nuclear warheads and weapons of chemical and biological warfare are now considered so difficult these weapons are not included in the proposed reductions of 30 per cent. To deal with these two groups of weapons the U.S. will propose that two international experts commissions be established along the lines indicated in the March 3 Memorandum to the President. ACDA is now preparing papers regarding each of these proposed experts commissions and also ways in which stockpiles of such weapons might be reduced under effective verification.

6. The U.S. should continue to press the proposal of 2.1 million force levels. The U.S. would be prepared to proceed at least through the first stage in the absence of the Chinese Communists although the possibility of a defeasance procedure (comparable to that in the test ban) should be examined. ACDA is completing for government clearance its position paper on the relationship of Communist China to disarmament and the Geneva disarmament negotiations.

7. The U.S. disarmament delegation has been authorized to discuss with the U.S.S.R. an inspection system based on sampling techniques perhaps accompanied by progressive zonal techniques. With respect to the entire matter of inspection ACDA is preparing a paper with details, given current knowledge, on the type of inspection which would probably be required for the various disarmament measures in the U.S. plan. These include inspection for remaining agreed levels of strategic delivery vehicles, remaining agreed levels for other armaments, production facilities (declared and any clandestine) for strategic delivery vehicles and other armaments, production facilities (declared and any clandestine) for fissionable material production, reductions in armed forces, monitoring the testing of missiles, and the establishment of internationally supervised depots for inspection of the destruction of vehicles taken from inventories. DMP #12, rev. 4 can be used to describe verification systems, except for small "a" through "g" on pages 5-6 which have not yet been cleared by defense. Small "a" through "g" can be used if they are made illustrative rather than definite. Appendix B can be used as a basis for presentation of inspection requirements except for manpower requirements given in para. 4, page 6, and except possibly for heavy reliance on aerial reconnaissance mentioned throughout Appendix B.

8. The U.S. will propose that, contingent on agreement on the cut-off of fissionable material for use in weapons, the U.S. and the U.S.S.R. each transfer 50,000 kgs of U-235 to peaceful purposes. ACDA is preparing a paper to determine whether we could agree to a proportional transfer of U.S. 50,000 kgs. to U.S.S.R. 40,000 kgs. of U-235 and what would be the effects of transfers of various sizes and in various other proportions.

9. The U.S. will propose that the reduction of armaments proposed for Stage I be applied in the same general ratio for Stages II and III.

10. ACDA is preparing additional details on other features of the U.S. disarmament plan including: relationship of military bases and missile sites to reductions in strategic delivery vehicles; means by which reductions can be made in weapons of other NATO and Warsaw Pact countries; and extent to which research and development can be monitored.

**101. Message from Prime Minister Macmillan to President Kennedy, March 13<sup>1</sup>**

March 13, 1962

Dear Friend,

I was most grateful for your message of March 10 about Nuclear Tests and Berlin. I have of course kept the paragraphs of your message on the wider issues entirely to myself and Alec Home but I have given the sense of the first two paragraphs of your message to the Minister of Defence and my scientific advisers.

They have now given further thought to the situation, including the argument in your first paragraph. I would like to take up your suggestion that our two sets of experts should study this matter together and I would like to send our team over to Washington as soon as possible starting at working level. Sir William Penney and Sir Solly Zuckerman would follow. If you agree, the more junior group of experts could leave for Washington tomorrow, Wednesday, March 14. Perhaps you would let David Gore know if this would suit you.

I shall send you a message on the wider issues when I have reflected upon them a little longer.

With warm regards,

**Harold Macmillan**

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<sup>1</sup> Agreement to bilateral working-level discussions. Top Secret. 2 pp. Department of State, Presidential Correspondence: Lot 66 D 204, Macmillan–Kennedy, 1961–1962.

**102. Notes on Telephone Conversation between Fisher and Ball,  
March 14<sup>1</sup>**

March 14, 1962

Fisher said he had not yet seen the cables this morning. Ball asked how it was patched up with the British and Fisher replied they were still crowding us on the warning system. We have given considerable amounts of what the test ban would be. Ball asked if any of this had gotten out, and Fisher said he was explaining this to the Joint Committee this morning. They don't normally leak,—but this idea of our considering abolishing the threshold, etc., when we said we would go along with it. Some of the details were sent last night.

Fisher said one of the things he should think Ball should do was in some way get him off of resisting the British on the test ban and more interested in the ban problem. We have worried on the test ban too much, as has also the British. There has been too much emotional energy put in it. We should be worrying about missiles. The telegram he sent last night is a first-step in an over-all plan.

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<sup>1</sup> Test ban issues with the British. No classification marking. 1 p. Department of State, Secretary's Memoranda of Conversation: Lot 65 D 330, U Telcon.

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**103. Disto 34 from Geneva, March 16<sup>1</sup>**

Geneva, March 16, 1962

Further supplementing and as background to Dean-Godber Tsarapkin conversation reported Disto 30, following summary of preceding meeting with UK Del may be useful.

In meeting with Godber at 2:30 March 15, Dean outlined US position on nuclear test treaty as regards threshold, inspection against preparations, the speeding up of installation of controls, and division of inspection quota between seismic and seismic areas. Added US willingness as "last gasp" to offer sign April 18 treaty as supplemented

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<sup>1</sup> Summary of meeting with U.K. Delegation on nuclear test treaty positions. Confidential. 2 pp. Department of State, Central Files, 700.5611/3-1662.



by three amendments submitted on May 29 and August 30, 1961. Proposal informal US-UK-USSR meeting to put our proposed changes in treaty to Tsarapkin at 5:00 p.m. Proposed if we get clear rejection by Tsarapkin without even request to study proposal before responding, we would then ask Tsarapkin whether he would sign April 18 treaty as amended by proposals of May 29, August 28 and August 30, 1961, and indicate our willingness to do so.

Godber noted that apart from clarification of our willingness sign April 18 treaty, Dean explanation confirmed views of which Godber informed earlier except as regards additional detail on (1) number of control posts; (2) number of inspections and (3) fact we will retain escalator.

Godber said UK “perfectly happy” go along with sounding out Russians on this basis, coming back finally to April 18 treaty. As to what we called the US “last gasp”, UK would hope we had number of additional gasps left in US. Said we were already aware PM’s concern for new approach based on national stations. Said accordingly UK would wish follow up our proposed steps with question to effect that “then what will you sign?” and “are you willing accept any form of international inspection?” said this step essential from standpoint UK presentation to its parliament and people.

Godber repeated interest of UK in system based on national stations for detection supplemented by international verification. Godber said additional steps based on national systems were “first gasp” as far as UK concerned. Stelle pointed out possible trap in any reference now to such possibility since Sovs might seize upon any questions along this line to concentrate thereafter merely upon verification problem and to assume West would accept national (#)<sup>2</sup> for detection.

Godber asked what we should say in plenary about tests. Stelle said we would want to go through exploratory stage outside and then might decide whether propose in plenary establishment of subcommittee. It was agreed to suggest to Tsarapkin meeting at 5:00 p.m. and to give him aide memoire on US proposal.

**Martin**

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<sup>2</sup> Omission correction to follow.

**104. Letter from Gilpatric to Fisher, March 16<sup>1</sup>**

March 16, 1962

Dear Mr. Fisher:

At the NSC meeting of February 27, it was agreed that if the USSR would sign the April 18, 1961, Nuclear Test Ban Treaty, the United States would cancel the forthcoming atmospheric test program. The Department of Defense continues to support this position.

During the past two weeks, a number of changes in the April 18th treaty have been suggested and some authority to negotiate has been granted. Changes include elimination of the threshold, and a decrease in the number of control posts. These represent substantial concessions on our part. We understand that the United Kingdom considers these moves inadequate and has even raised the possibility of technical adequacy of sole reliance on national systems to monitor against underground nuclear tests.

The net effect of all these moves is, or could be, to degrade seriously our position on what constitutes effective control of a nuclear test ban agreement. Perhaps even more important is the application of a weakened attitude toward control for more significant disarmament measures.

The Department of Defense views with increasing concern the continuing erosion of our position which might lead to cancellation of our planned atmospheric tests in the absence of an agreed treaty with safeguards along the lines previously demanded by the United States. We, therefore, urge that no further relaxation of our stated position take place without full consideration by the Committee of Principals.

Sincerely,

**Roswell L. Gilpatric**  
*Deputy Secretary of Defense*

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<sup>1</sup> Concern over possible erosion in U.S. position on nuclear test ban treaty. Secret. 1 p. Kennedy Library, National Security Files, Departments and Agencies Series, ACDA, Disarmament, 18-Nation Conference, Geneva.

**105. Memorandum from Brown to McNamara, March 20<sup>1</sup>**

March 20, 1962

**SUBJECT**

Joint US–UK Technical Discussions on Nuclear Test Ban Questions

At the urgent request of Prime Minister MacMillan a group of British scientists led by Sir Solly Zuckerman met with U.S. scientists on Saturday and Sunday, March 17–18. The stated purpose of the meeting was to reach an agreed position on the scientific aspects of nuclear test ban control.

The meeting was a meandering affair touching on numerous scientific questions. It appeared to DOD representatives present, however, that the principal matter of interest to the British was the adequacy of national or unilateral seismic detection systems to monitor an underground test ban agreement. The simplest interpretation of British intent is that they are seeking scientific support for a proposal of a test ban agreement without international controls of the sort which the U.S. has always considered necessary.

In the course of the meeting no technical results were presented by either the U.K. or U.S. scientists to indicate that the problems of underground test detection had been solved.

A decision at this time to enter into a test ban agreement with only national systems for control would be a purely political decision, not warranted by any change of the technical situation.

I recommend that you oppose any move in this direction, in view of:

(a) the continuing need to prevent an imbalance in nuclear weapons development. Though underground testing is limiting, it does allow gains and could be hidden without inspection as a safeguard.

(b) the very bad precedent any treaty based on national systems would set for future disarmament agreements.

**Harold Brown**

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<sup>1</sup> Joint U.S.–U.K. technical discussions on nuclear test ban questions. Attached is a draft of the agreed conclusions of U.S.–U.K. discussions. Secret. 4 pp. Washington National Records Center, RG 330, OSD Files: FRC 66 A 3542, Atomic 000.01–400.112, 1962, Box 57.

## Attachment

March 18, 1962

### DRAFT AGREED CONCLUSIONS OF US-UK TECHNICAL MEETING ON NUCLEAR TEST DETECTION

1. That Western unilateral detection systems can currently detect seismic events in the USSR of magnitude 4.75 or slightly less. This will lead on the average to detection of about 125 shallow seismic events per year within the USSR.

2. That the proposed Geneva system is predicted to detect seismic events down to 3.75 magnitude, which implies detection of about 1,000 shallow events per year in the USSR. This system could not be available much before 1965.

3. That improvements of detection by unilateral systems to perhaps magnitude 4.2 in the USSR is a reasonable technical goal for 1965. This, we now believe, implies detection of 300 shallow seismic events per year within the USSR. Among the research areas of particular promise are use of deep hole detection systems and correlation of data from phased arrays.

4. That a unilateral system can currently locate detected seismic events to within a radius of from 10 to 20 km.

5. That, with utilization of data from an improved internal USSR seismic detection system for the purpose of calibrating the external system, the location capability of an external unilateral system might improve to the point where location to within a radius of ten km. or less in seismic areas would be feasible. This conclusion is predicated on the assumption that the USSR data are not falsified.

6. That at present it is impossible unilaterally to identify shallow seismic events in the USSR as earthquakes, excepting at large magnitudes, but that future improvements, in particular ones involving processing of data from large arrays, offer hope of reducing the magnitude at which identification of some earthquakes is possible down to about magnitude five. There does not appear to be any prospect of identifying a given event as an explosion by seismic means alone.

7. That if a unilateral system (for example a non-Soviet system for detecting events within the USSR) is to be used as a basis for initiating inspections, it will be necessary to agree on objective criteria which will determine eligibility for inspection and to establish a mechanism for certifying the eligibility of a given event. Although these problems were discussed no specific proposals have been formulated.

**106. Notes on Telephone Conversation between Bundy and Ball,  
March 20<sup>1</sup>**

March 20, 1962

Bundy said they were drafting on the disarmament thing about which the boss talked to Ball. They don't want to get too many people doing the same thing.

Bundy said he had called Ormsby-Gore and said it was to get away from the argument between us and looking at the fact they won't buy any inspection. To his surprise Gore said he agreed entirely. He is coming in at 12:15 to see the President and they will know more after the President talks with him. Their inclination is to think the object here is to get the US and UK off their relatively low discussion in response to the Prime Minister and get them back in business.

Ball said he told the President this morning the thing that concerned him the most was (he was suggesting the British say how would you think about going ahead with an inspection system but only after an incident) that Rusk would take this as a position and start negotiating from there. Bundy said he did not think we had to do it that way. We can put up other reasons. We can say we are willing to argue with you about technical requirements of different kinds but there isn't much point in this if you are sticking to the position that there can be no position. Ball said the Secretary was clear on this; the cables make this clear.

Bundy asked Ball to tell Beam they were working on the draft, at the President's instructions, and will circulate it later in the morning. They can trade drafts back and forth.

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<sup>1</sup> Patching up differences with U.K. on disarmament. No classification marking.  
1 p. Kennedy Library, Ball Papers, Telephone Conversations, Disarmament.

**107. Tosec 95 to Geneva, March 21<sup>1</sup>**

March 21, 1962

Following is text message to President from Macmillan dated March 20 to which President's letter reftel replies

**QUOTE**

I agreed with you after Bermuda that Christmas Island could be made available for your tests with our help. You agreed with me that the Christmas Island tests could not in fact be made without a further effort for a test ban treaty. Khrushchev agreed grudgingly with our procedure but now he seems unwilling to have any form of verification of unexplained events which involves permanent establishments of experts in the Soviet Union or even merely episodic visits. His objections seem to cover even teams of experts who are all neutrals or some of whom are neutrals. If this is really the Russian final position, then I agree that the tests must proceed. But the public still do not realise that this is the position, nor do they understand the difference between detecting a seismic event and verifying whether it is natural or artificial. We have got to bring this point out into the open and make Khrushchev publicly reject all international verification so that the whole world will realise why the tests must go on.

If the scientists agree that the risk may in the future be acceptable, we can perhaps offer the Russians, at least as an alternative to the 1961 treaty proposals as modified, the possibility of no static experts but only periodic visits. If this position is scientifically tenable, we could make this proposal with public advantage. But even if we have to stick to the 1961 treaty we need to force Khrushchev publicly to reject the whole principle of international verification.

From every point of view, the sooner we get the Russians to adopt this position publicly the better. Apart from the desirability of removing the test question from the immediate field of speculations, there would be advantage in clearing the way for possible progress on general disarmament and on other matters where the Russians may be prepared for more serious negotiation. I would suggest therefore that when Mr. Rusk and Lord Home have come home from Geneva towards the end of this week you and I should send letters to Khrushchev on the lines of the attached draft. This will force him to reply and will be seen as

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<sup>1</sup> Text of message from Macmillan to President Kennedy. Pushing Khrushchev on verification issue. Top Secret. 4 pp. Department of State, Conference Files: Lot 65 D 533, CF 2059.

a final effort to arrange a test ban treaty before going ahead with the tests.

Enclosure: *Draft message to Khrushchev from President Kennedy and Prime Minister Macmillan.* Mr. Rusk and Lord Home have now reported about their conversations with Mr. Gromyko in Geneva during the first two weeks of the meetings of the Disarmament Committee. They have informed us that in discussions about a treaty to ban nuclear tests the Soviet representatives have rejected any form of international inspection or verification inside the Soviet Union, whether by static posts or by visits by international teams. The ground given seems to be that existing national detection systems can give adequate protection against clandestine tests. But whether or not the present state of scientific instrumentation has reached sufficient perfection as to distinguish between natural and artificial seismic disturbances, the treaty cannot be made effective unless at least verification by visit is included in it. For otherwise there would be no alternative, if an instrument reported an unexplained seismic occurrence on either side, between accepting the possibility of an evasion of the treaty or its immediate denunciation. Verification in some form or another is of the very essence of mutual confidence. We hope therefore that the Soviet position has been misunderstood and that you would accept the principle of international verification. In that event, I cannot believe that we can fail to reach agreement about its application in practice and thus lead to a rapid conclusion of a treaty to ban all nuclear tests. If, however, you cannot accept any form of international verification on Soviet territory in any circumstances, then I do not see how tests can be effectively banned. President Kennedy and I would, therefore, have to take the action which flows inevitably from this conclusion. May I express my sincere hope that we may yet hear that you accept international verification at least in principle.

UNQUOTE

**Ball**

**108. Tosec 103 to Geneva, March 21<sup>1</sup>**

March 21, 1962

For Secretary from Acting Secretary. Before you leave Geneva, President desires that you and Home attempt get Gromyko on public record as categorically rejecting international verification for nuclear test ban treaty. Would suggest this might be done by referring to previous Tsarapkin statements to effect Soviets will not accept international verification and express hope that Tsarapkin's position does not reflect official position of Soviet government. You might, in simplest terms, describe key element in US position as being requirement objective international system to verify that ban against testing is being observed. US will not settle for less and will consider any proposal which offers effective international verification.

We note you tentatively planning Thursday speech on nuclear tests. Would suggest you give speech at that time in order allow time Gromyko reaction before you leave.

**Ball**

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<sup>1</sup> Instructions to Rusk/Home on getting Gromyko rejection of international verification of test ban treaty on public record. Secret. 1 p. Department of State, Central Files, 700.5611/3-2162.

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**109. Letter from Fisher to Gilpatric, March 22<sup>1</sup>**

March 22, 1962

Dear Secretary Gilpatric:

This is in reply to your letter of March 16, 1962 dealing with the US negotiating position with respect to the nuclear test ban treaty. It is true, as you point out, that during the past few weeks the President authorized a number of changes in the April 18 treaty. He reexamined the authority with respect to a possible decrease in the number of

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<sup>1</sup> Changes in U.S. negotiating position on nuclear test ban treaty. Confidential. 1 p. Washington National Records Center, RG 330, OSD/OATSD (AE) Files: FRC 69 A 2243, 97 USP, Nuclear Test Suspension/Geneva, 1960-1962.



control posts which was granted in August, 1961 and authorized an elimination of the threshold. These decisions were made by the President on March 9, 1962 after a series of conferences in which the Department of Defense was fully represented and in which representatives of the Department of Defense expressed the point of view that the elimination of the threshold was an improvement in our position favoring effective control rather than any degradation of that position.

I fully agree with the opinion stated in the last paragraph of your letter that there should be no substantial changes in our position without full consideration by all the interested agencies represented in the Committee of Principals. You will recall that in the meeting with the British scientists held over the weekend to discuss possible improvements in seismic detection and identification techniques, all agencies constituting the Committee of Principals were represented.

Sincerely,

**Adrian S. Fisher**  
*Acting Director*

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**110. Notes on a Telephone Conversation between Bundy and Ball, March 22<sup>1</sup>**

March 22, 1962

Bundy said he had just received the Secretary's outline speech and asked if Ball looked at the dispatch with it. Bundy suggested in paragraph 9, although it was a trivial point it might be worth passing on. It is not that there is no valid reason for distorting the detection network. It's that when you locate it outside you need at least as much if not more inspection which is the whole thing that they have rejected. Bundy said he did not think we needed to defend this or worry about the detection thing because it is the inspection thing we are fretting about. He is not sure we've got that point across to Geneva as sharply as the President wanted. Ball said he had read some language to the President which has been telephoned to Foster. The language Ball read to the President was the following which Butch Fisher got over: "The essential element upon which we must insist is that there be an effective

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<sup>1</sup> Geneva negotiating issues and concerns. No classification marking. 2 pp. Kennedy Library, Ball Papers, Telephone Conversations, Disarmament.

international system for assuring that the ban against testing is being complied with. This means that there must be an international system for distinguishing between natural and artificial seismic events. The April 18 treaty provided for such a system. Last week the United States and the United Kingdom made some modifications of that proposed treaty in a way calculated to meet Soviet objections. I have described these modifications. These proposed modifications were rejected almost immediately by the Soviets on the grounds that international verification was not necessary. This refusal to accept any form of international verification strikes at the very heart of our effort to guarantee the world against the resumption of nuclear tests. The key element in the position of the United States is that there must be effective international verification of the obligation undertaken in any such treaty. The United States will consider any proposal which offers such effective international verification. But the United States will *never* (and the President changed it to *cannot*) settle for anything less." Bundy said that was his point and there was no need to press it.

Ball said he wanted to run through some other things which he had told him on the basis of Ball's conversation with the Secretary tonight.

Ball said first he had seen Gromyko at dinner tonight and Gromyko had shown interest in the *modus vivendi* which he had given him earlier this afternoon; that on the basis of this it was possible he would get down to serious talks on this he might stay longer and get home Monday evening, but that it might run on to Tuesday or Wednesday. He thinks that as far as Berlin is concerned there is no advance. He does not want anybody to get optimistic on the access route business. Gromyko made it clear to him that there is no advance. He thinks they are aiming at a Summit. He doubts very much that they are going to get anywhere. He is making his statement tomorrow on nuclear testing and will have in it a provision along this line. Ball said he had told the President all of this and that they are cabling the whole thing tonight so that we will have something.

**111. Tosec 107 to Geneva, March 22<sup>1</sup>**

March 22, 1962

Following is text of memorandum from Ormsby-Gore to McGeorge Bundy giving Macmillan latest thoughts on the nuclear tests position.

**QUOTE**

It looks as though by the end of this week we shall know the final decision of the Russians as regards international verification, so far at least as Gromyko is competent to give it. The position will presumably become known publicly after the plenary meeting in Geneva on Saturday, March 24. If the Russians still reject the whole principle of international verification then we must accept that the United States tests will have to take place.

In this event, it will nevertheless be important to ensure that public opinion recognises that dead-lock has been reached and that the Russians are being unreasonable. We shall not be able to make these points clearly and dramatically without involving Khrushchev himself, although the chances of his changing his position at that stage will of course be negligible. The question is how best to bring Khrushchev in. There seem to be two possible ways of doing so:—

(a) The President and the Prime Minister could issue a joint statement saying that as the discussions in the nuclear tests sub-committee at Geneva (or in the plenary) had clearly shown that the Russians were not prepared to accept the principle of international verification, there was no point in continuing negotiations for a nuclear test ban treaty. In the circumstances, the plan to test at Christmas Island would have to go ahead. They would add that they were, of course, prepared to resume negotiations as soon as the Russians had a change of heart.

(b) There could be an appeal to Khrushchev to change his view about international verification. If such an appeal is to be made, a joint appeal by President Kennedy and the Prime Minister would be much the best since an appeal by the United Kingdom only would seem an empty gesture and would presumably suggest to the world some difference of opinion between us and Washington. If the President does not like the idea of a joint letter, the Prime Minister would be quite content with a joint statement and he sees that this might seem more dignified and firm but he does feel strongly that we cannot let the occasion pass without some Western statement at the top level to focus attention on the vital question of verification. The Prime Minister

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<sup>1</sup> Macmillan's latest thoughts on nuclear test issues. Secret. 3 pp. Department of State, Central Files, 700.5611/3–2262.

does not believe that it would be wise even to make an announcement about danger areas in the Pacific before such a statement has been made and time given for the Soviet response.

**Ball**

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**112. Letter from Amb. Ormsby Gore to Bundy, March 24<sup>1</sup>**

March 24, 1962

Dear Mac,

The Prime Minister has had a talk today with the Foreign Secretary about the latest position on nuclear tests, and he has asked me to let the President know of the following.

He quite agrees that no statement should be issued for the moment. He has, however, asked me to let you see the attached draft of his idea of the sort of statement which will have to be made at some point, preferably jointly but, if necessary, separately.

The Prime Minister is, however, concerned about the proposed timing of the warning to mariners. He accepts that the warning itself is not an order to test, but it is of course generally assumed that the warning will not be issued unless tests will definitely take place. If a further postponement of this warning is impossible, the Prime Minister would certainly have to make a statement in the House of Commons. There is therefore a strong diplomatic argument for postponing the warnings until the last possible date, which I think everyone agrees to be two weeks before tests take place. There is also a very strong practical argument against giving more than the minimum warning. Our experience has been that the longer the warning the more chance that individual pacifists and neighbouring governments (Japan and New Zealand, for example) will organise demonstrations, send protests and generally create a most awkward local situation. Both the Prime Minister and the Foreign Secretary feel strongly that the warning to mariners ought not to be issued more than the minimum two weeks before tests are resumed and certainly not in the course of next week.

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<sup>1</sup> Macmillan's thoughts on a proposed statement outlining Soviet non-acceptance of verification and his concerns on timing of warning to mariners. Attached is a suggested draft statement. Top Secret. 5 pp. Department of State, Presidential Correspondence: Lot 66 D 204, Macmillan-Kennedy.

I need hardly say that the Prime Minister realises that the text of the enclosed draft would almost certainly have to be modified to take account of developments.

Yours sincerely,

David Ormsby Gore

### Attachment

#### Text of Draft

Mr. Rusk and Lord Home have now reported about their conversations with Mr. Gromyko in Geneva during the first two weeks of the meetings of the Disarmament Committee. They have informed us that in discussions about a Treaty to Ban Nuclear Tests the Soviet representatives have rejected any form of international inspection or verification inside the Soviet Union, whether by static posts or by visits by international teams to verify unexplained events which would otherwise be assumed to be nuclear tests.

This is a point of cardinal importance to the United States and the United Kingdom. From the very beginning of the negotiations on a nuclear Test Ban Treaty, they have made it clear that an essential element of such a treaty is an objective international system for assuring that a ban on nuclear tests is being observed by all parties. The need for such a system was clearly recognised in the report of the scientific experts which was the foundation of the Geneva negotiations. For nearly three years this was accepted by the Soviet delegation at Geneva. There was disagreement about details, but the principle of objective international verification was accepted. It was embodied in the Treaty tabled by the United States and the United Kingdom on April 18, 1961, which provided for such a system. Since the current disarmament meetings began in Geneva, the United States and the United Kingdom have made further efforts to meet Soviet objections to the April 18 treaty. These efforts have met with no success as is clearly shown by the recent statements of the Foreign Minister of the Soviet Union, who has repeatedly rejected the very concept of international verification. There has been no negotiation on this point in Geneva; the Soviet Union has flatly refused to change its position.

The ground given seems to be that existing national detection systems can give adequate protection against clandestine tests. But whether or not the present state of scientific instrumentation has reached sufficient perfection as to distinguish between natural and artificial seismic disturbances—and we do not think that it yet has—the Treaty cannot be made effective unless at least verification by visit

is included in it. For otherwise there would be no alternative, if an instrument reported an unexplained seismic occurrence on either side, between accepting the possibility of an evasion of the Treaty or its immediate denunciation. Verification in some form or another is of the very essence of mutual confidence.

This principle has so far been rejected by the Foreign Minister of the Soviet Union, and there is no indication that he has not spoken with the full approval of his Government. If Chairman Khrushchev were to give any clear indication that he had reconsidered the position and was ready to accept the principle of international verification, then it is hard to believe that agreement could not be reached about its application in practice. This in turn could lead to the rapid conclusion of a Treaty to ban all nuclear tests. The President and the Prime Minister therefore earnestly hope that Chairman Khrushchev will send the necessary instructions to Mr. Gromyko in Geneva. If, however, the U.S.S.R. cannot accept any form of international verification on Soviet territory in any circumstances then it is hard to see how tests can be effectively banned. The Governments of the United States and United Kingdom would in this case have no alternative but to conclude, with sincere regret, that their most recent efforts to obtain a workable Treaty to ban nuclear tests have failed, and accordingly to carry on with the final stages of preparation for the test series scheduled for the latter part of April.

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### 113. Secto 107 from Geneva, March 25<sup>1</sup>

Geneva, March 25, 1962

Eyes only for President and Acting Secretary from Secretary. Tosec 141 consider essential notice to mariners should be so timed there can be no possibility of asking for further delay because ships are already loaded or have left ports, or because there is not adequate time to take necessary precautions, etc. While we recognize giving of mariners notice will create certain complications, do not think we should agree to such postponement or it will not be possible either (A) to make statement with respect to resumption, or (B) to have initial tests carried out promptly. In any case, think we should be careful to use distinctions

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<sup>1</sup> Rusk concerns re notice to mariners, verification issue semantics, and joint statement. Secret. 2 pp. Department of State, Central Files, 700.5611/3-2562.

set forth in Geneva experts report of 1958 with respect to basic difference between ability to detect and ability to identify, and that we should not confuse detection and identification in a single phrase “verification.”

Soviets have rejected both international headquarters system at Vienna, any control posts as envisaged by experts report on its own territory and any ability of international headquarters to launch on-site inspections in order to identify unidentified events. Consequently, in lieu of phrase “verification” would use “detection and identification.”

So far as we are aware, Soviet Union has not adduced any scientific evidence which would repudiate Geneva experts report of 1958 and even though there has been some improvement in ability of distant instrumentation with respect to detection, there has been no improvement with respect to ability to identify events as natural or artificial. Purpose of on-site inspections is not to verify the fact that an explosion has occurred, but to identify what kind of an explosion it is.

Do not believe that the joint statement should under any circumstances be predicated upon any assumption, expressed or implied, that USSR delegation at Geneva has not been speaking with the full authority of its own government in view their specific rejection of international headquarters, sufficient number control posts on its territory and adequate number of on-site inspections, especially since we have agreed to make treaty full and comprehensive. Do not think we should indicate that mere acceptance of principle of international inspection and control would lead to rapid conclusion of treaty to ban all nuclear tests. Think our statement should be definite and positive and should not afford Khrushchev any opportunity of saying he had not previously understood our position or that he is willing to waive some minor negotiating points so that we will not then be free to test. If it be assumed that the USSR is preparing to test and definitely does not want a nuclear test ban treaty, which all of the evidence here would appear to support, we must not be placed in a position of indefinite postponement, for if we do not make the decision to test at this time in all probability we will not be free to make it for a long time to come. Further joint statement should not say that we would have no alternative but to conclude to test, but rather should be definitive that we have made the decision and have instructed that the final stages of preparation be carried out so that the tests can go forward on schedule.

Would prefer, of course, that this be joint statement, if any statement is required. But if after extending every consideration we cannot get joint statement without further loopholes, believe we should carefully consider advisability of separate statements.

**Rusk**

**114. Memorandum from Bundy to Rusk, McNamara, and Seaborg, March 26<sup>1</sup>**

March 26, 1962

The President today reviewed the question of the notice to mariners in the light of the arguments advanced by the British and the counter arguments presented through his staff, and with the further advantage of a direct interview with General Starbird. In the light of these discussions, the President has now ruled that the notice to mariners should be issued on April 4th; and I have asked Ambassador Ormsby Gore to report this view to Her Majesty's Government.

Ambassador Ormsby Gore's first reaction is that this is a reasonable response, and I am inclined to expect that the British will go along with this date.

**McGeorge Bundy**

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<sup>1</sup> President's decision to issue notice to mariners April 4. Top Secret. 1 p. Kennedy Library, National Security Files, Subjects Series, Nuclear Weapons Testing, 2/17/62-4/4/62.

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**115. Memorandum of Conversation, March 26, between Rusk and Home<sup>1</sup>**

SecDel MC/48

March 26, 1962

## SUBJECT

Disarmament Discussion

## PARTICIPANTS

*United States*  
The Secretary of State  
Mr. William C. Foster

*United Kingdom*  
The Earl of Home  
Sir Michael Wright  
Mr. A.C.I. Samuel

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<sup>1</sup> Disarmament discussion. Confidential. 3 pp. Department of State, Central Files, 600.0012/3-2662.



*Lord Home* opened with questions concerning the Secretary's proposed speech. He first asked why we put early emphasis for conference action on cuts in major weapons systems such as nuclear delivery vehicles, tanks, etc. We responded that these had greatest capacity for destruction, would have greatest immediate effect in turning down the magnitude of possible destructive wars and were less numerous and therefore, presented an easier verification requirement.

He next questioned why we could not accept a continuous process of disarmament rather than a Stage 1, Stage 2, Stage 3. It was explained that a 30% cut was a radical cut; the adjustments and the risks assumed thereby would be substantial and not precisely unpredictable. Therefore it was desirable, so to speak, to have the opportunity of reviewing the bidding when the first important changes had been made in relative power relationships. The period between stages should provide this.

It was further pointed out that while the United States had not reached a final decision, it was possible that after further study we might be able to agree that the 30% cut be first applied bilaterally to the U.S. and the USSR. We have previously indicated to our allies that we are willing to apply such a cut in military forces in this manner down to 2,100,000 each in the US and the USSR.

A question was then raised as to possible separable measures which could be usefully negotiated in the informal committee of the whole. In Secretary Rusk's proposed speech some of these are listed, particularly having to do with surprise attack. However, there are other separable measures which might well be discussed. These will be developed later but are perhaps not usefully set forth in this speech. Such separable measures might include: non-transfer of nuclear weapons or know-how; a non-aggression pact between NATO and Warsaw Pact countries; and already underway in nuclear test ban treaty discussions.

The test ban treaty negotiation was then discussed at length. Lord Home asked why, since we had offered in September to accept a moratorium based on existing systems of detection, we were unwilling now to do the same particularly as it was felt that means of detection and identification had been improved? We stated that in the first place detection of these required a number of inspection stations around a large part of the Soviet Union and also required air sampling flights near to Soviet borders and perhaps over the Soviet Union. Air sampling from outside the Soviet Union would give no hard evidence as to location of tests and left the real possibility of denial of such tests having taken place. It would be difficult, if not impossible, to develop adequate evidence based on existing systems. There also would be the political difficulty of getting acceptance of any such treaty from the U.S. Congress. Members of important cognizant committees there believe that important advances have been made by the USSR and that

the US should be unwilling to take any chance on a further change in our relative position in the field by possible cheating on the part of the Soviet. The U.S. has, nonetheless, expressed its willingness to accept a test ban treaty across the board with adequate detection, identification and location systems.

Sir Michael Wright stated at considerable length that he believed there had been great improvement in detection and identification systems which should allow us to omit control posts on Soviet territory. He stated that he believed that our American scientists appeared to agree with this appraisal in discussions with British representatives here last week.

Foster expressed some doubt that this was a correct appraisal in view of his conversations with the same scientists. He also expressed doubt that the Swedish seismologist who was here had accepted the thought of possible breakthroughs which would allow the elimination of control posts while still retaining the ability to detect, identify and locate and thus be able to obtain convincing proof of a violation. Our scientists have indicated that the Swedish seismologist agreed with them. British scientists visiting Washington had stated that while there was possibility of an improvement in these systems over the coming years, improvements did not yet exist in a way to be able to supplant requirements set forth in the so-called 1958 Geneva system.

In the course of this discussion, Mr. Green called Lord Home and asked whether the afternoon heads of delegation meeting could be raised to ministerial level. Lord Home agreed he was willing to attend although Secretary Rusk would not be able to, nor would Minister Segni of Italy. However, it was agreed the meeting would be attended by Minister Green and Lord Home, by Mr. Foster for the U.S. and by Mr. Russo for Italy. In view of possible emphasis on the test ban discussion, the U.S. suggested that Doctors Wiesner and Hayworth attend.

Lord Home brought up briefly with Secretary Rusk the question of British problems with British Guinea and asked as to the possibility of U.S. assistance in this regard.

There was also a brief discussion of problems connected with the official British position on the admittance of Red China to "competent associated UN organizations" which it was agreed would be deferred to later discussions in Washington in view of U.S. feeling against this opening wedge.

**116. Memorandum of NSC Discussion, March 28<sup>1</sup>**

March 28, 1962

SUBJECT

Memorandum of Discussion at National Security Council Meeting, called for the purposes of receiving reports from Secretary Rusk.

IN ATTENDANCE

President, Vice President, Secretary of State, Sec/Def, Secretary of Treasury, Attorney General, Acting Chairman of Joint Chiefs, DCI, Foster and about 20 others.

The report was as follows:

*1. Nuclear testing*

As reported the Soviet Union will not accept inspection within their own territory. They were brutally frank on this point claiming internal inspection was primarily for espionage. Gromyko stated that even one man can do them great damage. Therefore Rusk concludes that there is no chance for a test suspension agreement. The Soviets have no room for negotiation. Gromyko stated that they have developed instruments to detect and identify nuclear explosions in any environment in any place in the world and he assumes U.S. has same but will not disclose them, therefore concludes purposes of our insisting on inspection obviously for espionage.

As discussion proceeded the non-nuclear countries became impressed with our arguments. They recognized the espionage claim as entirely false and apparently understood the need for inspection. The meeting gave Rusk an opportunity to clearly explain the problems of detection and identification. Neutrals indicated that if a secret vote were taken, the vote would be about 12 to 5 in support of our position. However the issue was an internal political issue with many of them, therefore they could not speak out. However, the neutrals' position considerably modified as the conference carried on. Further indoctrination must be undertaken of the 8 neutral nations of the conference, both at Geneva and in their respective capitals and also with other neutral countries at their capitals or at the U.N. State developing plans for this by producing literature, visual aids, etc.

Rusk expects suggestions to postpone starting our tests. There are no real arguments. There never will be a good time to conduct tests.

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<sup>1</sup> Soviet positions on nuclear testing, disarmament, and Berlin. Secret. 5 pp. CIA Files, Meetings with the President, 12/1/61–6/30/62.

Rusk therefore hopes we will not under any circumstance be influenced into postponing our decision. Rusk says that he sees no reason to postpone the commencement of tests and therefore strongly recommends that we do not accept the arguments that are advanced or may be advanced for postponement.

## *2. Disarmament*

The Soviet has stated positively that they will not permit the inspection of retained arms. They will only permit the inspection of discarded arms. Gromyko says that we can expect Soviet attitude on the inspection of disarmament to be infinitely more difficult than their attitude on inspection for testing. Hence, Rusk is in no way sanguine or hopeful over progress on disarmament. However Rusk indicated there was a possibility of some agreement in areas of surprise attack and outer space and the restrictions on the diffusion of weapons to third countries. This, he indicated, would present us a problem with NATO as Gromyko is insisting that weapons not be turned over to third party nations or to international organizations. Gromyko was particularly anxious about Germany and apparently interested in discussing a nuclear policy with the two Germanies quite outside of any other disarmament undertaking. Rusk interprets this to mean that the Soviets are so concerned over Germany that they wish to treat them in respect to nuclear armament outside more comprehensive agreements which might possibly break down at some future time or even during the period of negotiation.

William Foster stated that the neutralists had obviously moderated their views and he attributed this to Rusk's persuasive handling of the situation. He also felt a slight advance was made in the areas indicated above though offered no particular hope for a disarmament understanding.

The impression was gained from statements both public and private that the Soviet arms strength may be less than we think or that they have led us to believe. A statement was made that our proposed 30% reduction would create an imbalance because the U.S. forces were greater now than the Soviet forces. Also contribution of 50,000 kilograms of fissionable material to an international agency would create an imbalance.

NOTE: Some neutrals reported that 50,000 kilograms represented the entire Soviet resource of U-235.

In a private conversation Usachev, principal Soviet disarmament treaty expert, said that the Soviets had concluded that U.S. is stronger than the USSR. In another conversation it was mentioned that our missile capability exceeds theirs and for this reason they can not take a chance on the type of disarmament proposals we are advancing. All

of this had led our delegation to suggest a review of all available hard intelligence on Soviet military capabilities.

ACTION: I was asked by the President and Rusk to order a check of all information on Soviet strength and I have agreed this would be done as promptly as possible.

### *3. Berlin Situation*

No move of substance was made; however there was a definite change in mood as the talks went on and it was obvious that the Soviets wanted to continue talking on a bi-lateral basis. It was pointed out that when the conference opened the Berlin issue was raised by Rusk and other U.S. representatives. However, towards the close of the conference the Berlin issue was always raised by the Soviet side. There was no flexibility in the Soviet position which would permit searching for a *modus vivendi*. However there seemed to be some interest in an agreement which would provide international authority over the corridors and other access routes but these were coupled with the granting of authority to East Germany which would be unacceptable to us.

Gromyko denied any knowledge of any interference in the corridors through the distribution of chaff and the registering of flights and other problems in and around Berlin. During the discussions Gromyko made no threats, he made no positive statements concerning Soviet course of action, and he would not permit an impasse to develop. Obviously he wished to keep Berlin in the conversation.

One point I would like to have checked: Apparently both Rusk and Lord Home were embarrassed because of sudden emphasis on the distribution of chaff in the corridors for it now turns out that the Soviets have carried on chaff exercises for the last several years hence the violent protests of both Rusk and Home were of no particular purpose. I would like to know promptly whether we have reported these incidents prior to the last week or two.

**John A. McCone**

**117. Note from Amb. Ormsby Gore to President Kennedy,  
March 30<sup>1</sup>**

March 30, 1962

Dear Mr. President,

I have been asked by the Prime Minister to pass to you the enclosed message about Nuclear Tests.

Yours sincerely,

**David Ormsby Gore**

Following is text of Macmillan letter of March 30:

QUOTE

Dear Friend,

Now that the situation is a bit clearer I have been looking again at your message of March 20 to which I have sent you a direct answer although, of course, David Gore has been discussing the position with you and your office. As you know, I fully agreed with the points which you made in your second paragraph. Now the situation has clarified so far as Geneva, Rusk, Home and Gromyko are concerned. The curtain has fallen on this act. The question is what we are to do next.

In your message of March 20 you suggested that it might be appropriate in the second act for one or both of us to communicate with Khrushchev. Our purpose would be at the best to persuade him at the last moment to accept the principle of international verification on which everything turns. At the worst we should put ourselves in the best posture before the world, especially the neutrals, when tests have to be resumed. Many people seem to think that the Russians do not treat Foreign Ministers with the same respect that you and I do, that Khrushchev settles everything and that no deal can ever be done except with him direct. On this plan both of us or one of us might communicate with Khrushchev asking him once more the simple question which Rusk and Home have been putting over and over again to Gromyko, namely whether he will accept the principle of international verification on the spot of doubtful events. Alternatively, we could issue a joint statement on the lines of the draft which I sent to David Gore some days ago and which I think he discussed with you.

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<sup>1</sup> Transmits Prime Minister Macmillan's March 30 message regarding possible letter to Khrushchev on nuclear tests. Attached is telegram 5349 to London conveying text of Macmillan letter. Top Secret. 4 pp. Department of State, Presidential Correspondence: Lot 66 D 204, Macmillan-Kennedy.

We could play the hand either way but I think we must do something more both for our own consciences and for the public opinion of the world before the time runs out. As I understand it, we have about 30 days before the first test and whichever way we play it, I think timing will be important. What do you think?

Perhaps you would allow David Gore to talk to you about this and then we can have a further interchange by message or telephone.

With warm regards,

Harold Macmillan

UNQUOTE

Rusk

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**118. Memorandum of Conversation, March 30, among Rusk, Foster, and Amb. Ormsby Gore<sup>1</sup>**

March 30, 1962

SUBJECT

Letter from Prime Minister Macmillan to President Kennedy—March 30, 1962

PARTICIPANTS

Sir David Ormsby-Gore, British Ambassador

The Secretary of State

Mr. William C. Foster, Director, Arms Control and Disarmament Agency

The Secretary opened the conversation by stating that he had asked the British Ambassador to come in to discuss, in a preliminary way, our reactions to the Prime Minister's letter.

The Secretary stated that he had not had a chance to discuss this in detail with the President but wanted the Ambassador to know of our preliminary reaction. Quite frankly, the Secretary said, certain parts of the Prime Minister's suggested course of action in connection with another appeal to Khrushchev on the termination of tests was inconsistent with the position which the President had taken and which the Secretary on behalf of the U.S. had taken in his talks with Gromyko and others in Geneva. It was quite clear that from every viewpoint as

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<sup>1</sup> Discussion of Macmillan's March 30 letter to Kennedy. Top Secret. 2 pp. Department of State, Central Files, 600.0012/3-3062.

far as the Executive Branch and the Congress were concerned, no agreement with the Soviets on termination of tests was acceptable except under an agreed Treaty which provided for adequate inspection and control. The Secretary said he had made quite clear, both privately and publicly, as had others at Geneva, that while we were willing to eliminate the threshold on underground tests, the necessity for control posts and for onsite inspections was as clear as ever and no radical scientific breakthroughs reducing the necessity for inspections had been revealed either by the British or American scientists. If certain new ideas were aggressively followed up it is conceivable that control posts on Russian territory might after some years of development of these ideas become less necessary through radical improvements in identification capabilities. Such a breakthrough would however detect many more suspicious events than do present seismic instruments so that to check so many additional events there would be required many more on-site inspections. The Soviet representatives at Geneva had flatly rejected any inspection whatsoever on Soviet soil. Gromyko even went so far as to state that the Soviet Union would not allow even a single person to undertake such a mission on their soil.

The Secretary stated that in view of this flat position there seemed no likelihood that Khrushchev would accept any adequate treaty. It was dangerous therefore to suggest that by his accepting the principle of verification just before the date of proposed tests the United States and the United Kingdom would be willing to postpone the tests pending further development of that concession. The President had in his press conference of March 29th repeated his sincere desire to terminate all tests on the basis of a satisfactory treaty. It therefore appeared to the Secretary that any further appeal might indicate weakness in the President's position and would not be tolerable from the viewpoint of the US public and in fact, from that of our allies around the world and even neutrals who depend on US strength for their security.

The Secretary said he would of course discuss the Prime Minister's letter in detail with the President.



April 1962

**119. Memorandum from Kaysen to President Kennedy, April 5<sup>1</sup>**

April 5, 1962

SUBJECT

Disarmament Problems

1. The Principals' Meeting revealed that there are a number of important areas in which we are still not prepared to define our position concretely in a draft treaty. One way of dealing with this problem is to table the treaty draft in general terms and work on the details later. This has obvious dangers. It puts us in a poor position in Geneva. It raises the possibility that we will be negotiated into positions we do not want, if the delegation at Geneva has to face negotiation without clear instructions.

2. The most important issues that still need resolution are the definition of categories of weapons and the relation of these categories to the schemes for reducing armaments; the nature of the limitations to be placed on the production of armaments; the defining of the conditions of transition between stages; and the extent to which we explicitly propose a great many study commissions as part of the treaty. In addition there are a number of minor problems which need to be dealt with. The whole draft treaty outline needs to be rewritten before we offer it in Geneva.

3. There still is no agreement on the categories of weapons and the question of whether reduction should be by categories or by types. This question is most important in respect to strategic delivery of vehicles. The categories presently proposed by the ACDA are agreed to by no one else.

It has been suggested by Jerry Wiesner that we combine reduction by types with production by categories assuming that production is allowed only during the first stage of the treaty as proposed in the draft. Bob McNamara has had a favorable initial reaction to this idea but he wants to consider it further (see attached example for an illustration of how this works).

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<sup>1</sup> Disarmament problems. Secret. 4 pp. Kennedy Library, National Security Files, Departments and Agencies Series, ACDA, Disarmament, 18-Nation Conference, Geneva, 4/1/62-4/11/62.

It is clear that the dangers of going to Geneva with this point unspecified and leaving the definition of categories to negotiations are very great. Each side will try to get the boundary line between the categories drawn so as to favor the kind of weapons it desires. It is hard to be certain that any position not carefully considered beforehand is in fact tenable. One advantage of the Wiesner proposal is that it makes the definition of categories much less important than it would be under a system in which reduction was by categories rather than by types.

4. There is now general agreement on certain aspects of a proposed cutoff of production. We have to have one in order to have real disarmament. We think it undesirable to have it in the first stage because of the danger that the treaty may never get past the first stage. Production in the first stage should be limited so that there may be some phase down of present levels to a cutoff. However, there is as yet no agreement as to what limitation should be placed on production in the first stage and how it should be defined. Here, again, it appears undesirable to delay too long indicating the degree of limitation we propose in our treaty draft and even more danger in simply leaving the matter open for discussion at large in Geneva.

5. The present draft treaty does not specify whether or not anyone should have a veto over the transition from Stage I to Stage II or indeed what method should be used to settle disagreements as to whether the undertakings of Stage I had been met by all the parties. Further, no definite position was taken on the relation between the staging process and the number and list of states who are parties to the treaty. In particular, it is not made clear whether adherence of China is a condition of transition to Stage II. Further, it is not made clear whether we propose to make Stage I simply bilateral between the U.S. and the Soviet Union or whether we propose to include NATO and Warsaw Pact countries.

6. The present draft of the treaty provides for commissions to study the problems of nuclear weapons, radiological weapons, chemical and biological warfare, surprise attack, military expenditures, and setting up a peace force. Foster and Fisher take the view that we are tied to these commissions because of the declaration of September 25 which mentions them. Wiesner points out that we give to these problems more importance than they are worth by featuring the commissions so prominently in our draft treaty and, further, we convey the idea that we don't really know what we want to do. If these studies were referred to in an annex perhaps these tasks of the International Disarmament Organization would be in a more appropriate respect.

7. It would seem desirable, after hearing the Principals tomorrow, to appoint a drafting committee representing the interested agencies

and require them to get as far forward in a week or ten days as possible, and then report back to the Principals who, in turn, would report to you. If you suggested that each of Rusk, Foster, McNamara, the Chiefs, Wiesner, and Bundy name a representative to the drafting committee, this would get matters further forward in a week than ACDA alone.

**Carl Kaysen**

*EXAMPLE*

This shows how you might reduce by types but produce by categories. Assume that the initial figures are as shown and that all four weapons fall in the same categories. If you had 15 per cent per year reduction in each type, and 5 per cent per year as a production allowance for the whole category, making for a net reduction of 10 per cent per year for the total number in the category, you would have the result in the table, if you choose to use the production for Minutemen and Polaris.

	<u>Beginning</u>	<u>45% reduction</u>	<u>15% production</u>	<u>End</u>
B-47	100	45	—	55
B-52	100	45	—	55
Minuteman	50	23	30	57
Polaris	<u>50</u>	<u>22</u>	<u>30</u>	<u>58</u>
	400		60	225

On the other hand, if you had reduction by categories the end figures would be highly sensitive to the category boundaries; in the example above they are less sensitive to the category boundaries.

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**120. Memorandum from Conger to Committee of Principals,  
April 6<sup>1</sup>**

April 6, 1962

I am enclosing a memorandum to the President which is based on the memorandum from the Director of ACDA to the Committee of

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<sup>1</sup> Transmits copy of Foster's memorandum to Kennedy on disarmament issues for discussion at April 6 meeting. Covering note unclassified. Foster memorandum is Confidential. 8 pp. Kennedy Library, National Security Files, Kaysen Series, Disarmament, Basic Memoranda, 2/62-4/62.

Principals dated April 4, 1962, but revised in light of discussions which took place in the Committee of Principals meeting on April 5. This memorandum is being transmitted to the President today.

The three attachments to the memorandum of April 4 should be used as attachments to this memorandum and are not re-transmitted.

**Clement E. Conger**

*Special Assistant to the Director*

## **Attachment**

### **SUBJECT**

Issues for Discussion at Meeting on April 6, 1962

Following the discussions with the President on March 6 and March 9, certain major issues concerning the U.S. disarmament program were left to be resolved at a later date.

At the urgent request of the U.S. Delegation in Geneva, ACDA has been preparing a draft "Outline of Provisions of a Basic Treaty on General and Complete Disarmament in a Peaceful World." Copies of the drafts of a Preamble, Stage I, Stage II, and Stage III have been forwarded to the various departments and agencies concerned. It is intended that decisions reached at the subsequent meeting with the President, on April 6, will be forwarded to Geneva for the use of the U.S. Delegation and will be incorporated in the Outline Treaty. However, the Outline Treaty itself will be the subject of subsequent inter-agency consultation in the immediate future.

The basic structure of the U.S. proposal is a cut during the first stage of 30 percent (in increments of 10% a year for three years) in nuclear delivery vehicles and major conventional armaments. It is proposed that strategic nuclear delivery vehicles be reduced not only in numbers but also in destructive capability. The following are a series of questions upon which decisions are reported or must still be made in order to make further progress possible in drafting the "Outline of Provisions of a Basic Treaty on General and Complete Disarmament in a Peaceful World." They have been discussed at a meeting of the Committee of Principals on April 5, 1962. The issues which are presented are covered somewhat more fully in the attached copies of letters to the Secretary of Defense (Tabs A and B) and in Tab C.

### *1. Method of Reduction*

#### **ALTERNATIVE A.**

Reduction by *categories* of armaments of which the following would be offered as illustrative and in the first two of which (the "strategic

delivery vehicles”) the reductions would be by “destructive capability” as well as by numbers:

(1) Armed combat aircraft over 30,000 kg. (DOD would have this figure 40,000 kg.) empty weight, all missiles with over 5,000 km. maximum range, all submarine-launched missiles and all air-to-surface missiles with ranges over 300 km.

(2) Armed combat aircraft between 15,000 kg. and 30,000 kg. (DOD would have this figure 40,000 kg.) empty weight, all missiles (other than submarine-launched missiles and air-to-surface missiles) with between 300 and 5,000 km. maximum range.

(3) Anti-missile missile systems.

(4) Surface-to-air missiles other than anti-missile missile systems.

(5) Armed combat aircraft having an empty weight of between 2,500 and 15,000 kg.

(6) Surface-to-surface and air-to-surface aerodynamic and ballistic missiles and free rockets having a range of between 10 km. and 300 km.

(7) Tanks.

(8) Armored cars and armored personnel carriers.

(9) All artillery, and mortars and rocket launchers having a caliber of 100 mm. or greater.

(10) Combatant ships with standard displacement of 400 tons or greater of the following classes: aircraft carriers, battleships, cruisers, destroyer types, and submarines.

#### ALTERNATIVE B.

Reduction by *types* of armaments narrowly defined.

#### 2. *Limitations on Production of Armaments.*

It has been decided that some limitation should be placed upon production of strategic armaments and those categories of non-strategic armaments to be reduced in Stage I. It remains to be decided what method will be used in determining these limits. The magnitude of the limits on production, under whatever system is decided, will be determined at a later stage.

A. If the Alternative A method of reduction (by categories) is adopted, production within the agreed categories and within the reduced levels of numbers (and, in categories (1) and (2), of destructive capability) will be subject to agreed limitations. ACDA believes that the agreed production limitations for the U.S. and the U.S.S.R. should be equal and based on a percentage of the inventory in each category of whichever state had the smaller inventory, in terms of numbers and, where germane, in terms of destructive capability at the beginning of each step. DOD wishes to examine the latter concept further.

B. If the alternative B method of reduction (by narrowly defined types) is adopted, production would be limited by categories such as those contained in Alternative A. As in the other alternative, the kind and amount of limitation would be as agreed. In this connection, the limitation on production becomes somewhat more than a limitation on production, it also becomes a limitation on the freedom to vary the mix within the categories. While, theoretically, this alternative leads to simultaneous reduction and production of the newer and more desirable weapons systems, this incongruity could be handled by allowing a nation to escape some "type" reductions by charging them against "category" production allowance. Thus if a nation had 50 Polaris missiles and was required by Alternative B to destroy 15 of them, it need not destroy the 15 but could credit the 15 against its total production quota of strategic nuclear delivery vehicles applicable to Category (1) of paragraph 1A.

### *3. Elimination of Armaments Intended for Reserve Forces.*

The Soviet draft treaty of March 15 contains a proposal that in Stage I "Conventional Armaments and Equipment Intended for Reserve Forces Shall also be Destroyed". It has been suggested that this Soviet proposal might provide the U.S. an opening whereby we could establish a foundation for advancing the concept of general parity between the U.S. and U.S.S.R. in major non-strategic armaments. This would be done, presumably, by also proposing in our outline treaty that armaments intended for reserve forces would be eliminated by the end of Stage I. It remains to be decided whether or not the U.S. should make such a proposal and if so exactly in what context the proposal should be made. (See Tab B.)

### *4. Destruction of Nuclear Delivery Vehicles During Negotiations.*

The U.S. in proposing only a 30 per cent reduction in strategic nuclear delivery vehicles and in permitting production which would allow Minuteman and Polaris missiles to be substituted for B-47 bombers, is vulnerable to charges of insufficiency in dealing with the threat posed by strategic nuclear weapons. To help offset charges of this nature, it has been suggested that we might propose to begin the reduction of certain strategic delivery vehicles during the negotiations. This could be done by having the U.S. deposit in UN designated hands, a certain number of long-range strategic nuclear delivery vehicles and then propose that those vehicles would be destroyed if the Soviets would reciprocate with an equal number of long-range vehicles. This process would continue at a designated rate for a designated time period as long as negotiations were being conducted. It is proposed that the Committee should consider whether or not such an offer should be made, when it might be made, and who should make it. If the

Committee believes that such a proposal is worthwhile, then it should consider what category or type of vehicle should be used, how many should be destroyed each month, and how long the process should continue. (See Tab C)

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**121. Message from President Kennedy to Prime Minister  
Macmillan, April 6<sup>1</sup>**

April 6, 1962

David Gore and my people have worked through the Joint Statement and made a half-dozen minor changes, which seem to meet the special worries of both sides, without changing the basic thrust of the document. This will be coming to you through David, but for your convenience I send it along after this message by our private wire. I hope it will seem all right to you.

I feel some diffidence in commenting on your letter to Khrushchev, but if it is to be understood that the letter is fully agreeable to both of us, I should like to suggest the omission of the phrase “by on the spot inspection” in the next-to-last sentence. I also wonder whether we ought to go quite so far as to call it “a good chance” in the same sentence. Perhaps “a real chance?”

I think I ought to comment also on your helpful message of April 5, T183/62. If Khrushchev should change his tune on verification, I quite agree that it would give us new hope, and that we should work hard to see whether we cannot move from his new position to some workable agreement. But I do not think I could undertake to hold up our own tests on the ground of such a change alone. Neither do I believe that his acceptance of inspection should lead us to give up our long-standing view that control posts on Soviet territory are needed for a really effective treaty. I shall certainly be willing to have this problem continuously and carefully reviewed, but in the light of the agreed position of our scientific experts, it does look to me as if the alternative were between control posts and a much expanded system of inspection. And as between these two, I believe even Khrushchev

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<sup>1</sup> Thoughts on proposed statement and U.K. letter to Khrushchev. Attached is a draft U.S.–U.K. statement on nuclear testing. Top Secret. 6 pp. Kennedy Library, National Security Files, Subjects Series, Nuclear Weapons, Joint U.S.–U.K. Statement on Nuclear Testing 4/10/62, 3/62–4/62.

would prefer the control posts. I mention these matters only to avoid the possibility of a troublesome misunderstanding in the event of a forthcoming response from Khrushchev.

On the other hand, I quite agree with you that if Khrushchev merely asks for a Summit without accepting verification, then we should stand firm. If he accepts verification and then asks for a meeting, then I think we should look closely at the exact language and timing of his response and of the proposed Summit Meeting before we make a decision—but on the whole, at the moment I think this an unlikely result.

What concerns me, more generally, is that without significantly changing his real position, Khrushchev may try to give the impression of a reasonable attitude in these last days. It seems unlikely that he will sit still and let us pin the verification issue on him without attempting some maneuver. It seems to me essential therefore that our own position be such that it plainly requires a real change and not merely an appearance of change on his part. Otherwise, it would be an easy matter for him to entangle us in another prolonged and unpoliced moratorium, to be broken at his will.

On balance, as we come down to the wire, my own belief is that we will probably have to go ahead with the current series of tests, which will evidently be followed or accompanied by further Soviet tests. Yet I also think that during and after these two sets of explosions there may be new chances for agreement on a test ban. Behind the problems of inspection and verification there are the still more difficult questions of the Chinese and the French, but I for one do not think of these next days as the very last in which we shall have a chance to work for progress in this field.

Thank you very much for your message to the Dowager Duchess, which I have delivered with pleasure. I find this new method of communication very helpful, and I am able to endure the suspicion it arouses among Ambassadors and State Department officials with equanimity and even pleasure.

**John F. Kennedy**

Joint Statement follows:



## Attachment

### Joint US/UK Statement on Nuclear Testing

Discussions among ourselves and the Soviet Union about a treaty to ban nuclear tests have been going on in Geneva for nearly a month. The Soviet representatives have rejected international inspection or verification inside the Soviet Union to determine the nature of unexplained seismic events which might be nuclear tests.

This is a point of cardinal importance to the United States and the United Kingdom. From the very beginning of the negotiations on a nuclear Test Ban Treaty, they have made it clear that an essential element of such a treaty is an objective international system for assuring that a ban on nuclear tests is being observed by all parties. The need for such a system was clearly recognized in the report of the scientific experts which was the foundation of the Geneva negotiations. For nearly three years this need was accepted by the Soviet delegation at Geneva. There was disagreement about details, but the principle of objective international verification was accepted. It was embodied in the Treaty tabled by the United States and the United Kingdom on April 18, 1961, which provides for such a system. Since the current disarmament meetings began in Geneva, the United States and the United Kingdom have made further efforts to meet Soviet objections to the April 18 treaty. These efforts have met with no success as is clearly shown by the recent statements of the Foreign Minister of the Soviet Union and of their representative in Geneva, Mr. Zorin, who have repeatedly rejected the very concept of international verification. There has been no progress on this point in Geneva; the Soviet Union has refused to change its position.

The ground given seems to be that existing national detection systems can give adequate protection against clandestine tests. In the present state of scientific instrumentation, there are a great many cases in which we cannot distinguish between natural and artificial seismic disturbances—as opposed to recording the fact of a disturbance and locating its probable epicenter. A treaty therefore cannot be made effective unless adequate verification is included in it. For otherwise there would be no alternative, if an instrument reported an unexplained seismic occurrence on either side, between accepting the possibility of an evasion of the Treaty or its immediate denunciation. The opportunity for adequate verification is of the very essence of mutual confidence.

This principle has so far been rejected by the Foreign Minister of the Soviet Union, and there is no indication that he has not spoken with the full approval of his Government. We continue to hope that Chairman Khrushchev may reconsider the position and express his

readiness to accept the principle of international verification. If he will do this, there is still time to reach agreement. But if there is no change in the present Soviet position, the Governments of the United States and the United Kingdom must conclude that their efforts to obtain a workable treaty to ban nuclear tests are not now successful, and the test series scheduled for the latter part of this month will have to go forward.

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**122. Letter from McCone to Foster, April 6<sup>1</sup>**

April 6, 1962

Dear Bill:

In connection with matters at this morning's meeting, I hope that you are giving very careful consideration to the question of our position vis-à-vis the Soviets under a disarmament program with neither side restricted in the maintenance of facilities for the fabrication and assembly of military equipment. By maintaining factories intact, either idle or at a very low level of production, arrangements could be planned in a controlled society to bring the plants up to maximum production in a minimum time. I can readily envisage such a plan involving substantial inventories of fabricated and assembled components and a periodic training of personnel. This to me represents serious dimensions of the problem.

I observed this as a distinct possibility when I was in Russia two years ago and, in fact, discussed it with Professor Emelyanov and others. From them I gained the impression that under their system of central government control of both factories and workers, it would be quite possible for them to get the production lines going on an all-out basis in a very minimum time. In fact, they were unable to answer my question as to how we could protect ourselves against just such contingent planning on their part.

By contrast, our society does not seem to have the capability of doing these things. As you will recall when we were required to start up reserve plants after the outbreak of the Korean War, it proved to be both a laborious and time-consuming undertaking. I was disappointed in those days to find idle aircraft, engine, tank, and armament

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<sup>1</sup> Military production facilities. Secret. 2 pp. CIA Files, Job 80B01285A, ER Files, DCI Chron, 1/1/62-12/31/62.

plants, which had been maintained for years to provide instant mobilization potential, not usable until large amounts of money had been spent and a great deal of time consumed in re-equipping, modifying, etc.

One might argue that this need not happen in our society but it does and you must find some way in your negotiations to safeguard us against such a disadvantageous position. This is a problem not dissimilar from the problem of safeguarding against secret preparation for further nuclear testing.

Sincerely,

John A. McCone  
*Director*

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### 123. Draft Notes of Committee of Principals Meeting, April 11<sup>1</sup>

April 11, 1962

PRESENT

Rusk; Foster, Fisher, Gathright; Gilpatric, McNaughton; Lemnitzer, Dale Smith; Seaborg, Haworth, Cavanaugh; Wilson; Wiesner, Kaysen, Keeny

1. *Mr. Rusk* called on *Mr. Foster* to present the major issues. *Mr. Foster* first referred to the difference between ACDA and the other agencies concerned on the question of reduction by categories versus reduction by types as a mode for defining how arms reduction takes place. The ACDA view that reduction by categories was preferable rests on two grounds: (1) it was desirable for us to have a large capacity to improve the mix of our armaments, especially our strategic delivery vehicles; second, there are problems of clear statement involved in describing reductions by type. Since in fact some types might increase in numbers during the first stage describing the plan of reduction by type might be misleading and appear to be deceitful. *Mr. Foster* gave an example in terms of Polaris involving the very large increase over the period. *Mr. Rusk* then stated that the problem of the mix of strategic

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<sup>1</sup> Discussion centered on arms reduction, fixed launching pads, armaments for reserve forces, civilian controls, replacement production, and B-47 concerns. Secret. 5 pp. Kennedy Library, National Security Files, Kaysen Series, Disarmament, Basic Memoranda, 2/62-4/62.

delivery vehicles was so important that it could not simply be turned loose for each side to play with, but would necessarily become a subject of negotiation and agreement in the event of any real prospect of a treaty. He asked Mr. Gilpatric to comment on the question of whether the Defense Department would prefer the situation in which changes in mix were constrained by agreement to one in which they were free. *Mr. Gilpatric* answered that he much preferred to stay with a known mix or to stay near a known mix than to leave the possibility of large unforeseen changes in the mix open. He further added that with respect to production during Stage I the actual amount of production was a secondary matter. What was important was that minimum necessary to keep production capacity alive. *Mr. Foster* asked for clarification on this point. *Mr. Gilpatric* re-stated his remarks with emphasis. He said that the Defense Department was satisfied with the relative mixes prevailing now or those expected to prevail in the next year, that the Defense Department prefers to negotiate and to inspect in terms of knowns rather than unknowns. *Dr. Wiesner* affirmed his agreement with this argument and added that discussion in terms of type is simpler and clearer than discussion in terms of categories. *Mr. Foster* denied that either mode of discussion was simple. He raised the question of whether it was not much easier for the Soviet Union to increase production quickly than for the U.S. and referred to a letter from Mr. McCone to him on this subject. He also emphasized the importance to us of a choice in production. *Mr. Rusk* asked whether it might be possible to get Dean license to explore the consequences of the two formulae, but this point was not followed up. He then noticed that the smaller the production allowance, the simpler the negotiating problem, and asked whether Mr. Gilpatric's statement did not imply that we could accept a small production allowance. *Mr. Gilpatric* agreed. There was some general discussion on what was meant by small, and it was agreed that this meant a figure well under 10% per year, although no one was prepared to settle on a figure at that moment. It was agreed that it would be appropriate to transmit this sense of small to the negotiators. *Mr. Kaysen* pointed out that relevant to any given rate of arms reduction and any given production allowance, reduction by types constrained, a possible shift in mix much narrower than would reduction by categories. *Mr. Foster* asked whether the security of the US would be safe if the possible change in mix were narrowly constrained. *Mr. Gilpatric* answered yes, as did *Dr. Wiesner*. *Mr. Foster* again re-stated his question. *Mr. Gilpatric* responded that it was better to hold fast to what we know are our five-year program and our intelligence estimates of what the Soviets are doing than to embark on a speculative game of playing for a shift in mix which the Joint Chiefs could play. *Dr. Wiesner* suggested that, since all the principals except for Mr. Foster preferred reduction by types to reduction by categories,

the draft treaty outline be presented in this manner and that the reduction by categories be presented as alternative language. *Mr. Foster* declined to accept this suggestion and said that he intended to present it as it presently stood. *Mr. Rusk* agreed that both sides should be presented to the President.

2. Next topic discussed was the problem of fixed launching pads and related facilities (Pages 7–11 versus Alternate language, pages 1–2)

*Mr. Foster* indicated that it was the ACDA view that inclusion of this item as proposed by DOD would create difficulties in negotiation and might lead to discussion of overseas bases and similar other items, and he asked for the views of the DOD and the Chiefs of Staff. *Mr. Gilpatric* indicated that the Chiefs of Staff agreed with ACDA that it was too soon to put this item in, but that the Secretary of Defense, Harold Brown and he felt that it should be not in the way it is presented in the DOD alternate draft. *General Lemnitzer* indicated that the Chiefs were uncertain about whether this language would apply to Polaris. *Dr. Wiesner* pointed out that the Polaris was already included as a type of armament subject to reduction. By including missile pads along with missiles we were closing a loophole that has been serious from a security viewpoint. *Mr. Marengo*, speaking for the CIA, indicated that the Agency strongly endorses the Secretary of Defense's viewpoint both from the point of view of the ease of inspection and verification and from the point of view of security. It was a mistake to concentrate on the missiles alone and fail to deal with missile pads. The fact that we had only one missile, and we believed the Soviet Union had several. He argued for inclusion of missile pads with missiles. *Mr. Rusk* asked *Mr. Gilpatric* what his judgment was. *Mr. Gilpatric* said he thought it should be in, and it was so concluded.

3. The next item brought up was armaments intended for reserve forces (Alternate language, pages 8 and 9 (Annex A)). *Mr. Foster* stated the ACDA position that we should get rid of them in Stage I. *Gen. Lemnitzer* thought that this was impractical because of the impossibility of defining what reserve armaments were. *Mr. Rusk* asked whether the logistics backup of armaments for active forces wasn't a variable which could be stretched or compressed. *Mr. Gilpatric* indicated that he shared the Chiefs' view that this was a difficult item to deal with. No doubt it would be offered by the Soviet Union, but he thought it better to deal with it on a negotiating basis than to deal with it in our treaty draft. On *Mr. Gilpatric's* indication that he would prefer to see it removed from the draft, *Mr. Rusk* so concluded.

4. The next item brought up was the question of whether civilian members in military establishments should be subject to defined controls. After a brief discussion, it was agreed to retain this provision in the draft treaty.

5. The next item brought up was the treatment of replacement production in Stage II. (page 43, 4a). The question was whether the treaty should specify production of parts required for maintenance, or should also allow for replacement in kind on a one-for-one basis. *Mr. Gilpatric and Gen. Lemnitzer* both argued against replacement in kind and it was agreed that the language should speak in terms of limiting production to parts required for maintenance of the agreed level of armaments. The final question raised was of location by categories of the B-47 assuming that the categories scheme was used (page 8, 2b). *Mr. Gilpatric* raised this question. After a brief discussion, it was reserved for further consideration by ACDA.

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#### 124. Telegram 5441 to London, April 12<sup>1</sup>

April 12, 1962

Eyes only Ambassador Bruce. Following is a message from Prime Minister Macmillan to the President which was passed to him by Ambassador David Ormsby Gore.

QUOTE April 11, 1962

Dear Friend,

Our joint approach to Khrushchev about nuclear tests has gone well here and I think our public position in the world generally is now pretty good. I am very grateful for all your patience in working this out. I fear, however, that there is still one point which disturbs me.

In your message to me of February 27 you mentioned an addition to the series of tests proposed which you described as a pair of "systems tests" to show whether all the components of Polaris and Atlas work together. In my reply of February 28 I said that these two tests represented a difficulty but that I agreed with you that they could be included in the programme.

I am afraid, however, that when I said this I had not fully understood what was involved. I only realised when we received the detailed list of proposed tests towards the beginning of March that these two tests might mean full operational testing of ballistic missiles armed

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<sup>1</sup> Text of message from Prime Minister Macmillan to President Kennedy on joint approach to Khrushchev. Secret. 3 pp. Department of State, Central Files, 700.5611/4-1262.

with nuclear warheads. I am told that this is in fact the case although you have not given final authority for the firing to be made.

I must confess that I am worried about this. In the first place, I wonder if nuclear warheads are really necessary for full operational testing of the missile systems. My scientists advise me that, given the appropriate instrumentation, the missile systems could be satisfactorily tested with the nuclear component replaced by dummy or non-nuclear material. The nuclear warheads themselves could be proved elsewhere. Secondly, missile systems are fallible and there is always the possibility of an accident, however unlikely that might be. But the most important difficulty seems to me the strong possibility that if the United States fires missiles across and into the Pacific with nuclear warheads, which are exploded, the Russians, will follow suit. I am really concerned lest something that you or we do should open up a new and particularly dangerous field of competition in this perilous nuclear world. The position will of course be quite different if the missiles are fired without their warheads, but I do feel that it would not be right to make these particular nuclear tests and I ask you to reconsider the matter. It seems to me that the Russians are bound to find out what has happened and to inform the world and it would be hard to sustain the case in public.

I am sorry to seem in this way to be going back on what I had agreed but as I explained I did not at once understand the full significance of what you proposed.

With warm regard,  
Yours sincerely,  
Harold Macmillan  
UNQUOTE

**Rusk**

125. Table, April 12<sup>1</sup>

April 12, 1962

*ALTERNATIVE METHODS FOR REDUCING ARMAMENTS  
STARTING WITH U.S. STRATEGIC SYSTEMS IN MID-1963*

The examples below begin with the planned numbers for U.S. strategic systems in mid-1963. They involve the single category of aircraft having an empty weight of 40,000 kilograms or greater and missiles having a range of 5,000 kilometers or greater.

A. Reduction by Types and Production by Categories.

	Mid-63 Inventory	-30% Reduction	+10% Production	-10% Compensating Reduction for Production	Resulting Inventory after 3 yrs.
B-52	630	-189		-119	322
Atlas	130	- 39			91
Titan	90	- 27	55		118
Minuteman	150	- 45			105
Polaris	190	- 57	64		197
Total	1190	-357	119	-119	833
Vehicles					

B. Reduction and Production by Categories.

B-52	630	-357		-119	154
Atlas	130	0			130
Titan	90	0	55		145
Minuteman	150	0			150
Polaris	190	0	64		254
Total	1190	-357	119	-119	833
Vehicles					

Note that in both cases the production allowance has been used in the same way.

<sup>1</sup> Comparative methods of reducing armaments. Table is an attachment to an April 12 memorandum from Kaysen to President Kennedy on disarmament issues. Secret. 1 p. Kennedy Library, National Security Files, Kaysen Series, Disarmament, Basic Memoranda, Memorandum to the President 4/12/62.



**126. Letter from Seaborg to President Kennedy, April 12<sup>1</sup>**

April 12, 1962

Dear Mr. President:

The purposes of this letter are to confirm the schedule of nuclear tests proposed for the atmospheric testing program, to obtain your approval to implement the program, and to obtain your approval for the expenditure of the special nuclear materials to be expended in the test series.

The proposed atmospheric nuclear test program of 26 events, plus two contingency items, is submitted as Enclosure 2. The justification for all events has been furnished to you or your staff in previous correspondence, as shown in Enclosure 3.

The program proposed in Enclosure 2 is considered firm as of this date; however, it must be recognized that flexibility to add, substitute, or otherwise modify the program must be retained if maximum information is to be accrued from the test series. Also, in view of the extremely compressed schedule of events, it should be noted that the execution of certain shots may extend into July. While no major changes to the program are foreseen at this time, I shall, if the need arises during the execution of the series, request your approval of any such changes.

Please note that Enclosure 2 lists two contingency items. Devices are being readied for these contingency events, but will not be fired unless experimental results show this to be necessary. In any event, the contingency items will not be detonated until after your staff has been notified.

The Commission is satisfied that adequate precautions are now planned by Joint Task Force Eight for all air drop events in the vicinity of Christmas Island and for the rocket-launched, high-altitude tests to be conducted from Johnston Island. The Commission has reviewed the operational plans for the test program from the point of view of our responsibility for over-all public health and safety for all of the proposed tests, except the system test of the ATLAS (ANGEL FIRE). Detailed discussion of the plans for the ATLAS system test is planned in the near future. Safety aspects of the remaining proposed systems tests—ASROC and POLARIS, as well as ATLAS—are currently being studied by the Department of Defense; we will consider these further when this study is completed by DoD.

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<sup>1</sup> Atmospheric testing program issues. Secret. 2 pp. Kennedy Library, National Security Files, Nuclear Weapons Testing, 4/5/62–7/30/62.

In order to conduct the atmospheric test program, consisting of the DOMINIC events in the Pacific and the SMALLBOY event in Nevada, it will be necessary to expend [*text not declassified*].

I wish to call to your attention the Department of Defense POLARIS and ATLAS systems tests included in the series; the ASROC test could also be considered a test of this type, although its major purpose is to obtain effects information. There is a finite, though not predictable, probability that one or more of these tests may malfunction to the extent that the missile will have to be aborted prior to fulfillment of its mission—in which case the warhead, with its special nuclear materials, would probably be lost by burial deep at sea. The materials expenditure authority requested above does not take into account such malfunctions, but includes only those materials considered necessary for satisfactory execution of the nuclear detonations of the test program. I do not plan to request your authorization for additional materials in event of such a malfunction, but will assume authorization for the materials involved from your approval of this letter. You will, of course, be advised of any systems mishaps.

Respectfully yours,

**Glenn T. Seaborg**  
*Chairman*

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**127. Memorandum from Battle to Bundy, April 27<sup>1</sup>**

April 27, 1962

The Secretary thought it would be useful if the President could have a preliminary assessment of world reactions to the US resumption of nuclear atmospheric tests when he speaks with Prime Minister Macmillan on Saturday morning. With that end in view, this morning he asked Ed Murrow and Roger Hilsman to prepare the enclosed papers on the subject. The USIA paper concentrated primarily on Free World press reaction. The INR paper is more analytical in its approach. There

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<sup>1</sup> World reaction to U.S. resumption of nuclear atmospheric tests. No classification marking. An attached memorandum from Hilsman to Rusk provides an abstract and specific country reactions. Secret. Also attached is an April 27 paper describing the initial Free World press reaction. Official Use Only. 27 pp. Department of State, Central Files, 711.5611/4-2762.

is nothing in either one which would preclude its being read or passed on to Mr. Macmillan.

**L.D. Battle**  
*Executive Secretary*

### **Attachment**

INR-67

#### **SUBJECT**

World Reaction to the US Resumption of Nuclear Atmospheric Tests

#### *Abstract*

1. This preliminary analysis has been prepared in response to your request this morning. For the most part, the tests have had the kind of impact we thought they would. Friendly and allied countries have shown an understanding of the reasons for the tests and have supported their resumption. Reactions in key non-aligned countries such as India, the UAR, and Indonesia have been more restrained, even, than anticipated. Moscow has been careful not to overplay the subject to the point where it would logically have to break up the Geneva talks, inhibit its own future testing, or limit US-Soviet discussions on Berlin.

2. Reaction to the tests has been influenced by (a) the fact that Moscow first broke the moratorium; (b) a recognition that the US had to resume testing in order to maintain nuclear equality with the USSR; (c) the fact that the US decision was taken reluctantly; and (d) the prior explanations which US representatives made to foreign governments.

3. Opinion leaders throughout the world continue to express concern about the ultimate consequences of the vicious circle of testing. In this respect, both the US and the USSR are held responsible.

4. Japanese reaction has shown significant restraint, in general, coupled with a discernable growth of awareness of the importance of tests to the military position of the Free World.

5. The position of the US in the eyes of its allies in the Far East can be expected to have been enhanced by the tests as a demonstration of military preparedness.

6. Cairo's reaction has been controlled and comparatively mild, influenced probably by current discussions over possible US aid.

7. Pakistan has made little or no comment, probably because of its desire not to antagonize Moscow on the eve of the Kashmir debate in the UN.

8. Ghana has sharply criticized the tests and will probably continue to do so in order to publicize its forthcoming "Ban the Bomb" conference in June.

9. There is no evidence that the Soviet Union will alter its fundamental stand on the issue of a nuclear test ban. It will probably continue to argue for the adequacy of national means of detection, though it may seek to make some minor concession—perhaps adding some sort of international commission to its November 28, 1961 proposal—in order to capture neutralist opinion.

10. A special informational effort may be required to distinguish between the limited fallout from the US tests and the fallout from the Soviet tests which is now occurring in the northern hemisphere. Japanese concern, in particular, can be expected to increase.

#### *FAR EAST*

The US position in the Far East has been enhanced among its allies, who see in the US resumption of testing a new demonstration of military preparedness. The non-aligned nations, on the other hand, maintain a "plague on both your houses" attitude of helpless regret. In the special case of Japan, no significant shift in relations with the US is anticipated.

So far, there is extraordinarily little blatantly, double-standard criticism of the new US tests among Asian leaders. Although such criticism may increase as the tests progress, prior US Government efforts—including the President's speech, diplomatic representations and the Western position at Geneva—appear to have had a strong positive effect.

*Japanese Reaction Relatively Restrained*—Despite Japan's high sensitivity to nuclear testing, early reactions, on balance, have reflected a significant degree of restraint. There have, of course, been demonstrations before the US Embassy, student sit-down demonstrations, and other communist and leftist protest activities. The government has protested both verbally and in writing. Nonetheless, awareness of the importance to the free world of these US tests has grown measurably. Critical newspapers are taking note also of Soviet intransigence; communist-line anti-bomb groups have made at least a gesture toward neutralism by requesting that the USSR refrain from resuming tests. While the forthcoming Upper House election campaigns may be exerting a restraining influence on one hand, May Day and communist agitation will be working in the other direction. As the tests continue, Japanese concern regarding fallout can be expected to increase; at the same time, the government may take a more scientific and less emotional attitude toward protective measures.

*Public Reactions Negative in Non-aligned Countries*—The press and other public media in Cambodia, Indonesia, and Burma will undoubt-

edly react negatively. Sihanouk's private view, however, has been that the US decision to resume testing was understandable in terms of the Soviet resumption. No high Indonesian official has yet been publicly critical, although this may follow as much from an appreciation of the US role in the West New Guinea issue as from realistic assessments of the merits of the US case. The official Burmese position is one of deep regret for the US actions, especially since they would have an adverse effect on the deliberations of the Disarmament Committee (of which Burma is a member). The Singapore Government's anti-test posture was assumed publicly to deny local political advantage to the opposition.

*US Allies Support Test Resumption*—The smaller US allies in the Far East uniformly agree that the tests are necessary. The Thai Foreign Minister, for example, said that free world security, including that of Thailand, depends upon US forces. The Philippines Foreign Office called the US resumption of tests a "painful necessity" over which "nobody can possibly rejoice" for the purpose of deterring aggression and preventing the danger of Soviet nuclear supremacy. Similar views have come from South Korea and South Vietnam. In Taiwan, a Foreign Ministry spokesman expressed the hope that US tests will compel the Soviet Union to abandon nuclear testing as "an instrument to intimidate and blackmail the free world." Australia, New Zealand and Malaya all firmly back the US.

The fallout issue has been specifically mentioned only in New Zealand, where the government assured Samoan and other island people under its jurisdiction that they will not be endangered, and in the Philippines, where the Civil Defense Administrator said there would be no danger to the country from fallout.

#### AFRICA

Resumption of testing is not expected to have any damaging effect on US relations with Africa.

*Ghana Sharply Critical*—As expected, reaction has been sharply critical in Ghana, where the government-controlled press accuses the US of torpedoing the Geneva talks. The Ghana Government has appealed to the US to discontinue the tests "in order to clear the atmosphere for the negotiations. . . ." Although admitting that it was the Soviet Union which first resumed testing, the government has criticized the US more sharply than it did the Soviets last September. The government will probably continue to play up the tests in order to publicize its forthcoming "Ban the Bomb" conference scheduled for Accra in June.

*Nigerian Leader Publicly Supports US Tests*—In contrast, Prime Minister Balewa of Nigeria has publicly stated that he thought the US was justified in resuming testing because of the need to maintain a balance

of forces. Although privately-expressed reactions along these lines were expected from some of the more moderate African leaders, sympathetic statements in public were not expected. Balewa's statement, however, may encourage other African leaders to indicate publicly their understanding of the need to resume tests, although the general tenor of the response is still expected to be one of regret and mild criticism, if perhaps not as strong as initially expected.

#### NEAR EAST AND SOUTH ASIA

*US Allies Stress Soviet Responsibility*—In their commentary on the US tests Greece, Turkey, and Iran put stress on Soviet responsibility for the US decision to resume testing. The Turkish government is apparently placing unusual emphasis on this theme. In addition to giving a detailed justification of the US resumption of testing, the Turkish radio went beyond its customary policy of non-provocation toward the Soviet Union by sarcastically rebutting the Soviet official reaction to US testing.

*Pakistan Silent*—There has been no reaction so far in Pakistan to the test resumption. Pakistan is more intimately concerned with the domestic issue of Kashmir and would not wish to antagonize the Soviet Union just prior to a UN debate on Kashmir.

*Indian Reaction Moderate*—The reaction in India presently appears to be much less vocal and critical than might have been expected. This moderation probably stems from two main factors. First, there is a recognition that the test series derives directly from last fall's Soviet series. Second, the Indians have been well-prepared for the series and thus there has been no opportunity for a reaction marked by shock and haste.

Prime Minister Nehru expressed concern on April 24 in Parliament over the increasing danger posed by fallout and, more importantly, his belief that turn-about testing increases the threat of a world-encompassing war from which no one could completely escape. However, he carefully noted that the agreement to halt tests had been broken by the Soviet Union. Newspaper comment appears to have been generally moderate though far from approving, probably reflecting the Prime Minister's subdued treatment. However, the *Hindustan Times* has sharply questioned the need for the tests, stating its belief that the United States enjoys superiority in nuclear weapons over the USSR, and has called attention to the location of the tests, noting that the areas to be affected by fall-out include the non-white, under-developed countries.

*UAR and Iraq Condemn the Tests*—Reactions from the Arab world to the resumption of US testing have varied in intensity. As expected, the earliest adverse reactions have come from the United Arab Republic

and Iraq. The UAR delegate at the current Geneva Disarmament Conference protested the resumption, calling it a tragedy. In Cairo, newspaper editorials and radio broadcasts have condemned the tests. But the reaction is a controlled one and possibly will not be carried further than a statement from President Nasser condemning the resumption, such as he made against the USSR last September. This relatively mild UAR reaction is conditioned by the current improved state of relations with the United States and the US announcement giving advance notice of the tests. Initial unfavorable reaction in Iraq will probably be supplemented by increasingly vituperative attacks on the United States. Iraqi officials have been adamantly unreceptive to recent US attempts to explain the reasons for conducting atmospheric tests.

*Other Arab States More Moderate*—Reactions from other Arab nations may be expected to be unfavorable but moderate, particularly those from Jordan, which is heavily dependent upon US financial support. Saudi Arabia and Lebanon, as well as Jordan, have recently indicated sympathy for the US position on testing; they cannot afford, however, to break Arab unity by expressing positive approval or active support. Similarly, the new transitional Syrian Government would publicly express opposition to tests, although it has already indicated a favorable disposition toward the US role in the defense of the non-communist world.

*Israel Regards the Tests as Inevitable*—Initial Israeli reaction, as given by the official radio, expressed anxiety about where the nuclear arms race may lead, but was not critical of the US test resumption. In fact, it regarded the US action as having been a foregone conclusion after the Soviet violation of the test moratorium.

### SINO-SOVIET BLOC

Soviet propaganda reaction to the US resumption of atmospheric testing was prompt and voluminous. Following already established lines, Soviet propaganda pictured the US action as an aggressive act likely to exacerbate international tensions, and charged that the US tests would cause unprecedented amounts of radioactive fallout upon underdeveloped countries of the free world (nothing was said about fallout over bloc countries).

*Moscow Avoids Pressing the Issue Too Far*—However, Moscow has avoided overplaying the subject, and is apparently unwilling to press the issue to the point where the USSR would logically be called upon to break off the Geneva disarmament talks, or to the point where the US-Soviet discussions on Berlin and Germany would be adversely affected or the Soviet Union's own testing would be inhibited. As predicted, the USSR did not walk out of the Geneva disarmament conference. Immediately prior to the start of the US test series, Soviet



leaders avoided direct comment on the forthcoming tests. Khrushchev in his April 20 interview with Gardner Cowles of *Look* magazine and Gromyko in his April 24 Supreme Soviet speech both discussed the test-ban issue, but both avoided substantive discussion of the US resumption of atmospheric testing.

*Soviet Union Will Resume Tests*—Both Khrushchev and Gromyko have formally stated that the Soviet Union would respond to further Western tests in any environment with tests of its own. When the Soviet Union begins its own tests, it will probably continue to attempt to blame the US for the nuclear arms race, using the arguments that the Western powers have carried out more tests than the USSR and that Soviet testing has been in response to Western aggressiveness.

*Position on Test Ban Unchanged*—There is no evidence that the Soviet Union will alter its fundamental stand on the issue of a nuclear test ban. It will probably continue to argue for the adequacy of national means of detection, though it may seek to make some minor concession—perhaps adding some sort of international commission to its November 28, 1961 proposal—in order to capture neutralist opinion.

*Bloc Reaction Uniform*—Thus far there have been no significant divergences in bloc propaganda on the US resumption of atmospheric testing. Communist Chinese and Albanian propaganda commentary has generally followed Soviet lines, though with a greater degree of verbal asperity. In one instance, Peking used the testing issue as a lead into a general editorial criticizing the Kennedy administration in a manner which Moscow has avoided.

## LATIN AMERICA

The limited reaction thus far in Latin America to US resumption of nuclear testing is unfavorable, as expected. However, no basic changes in the foreign policy orientation of any Latin American countries are expected, and no sizeable segment of the population is expected to be turned against the United States. Moreover, the generally adverse reaction has been modified by friendly support in Mexico and Panama.

*Favorable Reactions in Mexico and Panama*—Mexico's official reaction, not yet received, is expected to be adverse. However, an April 27 editorial in the newspaper *Atisbos* recalls that the Soviet Union broke its promises on atmospheric testing while the US kept its word and did not test during the futile talks in Geneva. *Atisbos* declared that the US must recover the time Russia won or "admit defeat before a struggle and leave the civilized world at the mercy of communism and Soviet imperialism." Nevertheless, it is expected that the Mexican Communist Party will attempt to link the resumption of atmospheric nuclear testing to its planned protest of President Kennedy's scheduled June visit.



Reaction from Panama came in the form of an April 27 television commentary on the resumption of nuclear tests in which Russia was condemned for its contempt of world public opinion and its attempt to arouse fear with 50-megaton explosions. If the Russians were allowed to continue in the nuclear field alone, the Western world would perish. The US had to resume nuclear testing without delay.

*Brazil Officially "Regrets" Test Resumption*—The Brazil Foreign Office in an April 26 note expressed "regret and apprehension" over the policy of atmospheric testing followed by the nuclear powers despite the General Assembly's resolution. Brazil reiterated her intention to continue to call for cessation of these tests. The Brazilian Foreign Minister authorized the Brazilian UN delegation to make a formal statement regretting the US resumption.

*Cuba Initiating a Fear Campaign*—Havana's initial reaction stressed US "disrespect" for the disarmament conference now in session and US disregard of official and popular protests. Subsequently, an April 26 broadcast began a terror campaign stressing the danger of fallout over areas north and south of the equator and calling the test resumption an attempt to intensify the cold war and to frighten peoples fighting for "national liberation." An *El Mundo* editorial emphasized popular fear and considered the USSR justified in testing new types of nuclear weapons if the US persists in its tests. In Latin America generally, the communist press may well attempt to link the US with the Soviet-caused fallout now beginning, even though the fallout will occur mostly in the northern hemisphere.

#### WESTERN EUROPE

*US Resumption Believed Inevitable*—Western European reaction to US resumption of nuclear testing has fallen into the predictable pattern. There is universal concern over the biological effects of radiation and regret that tests are being undertaken. However, the fact that the Soviets first broke the moratorium and the deliberate manner in which the US decision was taken helped to convince the overwhelming majority of noncommunists that US resumption was inevitable. As a result, reaction has been limited and mild.

*US Explanations Accepted*—The reasons given by the US Government for renewing tests are generally accepted. Prior explanations to the various governments were particularly effective in forming opinion. Statements by President Kennedy indicating delay in making the final decision, the offer to desist if the USSR would agree to an effective control system on testing, and assurances that fall-out would be kept as small as possible also significantly influenced the reactions.

*USSR Blamed*—That the US Government made the decision most reluctantly was generally accepted. In fact, much sympathy was

expressed in groups in the center and to the right with the soul-searching the President was assumed to have undergone. These groups have placed the blame for the situation squarely on the USSR. Groups on the left, however, have tended to blame the USSR and the US jointly while deploring the renewing of the nuclear arms race and expressing apprehension about the effects on the Geneva disarmament talks and the possible establishment of an effective test ban.

*Demonstrations Have Had Little Impact*—Demonstrations against US testing so far have been limited almost exclusively to Communist-inspired and pacifist groups and have been fewer and less emotional than was expected. Nowhere have they materially affected governmental attitudes. Western European Communist attacks on the US have not been of the anticipated severity partly because of the expectation of resumed Soviet tests.

*Official and Public Reaction Nearly Identical*—There is so far little difference between the official and the public attitudes expressed in the various Western European countries. Spain and Portugal were most sympathetic to the US action, while the Finnish Government stated it opposes tests regardless of which power undertakes them. Canadian Prime Minister Diefenbaker issued a statement confined to decrying the failure of Geneva disarmament talks to achieve a solution which would enable nuclear powers to dispense with further testing.

### Attachment

ROA/-1-62

#### INITIAL FREE WORLD PRESS REACTION TO OPENING U.S. ATMOSPHERIC TEST

##### *Highlights*

1. The initial U.S. atmospheric test was given heavy press play and evoked substantial editorial comment. Although disapproval, dismay, regret and concern were freely expressed, the general tenor of free world press comment was mild and was marked by a tolerant understanding of the U.S. position as well as frequent moral support for U.S. action. None of the available comment has approached the level of anger and reproachment loosed against the Soviet Union at the time it broke the test moratorium.

2. Free world press comment—with few exceptions—exhibited a complete awareness of U.S. rationale for beginning its test series and placed a large share of the onus for the current situation on the Soviet Union. The one common and overriding concern of the free world's

press was the specter of a never-ending nuclear arms race which could lead only to disaster for the world.

3. The Japanese press—in marked contrast to current leftist-led demonstrations—continued to take a balanced approach to the question of U.S. tests. While making it clear that U.S. testing could never be condoned, comment emphasized that it was the Soviet Union which broke the test moratorium and has refused to accept international inspection. In Japan the primary fear was that an uncontrolled nuclear arms race would develop as a result of continued testing by either the U.S. or the Soviet Union. Comment from Nationalist China, South Korea, and the Philippines supported the U.S. decision.

4. Western European press comment generally expressed regret over the U.S. test but was clearly sympathetic with the U.S. view of its need for further tests and openly critical of the Soviet Union for its previous tests which broke the moratorium. Fear of a nuclear arms race was prevalent and particularly strong in Sweden.

5. From the Near East the limited comment available indicates that the U.S. was supported by the press in NATO/CENTO countries, while the Arab press was mildly critical of U.S. action. Published statements of leaders in India and Ceylon suggest that U.S. tests were “deplored,” but no severe criticism of the U.S. was included in these releases.

6. African press comment is mixed. There is a tendency to denounce U.S. testing within the context of disapproval of all nuclear testing. A few comments acknowledge some justification for U.S. action without giving up a strong opposition to all testing.

7. Skimpy comment from the Latin American press takes the line that U.S. testing is unfortunate but President Kennedy had no choice after the Soviets tested.

#### WESTERN EUROPE

The great majority of Western European media accepted the current nuclear tests by the US as an “unavoidable necessity” in order to safeguard its strategic and security interests. Moreover, the US was generally thought to have done all it could to avoid a resumption of tests, and failing this, to keep them below the danger-point of fall-out. Conversely, the leadership of the Soviet Union rather than that of the US was held responsible for the current series as well as for the new nuclear armaments race that may follow. Public opinion appears to be conditioned not only to the present US testing but also to a subsequent Soviet series of nuclear tests. Whatever concern was expressed centered on the period following the anticipated two rounds of testing and vented itself in suggestions for a new moratorium or a summit meeting. Criticism of the US action was confined to several of the leading socialist papers and, in a few instances, to the independent press.

The reason most often advanced in support of the US decision to test was that the Administration had "to restore the balance of power" and provide nuclear equality. Some papers went so far as to suggest that it would have been "irresponsible if the leading power of the West had not taken measures" to ensure this equality, in the absence of any controlled test ban agreement. The US decision was widely interpreted as necessary "to meet the military threat from Communism on any level anywhere in the world."

Many media concurred that the President had done everything in his power to delay the tests and that the US and UK had gone as far as possible in narrowing the differences precluding an agreement at Geneva. Papers also pointed out that the US had given plenty of advanced warning and made its preparations "in complete openness." In several instances the public was reminded that the Americans had "announced that virtually no radioactive fall-out will result from their tests."

While the US was thus largely exonerated, the USSR incurred criticism on three counts. Firstly, the unilateral and sudden break of the moratorium by the Soviets last fall was considered as having set in motion a chain reaction. The atomic blasts in the Pacific were considered "a logical consequence of the Soviet explosions in Siberia." Secondly, the Soviets were blamed for their intransigence at the Geneva conference. Thirdly, their pretensions to be the champions of disarmament were in reality only a pretext to hold on to their advantages in nuclear armament and deprive other countries of opportunities for similar development.

Some dissent to this prevailing view was expressed in major Socialist papers. The latter were inclined to argue that the reasons advanced by the US were not sufficient to justify a resumption of testing. The blame for the rotation of the "vicious circle" was laid equally to the US and the USSR and "their pretenses of assuring their security." In a few instances the US was charged with having made "unnecessary demands" in the question of international control of tests so that it could go on testing once an impasse had been reached at Geneva. At least one major non-Socialist paper argued that the plan of the eight neutrals could have been accepted by both super-powers and made the renewal of tests unnecessary.

Although support or at least acceptance of the US decision was widespread, there was a growing anxiety as to ultimate consequences of a renewed nuclear arms race. Concern was also registered as to the immediate consequences of US test resumption on negotiations in other critical areas such as Berlin where the situation seemed encouraging. Recommendations ranged from a new moratorium immediately after "Americans and Soviets have done with the series of tests" to the call

for a summit meeting. Media took some hope for such possibilities from the fact that US-Soviet contacts on issues other than nuclear testing had not been broken.

#### SELECTED QUOTES

##### *Unavoidable Necessity*

*The Times*, London, conservative

"Whether the next round of nuclear tests is followed by a test ban or by another phase of nuclear stalemate, the United States is giving an unmistakable lead to its Western allies in making ready to meet the military threat from communism at any level anywhere in the world."

*Der Tag*, Berlin, pro-government

"It would be irresponsible if the leading Western power would not have taken measures to insure nuclear equality, in the absence of any controlled test ban agreement."

*Goeteborg Handels och Sjöfarts Tidningen*, Goeteborg, conservative

"The Soviet Union has. . . left the Western Powers with no choice but to try to keep pace with the Russians."

*Nouvelle Gazette*, Charleroi, liberal

"The President could not permit the Soviets to profit from their experiments last fall, and he had to prevent them from basking in a dangerous nuclear superiority complex, which could have prompted them to commit a folly condemning all of humanity."

##### *Differences Between US and USSR Tests*

*Gazzetta del Popolo*, Turin, independent

"We deprecate US explosions as we deprecated the Soviet explosions but we would not be honest if we were to confuse the different responsibilities of the respective decisions."

*Helsingin Sanomat*, Helsinki, independent

"Preparations for the Novaya Zemlya detonations were made in complete secrecy, while the three atomic powers were negotiating on a test ban agreement and after they had agreed on a suspension of tests for the duration. . . . The United States, again, has made its preparations over several months in complete openness and has also made public the conditions under which it will cancel the tests. . ."

*Daily Telegraph*, London, conservative

"No decision could have been made with greater reluctance or been preceded by so much searching debate, and President Kennedy would be the last to ignore the impact on world opinion."

*Soviet Responsibility*

*Morgunbladit*, Reykjavik, conservative

"By violation of the three year nuclear test moratorium last fall, the Russians deliberately started a new nuclear testing race."

*Corriere della Sera*, Milan, independent-conservative

"Public opinion of the non-communist world will realize that responsibility for the rupture of the nuclear truce falls on the USSR which first resumed tests last fall."

*Daily Telegraph*, London, conservative

"The Americans insisted on an extremely small measure of international control as the basic condition of a ban. But Khrushchev refused to accept any form of international inspection even by neutrals. . . . But if the present clash is not to lead to a further acceleration of the arms race it is imperative to draw a line on nuclear testing."

*Sueddeutsche Zeitung*, Munich, left-center

"There is much at stake, and the US does not again intend to be exposed to the danger of being hindered in its weapons development by an uncontrolled moratorium. Washington has a well-founded fear that the Soviets would not hesitate to violate a second moratorium to gain a nuclear advantage—with all the dangers to peace that this would entail."

*Criticism of US*

*Avanti*, Milan, socialist

"The arguments put forward first by the USSR and now by the US are not convincing."

*Le Peuple*, Brussels, socialist

"Easing of tension is indivisible, and one cannot negotiate on the one hand and brandish H-bombs on the other. The effect upon the Geneva disarmament conference also threatens to be deplorable. Even more disastrous will be the effect upon the non-aligned nations."

*Arbeiter Zeitung*, Vienna, pro-socialist

"The mediation attempts of the neutrals have made it clear that America is creating conditions at least concerning the control of atmospheric nuclear tests which are not really indispensable and which evidently aim at Soviet rejection. It is apparent: America wants to carry out the test series in order to overcome the advantage which the Soviet Union achieved through its fall megatest series."

*Recommendations*

*Journal de Charleroi*, socialist

"The only reasonable solution lies in a summit meeting which could produce a new peaceful international climate."

*Le Monde*, Paris, independent

"In all capital cities, conviction is above all expressed that a quest for a nuclear test ban agreement is more necessary than ever, and hope that such agreement will become easier once Americans and Soviets have done with the series of tests which both have begun."

*Daily Telegraph*, London, conservative

"For the moment President Kennedy has taken the initiative and it would be well if he made it clear once again that these tests were meant not only to catch up with Russia, but to come to terms with it."

#### FAR EAST

Initial reaction from the Far East to U.S. resumption of atmospheric testing, while indicating widespread fear that renewed Soviet testing will follow, shows a large measure of support of the U.S. The action is generally recognized as a painful necessity imposed by U.S. responsibilities to the free world to maintain a nuclear capability at least on par with the Soviets. The Philippine press notes that the greatest hazard to be reckoned with is Soviet superiority in nuclear weaponry and not the immediate hazard of nuclear fallout. The resumption of testing by the U.S. was generally accepted as inevitable; however, rather widespread optimism was observed that the conclusion of the series could witness an earnest attempt by both sides to reach agreement on a permanent ban on testing. On the dissenting side, a Reuters release from Singapore quotes an official Singapore Government statement noting: "Non-nuclear countries like us feel it is all pointless, both in terms of insuring better relations between the two major powers and from the point of view of resuming these tests."

Heavy Japanese media reaction initially has displayed a balanced approach to the U.S. tests, assessing carefully both the U.S. test rationale and the Soviet role in the U.S. test resumption. Editorialists generally have agreed that President Kennedy sincerely desired to avoid testing and agreed to do so only because he considered it a military necessity. At the same time they have tended to agree that a large share of the responsibility for the U.S. resumption lies with the Soviet Union because of the latter's failure to accept a minimum of international inspection. The press has made clear, however, that it cannot condone the U.S. tests. The unique Japanese revulsion against all forms of testing, the fears of a nuclear arms spiral, and the doubt that the tests really are needed for free world security, have combined to prevent any possible condonement of the U.S. tests.

#### PERTINENT QUOTATIONS

*Philippines*

*Philippines Herald*, Independent, Manila, April 26:

In the Western world, there is actually greater approbation than disapproval of the U.S. tests. The U.S. decision to resume nuclear testing



was made reluctantly and only after every effort had failed to melt Russia's obduracy on the matter of concluding a foolproof test ban treaty with the West. It is now, in fact, generally believed that Russia's refusal to agree to international inspection is due to its desire to resume its own nuclear tests and to its determination to maintain secrecy of behind-the-Iron-Curtain military operations and activities.

That protest should continue rising around the world is only too understandable. The threat from radioactive fallout is always present and could have, for certain areas, if not for the entire world, the gravest implications, indeed. But against this threat must be reckoned the much greater threat to all mankind, should Russia be permitted to keep its gains and add up on its advantages in the nuclear weapons race.

*Manila Times* editorial, Manila, April 27:

The Soviets had tried, after completing their own tests last year with the explosion of a 50 plus megaton bomb, to bring world public opinion to bear on the Americans to stop them from following suit. The Soviet propaganda strategy, however, failed to achieve the desired effect even in the uncommitted countries, while America's allies in the cold war were more inclined to approve than otherwise.

But world public opinion may, without prodding from any quarter, yet be mobilized against nuclear testing, whether by the U.S. or the Soviet Union or any other nuclear power. The hope is that after the U.S., which is merely replied in kind to the Soviet experiments, has completed its current series, the Russians may decide to meet the West halfway on a workable disarmament plan and pave the way to an agreement to end all nuclear testing.

*Malaya*

*Straits Times* editorial, Kuala Lumpur, April 26:

Mr. Kennedy has had the choice of letting the Russians secure a nuclear lead, or bringing down upon himself the obloquy of a world which failed to prevent the Russian tests and failed to secure a test ban agreement. Mr. Kennedy in fact is given no choice.

When the U.S. and expected Russian counter series are over there may be an opportunity . . . of returning once more to the problem of a permanent ban. If by midyear Russian and American scientists and defense chiefs reach some sort of finality in their testing there will be a chance worth seizing.

*Singapore*

Singapore Government statement, April 26:

We regret very much that the United States should have resumed testing because it will only start a chain reaction of tests on both sides. . . . Nonnuclear countries like us feel it is all pointless, both in terms of insuring better relations between the two major powers and from the point of view of resuming these tests.

*Nanyang Siang Pao* editorial, Singapore, April 27:

American authorities have indicated they are prepared to listen to a barrage of attacks from the Eastern camp while awaiting whatever



criticism that may come from neutralist nations. But no matter what justification the U.S. may advance for resumption of its atmospheric tests, the Soviet Union will certainly have stronger reasons to conduct a series of similar tests.

. . . . In all fairness, one might say that while the U.S. atmospheric tests resumed at risk of alienating world sympathies, it is difficult to apportion blame on anyone when it is considered that the U.S. action was provoked deliberately by the Soviet Union and that Moscow is likely to do the same thing.

### *Japan*

*Asahi*, neutral, Tokyo, April 26:

Our appeal is about to be disregarded. This is extremely regrettable. It is not that we have forgotten about the Soviet's sneak blow last fall, and we are aware that the U.S. was saying until the very last moment that it would not test if the Soviets would accept the principle of international inspection and conclude a nuclear test ban agreement. We also know that Gromyko's address immediately before Kennedy's order to resume testing flatly rejected the idea of progressive zonal inspection to which great hopes were attached by many nations. We are aware of all these facts and yet we cannot bring ourselves to agree with the current decision to resume tests.

The main objection is that, regardless of what country carries them out, the tests themselves are evil. They pose issues transcending the question of whether they violate the principle of the freedom of the seas or the effects on the fishing industry.

It is not impossible that the U.S.S.R. might change its attitude at the last minute and agree to the principles of international inspection. The U.S. resumption poses a grave threat to the peace of the masses of the world. It will mean immeasurable political and moral loss for the U.S. Is it not the necessity to secure more firmly the moral strength that the U.S. enjoyed since the U.S.S.R.'s sudden resumption last fall.

*Mainichi*, neutral, Tokyo, April 26:

The U.S. finally decided to resume testing and this is most regrettable. This will put an end to the test ban negotiations now going on, and the Soviets will resume their own tests, and the U.S. will be made an object of world accusations for the time being. . . . Why was the decision made, and why has world opinion been so powerless in stopping the U.S. from resuming testing? Kennedy's March 2 address made it clear that the present test were decided upon out of military considerations.

Another reason may be found in the nature of world opinion itself. The U.S. Government leaders seem to think that world public opinion demanding the halt to the tests has not been truly fair. . . . When the Soviets suddenly resumed testing and threatened the world with a 100-megaton bomb, neutral nations at Belgrade and at the U.N. showed only lukewarm reactions without coming up with effective conclusions. As a consequence their position as the guardian of world conscience was greatly weakened. . . . We think that the only way to stop this

vicious circle of nuclear testing is for the Soviets to accept the principle of international inspection to which it had once agreed.

*Yomiuri*, neutral, Tokyo, April 26:

The excuse used by the U.S. and the U.K. [to resume testing] is that the U.S.S.R. cannot be trusted, and they say that the U.S.S.R. cannot be trusted because it broke the moratorium last fall. But the Soviets did not conclude a gentlemen's agreement; it was a unilateral declaration and breaking on its part. So this fact alone is a little weak as the greatest reason for resumption. Of course, the U.S.S.R.'s breach is outrageous and it must shoulder moral responsibilities, but why is it necessary for the U.S. to imitate the Soviet Union and to stand on the same moral level with the Soviet Union. It serves only to degrade the U.S.'s position in trust. . . . It appears that the world must face a limitless vicious circle.

### NEAR EAST AND SOUTH ASIA

Extremely skimpy reaction so far to U.S. resumption of nuclear testing has found support for the U.S. in the NATO/CENTO countries and was mildly condemnatory of the U.S. in the Arab states and South Asia. Prospects for the Geneva talks were seen to be grim.

#### *Blame*

NATO/CENTO countries laid full blame on the Soviets for their earlier resumption. Egyptian media pointed out that while each camp was blaming the other, both were equally to blame. Radio Israel said the U.S. was no more to blame than the Soviets.

#### *Consequences*

The USSR was generally expected to resume testing now. The climate at Geneva was expected to deteriorate and prospects for overcoming differences were believed to have dropped very low. World tension was thought to have increased.

#### Quotations noted:

*Al-Akhbar* (Cairo): "Each of the two camps is accusing the other of hating peace and preparing for war. Both are emphasizing in passionate words their own love for peace; but the world is fed up with words . . . and seeks. . . some sincere action for the sake of peace."

*Le Progres Egyptien* (Cairo): "Whatever the motives which inspired Washington's decision to undertake its series of tests and whatever the justifications, this American decision cannot facilitate an agreement at Geneva. The climate will now deteriorate rapidly, especially if Moscow puts its threat into effect and tries armaments of a new kind."

Baghdad Radio (quoting Communist *Al-Bilad* of Baghdad): "The nuclear tests are no less dangerous to us than to other peoples of the

world. . . . The policies of other liberated states will be dealt a blow as a result of the United States' nuclear tests."

*Wahdah* (Damascus): "What is the difference with respect to human values between 1962 A.D. and 1962 B.C. if this fighting continues between states?"

Jerusalem Radio (Israel): "When the Soviet Union resumed its nuclear tests last September, there was no room for doubt that the United States would be compelled to follow suit. The Soviet Union resumed its tests while nuclear test ban talks were in progress in Geneva. The United States did the same."

*Kathimerini* (Athens): "The two Western powers (US and UK), after resumption by USSR of A-testing last September, cannot possibly hold to the status of 1958 and respect a tacit agreement. Because they can no longer have confidence in the Soviet Union. Any superiority in A-tests, especially in the field of missiles, could overthrow the nuclear balance now existing between East and West."

Ankara Domestic Service: "Moscow's reaction to the resumption of tests has been as strong as it is unjustified. . . (Moscow) has completely forgotten that last September Soviet Russia held a series of tests while negotiations were going on."

Tehran Domestic Service: "The new American tests in the earth's atmosphere are of great importance from a military point of view because they will prove US superiority over Russia."

*Amrita Bazar Patrika* (Calcutta): "It is more than likely that the first U.S. explosion on Christmas Island will signalize the disbanding of the Geneva Conference."

*Rozana Hind* (Calcutta): "If the U.S. test explosions are made, the Soviet Union will surely follow suit. This will lead to a new nuclear test race which will sabotage the Geneva Conference and endanger the health of the people."

#### AFRICA

Limited available African comment is mixed. While there is denunciation of the U.S. resumption, there is also some restrained approval coupled with regret for the necessity of the tests.

In North Africa, *Moroccan* comment has linked French nuclear testing in the Sahara with the Russian and American resumed testing, and charged that the new United States testing has opened the door for an "unrestrained" atomic race. The Provisional *Algerian* Government's press service has reported that U.S. tests have been condemned by all "peace-loving" nations.

In West Africa, *Nigerian* Prime Minister Balewa said the United States has the "backing of my government," in its renewed testing. He

argued at a news conference that after Russian testing no one had a moral right to condemn tests by the United States which sought only to maintain the balance of power essential to preserve peace. He reiterated, however, his government's disapproval of testing in general, viewing tests as, "a bad thing for the whole world."

Two days before the tests began, *Ghanaian* media concentrated on a denunciation of all testing. The opposition *Ashanti Pioneer*, however, has blamed the USSR for the U.S. step.

Constant news and editorial coverage in *Ethiopia* held out hope for a test ban until shortly before testing by the United States was resumed, repeating the demand of Ethiopian Minister of State for Foreign Affairs Ato Ketem Yifru that Ethiopia ". . . wants no nuclear tests anywhere."

### SELECTED QUOTATIONS

#### MOROCCO

*Al Alam* (pro-government daily):

"The resumption of testing reopens the door to the East and West to display all their bombs in an unrestrained race of the atom for war uses instead of peaceful ones. Whatever may be the political factors in the United States which dictate this course, such experiments damage world peace.

"The whole world will react with the same indignation it showed several months ago over the Soviet tests."

Moroccan Ambassador to the United States;

"Quoted in the *Washington Post* (April 26) as saying that the United States tests resulted from a "vicious circle" started by French tests in the Sahara in 1959. He said the Russians had used this as an argument for their resumed tests and the American tests were a, "logical development."

#### ALGERIA

*Algeria Presse Service* (published by the Ministry of Information of the Provisional Algerian Government):

The bulletin said (April 26) that the resumption of nuclear tests by the United States, "has been violently condemned by all peace-loving nations."

#### NIGERIA

Nigerian Prime Minister at an April 26 press conference:

The United States test resumption "has the backing of my government."

"The balance of power between East and West must be kept if there must be peace. After Russia acted, nobody had a moral right to

prevent America from carrying out tests. This, of course, does not change the attitude of my government to nuclear testing generally. We are opposed to it because it is a bad thing for the whole world."

#### ETHIOPIA

*The Ethiopian Herald* (official government daily) April 20:

"Given the moderating influence of the uncommitted world, however, a hybrid form of a test ban plan, accommodating the views of all on this vital matter, is always possible."

#### GHANA

*The Ashanti Pioneer* (independent but censored) April 25:

"Where lies the blame (for testing today)? If Russia had agreed to the terms of open inspection of arms internationally, so that no secrecy could prevail, if the Russians sincerely welcomed disarmament, that was the safest ground they could have trod and we plead for a second thought of the plan." The paper added that no plan was as fair and just as that of the United States offered at Geneva.

*Radio Acera* April 23:

(In a long editorial on the Bertrand Russell proposal for neutral ships to enter the test area), "History will mark out the efforts of men of good will to restore sanity in a world virtually gone lunatic and quench the nuclear fire which threaten to raze our universe to the ground."

*Ghanaian Times* (government) April 23:

"The world is in danger of destroying its own foundation and burying itself under the debris of its shattered structure."

#### LATIN AMERICA

Latin American reactions have been slow, mild and rather understanding, with the exception of Cuba. Regretting that the nuclear race is on again, two leading dailies (*Estado de São Paulo* and *El Comercio*) recalled that it was the Soviet Union who broke the moratorium, leaving President Kennedy no alternative. A statement from the Brazilian Foreign Ministry simply expressed disapproval of all nuclear tests. The Cuban agency *Prensa Latina* is following the Soviet line.

**BRAZIL:** The Foreign Ministry issued a statement on April 25 recalling that it had "expressed the regret and apprehension of the Government of Brazil" when "the Soviet Union carried out thermonuclear tests last October, and when President Kennedy on March 3 announced that the United States intended to resume tests of the same type in the near future." The note stated that "Brazil receives with disappointment the report of the first explosion in the new series of US thermonuclear tests" and that "Brazil will not cease to call for prompt suspension of these tests."

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*O Estado de São Paulo*, dean of the Brazilian press and the country's most influential daily, said on April 26: "The tests would not have been resumed if the USSR had listened to the appeals of the West—and also of the really non-committed neutrals—to accept the basic principle of inspection. . . . Yesterday's explosion in the skies of Christmas Island and all following tests are amply justified by the explosions of last September and October in Nova Zembla, when the Soviets surprised and defied the world, breaking the so-called nuclear moratorium overnight. At least the North-Americans are not violating anything."

*PERU: El Comercio*, one of the country's largest and most influential dailies, said on April 25: "The Soviet Union with its powerful explosions of last year tried to gain the upper hand in this field. Russia has forced the United States to continue the dangerous race."

*CUBA: Castro's news agency, Prensa Latina*, said on April 26: ". . . The device was dropped from a plane of the so-called Strategic Air Command. This mode of experimenting is similar to the method used for the first and only time in world history, in August 1945, during the administration of Harry S. Truman, when atomic bombs were unleashed on the Japanese cities of Hiroshima and Nagasaki—considered to be non-strategic objectives—causing the deaths of tens of thousands of persons."

May 1962

128. Memorandum from Raskin to Bundy, May 7<sup>1</sup>

May 7, 1962

SUBJECT

The ACDA paper entitled "The Economic and Social Consequences of Disarmament"

The paper prepared by ACDA on the economic and social consequences of disarmament makes a good argument for the position that the United States will be able to utilize its resources now used for defense for alternative purposes in case disarmament is achieved. A variety of economic methods are outlined for putting resources to work in both the private sector (tax cuts) and the public one (urban renewal, education, natural resources, health services, Social Security). The report outlines the possibility of increased expenditures on foreign aid.

The paper also touches on structural adjustments which will occur in certain industries. For example, Washington, California, certain New England states, New Mexico, Utah, Alaska, Hawaii, are rather heavily dependent on defense expenditures, and would be dislocated economically to some extent. As a result, the report suggests that programs will have to be undertaken in these particular areas to allow for easier conversion than would otherwise occur without planning.

For a variety of reasons, basically because the paper is an answer to an inquiry from the Secretary General, there is no discussion of the difficult political and educational problems involved in reconversion. An important element in the disarmament process is the psychological one of making people understand that individual defense interests will not fall to pieces economically in the event of disarmament. The only real way this can be proven to the defense groups is to get them interested and involved in the planning process for disarmament.

One specific way of doing this is through the involvement of the CED, that wonderful syndical organization which did an excellent job after the second world war, preparing a prosperous peace-time economy, psychologically, politically and economically. I have spoken with Mr. Foster, an active participant in CED, about the possibilities

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<sup>1</sup> Views on ACDA's paper on the Economic and Social Consequences of Disarmament. No classification marking. 2 pp. Kennedy Library, National Security Files, Departments and Agencies Series, ACDA, Disarmament, 18-Nation Conference, Geneva, 5/62-6/62.

of getting them interested in problems which have to do with economics of disarmament. I suggested that the CED undertake research and proselytizing on the question of economics of disarmament. He agreed and will urge the CED to undertake such action this weekend.

It is unfortunately the case that ACDA is not doing anything of significance in a substantive or research way with respect to the economics of disarmament. At present, ACDA has one person who I understand is competent on this question. His name is Kiefer, a political economist, who is in the Foreign Service. As you know, the ACDA table of organization calls for an Assistant Director in Charge of Economics. This position as yet has not been filled, nor is there anyone on the staff level working in the agency on these questions except Kiefer. Yet, the strong implication of the report prepared by ACDA suggests that a group within the government should be working, research- and planning-wise on questions which have to do with the economics of disarmament—as well as stimulating other groups outside the government to work on these same questions. This has not been done by ACDA, and beyond my discussion with Foster no plans exist for such an undertaking.

Thus, what is a difficult but manageable problem,—the economics of disarmament—becomes unmanageable and almost insurmountable, because the economic interests directly involved do not think and plan ahead in any rational fashion. The natural result, of course, is that people then think that disarmament is impossible for parochial economic reasons and work against it as a national security policy.

**Marcus Raskin**



**129. Memorandum from Col. Smith to Gen. Taylor, May 31<sup>1</sup>**

May 31, 1962

**SUBJECT**

NIE on Soviet Nuclear Weapons Stockpile 1962–64

1. The “billboard” effect of this NIE is that the Soviets, in the US estimate, are about 4–5 years behind us in their thinking on a suitable nuclear strategy, but their planning may not evolve along the same lines that ours has.

2. The major divergency in US and USSR thinking concerns tactical nuclear weapons. The Soviets apparently will not have, by 1964, incorporated low yield (fractional kiloton) nuclear weapons into their inventory; the lowest yield we credit them with is 3 KT. (Chart, p 32). Since 1958 the Soviets nevertheless have emphasized more the use of nuclear weapons in support of field forces (p 13). Furthermore, the indications are that this emphasis will increase in the future (p 27). Thus at a time in which US planning calls for a decreased emphasis on tactical nuclear weapons, Soviet thinking is calling for an increased one. The implications of these divergent trends have not yet been fully explored. They should be; hopefully the study on tactical nuclear weapons will do so. Also, if the Soviets find they cannot fight using large yield tactical weapons because of fear of self-inflicted damage on USSR troops, our possession of low yield weapons could possibly give us a step in escalation not open to the Soviets. This also should be looked at.

3. Other points of interest in the NIE are:

a. Soviet military policy places a high priority on preparedness for general war, which the USSR planners assume would commence in most cases with massive nuclear attacks on the homelands of the opponents. They do not conclude that this exchange would necessarily decide the outcome of the war (p 6).

b. By mid 1962 it is estimated the Soviets will have 800–1200 aircraft delivered nuclear weapons; 35–50 operational ICBM launchers (100 ICBMs); 350 MRBM and IRBM launchers (1000 IRBMs and MRBMs); and 35 missile launching submarines (100 SLBMs). (p 11)

c. Considering all factors, the Soviets will have between 2000 and 3000 nuclear weapons to support theater forces, with a total yield between 70 and 130 MT (p 17).

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<sup>1</sup> Evaluation of NIE on Soviet Nuclear Weapons Stockpile. Top Secret. 2 pp. National Defense University, Taylor Papers, WYS Chron File, July–September 1962.

d. The general trend in yields of weapons for Soviet offensive delivery systems will be upwards (p 22).

e. By mid 1964 the Soviets are estimated to have 150–275 operational ICBM launchers; 450 IRBM/MRBM launchers; 35 SLBM submarines. About 700 missiles for long range attack thus will be added to the Soviet forces (p 25). (Note: This means evidently that the Soviets will have some 1900–2000 ICBMs, IRBM/MRBMs, and SLBMs by mid 1964 plus 800–1200 aircraft delivered weapons.)

f. Soviet nuclear testing indicates continued interest in the development of nuclear weapons for air defense purposes. It is estimated that the Soviets could deploy an AICBM for defense against missiles of 50–500 n.m. in 1963–64, and against ICBMs 1963–66. Both systems will almost certainly employ nuclear warheads (p 28).

g. The NIE makes one reference to the Soviet planned use of CW weapons (p 13).

4. Soviet use of nuclear weapons for defense against missiles and aircraft—as well as our own—raises the real possibility that the first use of nuclear weapons in any limited conflict may be in an air defense role. Would the US be willing to have its conventional missile and aircraft offensive capabilities rendered ineffective by nuclear weapons without using such weapons in return? Would the Soviets? The effects of these possible developments on possible escalation of the conflict is another area worthy of exploration.

W.Y.S.

June 1962

130. Memorandum of the President's Decisions, June 20<sup>1</sup>

June 20, 1962

MEETING ON NUCLEAR TESTS

1. The President announced his objective of completing the current series of tests by 20 July although recognizing the possibility of slip-pages due to weather and other causes.

2. The President concurred in the view that the highest priority should be accorded the Starfish and Blue Gill test shots.

3. The President approved the following test shots and target dates:

Starfish Prime (1.4 MT at 400 Km) —4 July  
Blue Gill Prime [*text not declassified*]*—19 July*

It is understood that weather conditions may cause some slippage in this schedule and that Blue Gill Prime may be as late as 26 July.

4. The President is reconsidering the necessity for conducting the Urraca test shot ([*text not declassified*] at 1300 Km), which could not be conducted earlier than 4 August under the most favorable circumstances, and will decide this matter shortly.

5. The President took note of the decision of the Department of Defense not to press for the inclusion of the Kingfish test shot [*text not declassified*] in this test series.

6. The President reviewed the schedule proposed for the remaining tests to be conducted at the Nevada Test Site. He authorized two tests that had previously been approved for readiness planning only—Little Feller 2 ([*text not declassified*] surface) and Johnie Boy (500 Tons-shallow underground).

7. The President approved the following test shots and target dates:

Sedan (100 KT—underground cratering) —6 July  
Small Boy ([*text not declassified*] surface) —8–18 July<sup>2</sup>  
Little Feller 2 ([*text not declassified*] surface) —9 July  
Johnie Boy (500 Tons—shallow underground)—12 July

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<sup>1</sup> Decisions on various aspects of nuclear testing. Top Secret. 2 pp. Kennedy Library, National Security Files, Subjects Series, Nuclear Weapons Testing, 4/5/62–7/30/72.

<sup>2</sup> This test should be as late as possible consistent with safety requirements and allowing for weather; it should not be later than the last test in the Pacific, unless unusual weather delays require a short overrun.

8. The President deferred authorization at this time of Little Feller 1 [*text not declassified*] surface) proposed for 24 July if it cannot be held before Blue Gill Prime. He will decide this matter at a later date when the schedule appears more firm.

**McG. B.**

July 1962

131. Memorandum from McNaughton to Nitze, July 3<sup>1</sup>

July 3, 1962

SUBJECT

Test Ban

There was a meeting this afternoon at ACDA in which we discussed the three papers that Captain Foster gave you this morning. The following consensuses were reached:

1. *Atmospheric Test Ban*. There is general agreement within the Government favoring an atmospheric test ban and that it is all right to hand an edited version of the draft you have to the British on Thursday. I added DOD caveats about outer space and underwater testing; on Lee Haworth's suggestion, all reference to the possibility of extending the proposal to underground was deleted. It was also understood that the annex, relating to detonations for peaceful purposes, would not be handed to the British. Butch Fisher agrees to have a revised atmospheric test ban draft to us by July 6 so that we can send it to the Chiefs. One thing which troubled me with respect to the atmospheric ban was the ambivalence of some of the people about the importance of underground testing. Several of us tried to make it clear that approval of the atmospheric ban was based on the assumption that underground testing would continue; others insisted on separating the issues as if they were not connected.

2. *Comprehensive Test Ban*. It was agreed that no paper would be handed to the British representing a comprehensive test ban treaty draft. It was agreed, however, that the issues would have to be discussed with the British—the extent to which “national” systems can satisfy the detection requirement, and the manner in which we get the requisite on-site inspections. There was a small explosion when it became apparent that ACDA was in the sixth revision of a comprehensive test ban treaty draft and had showed earlier versions to the British. However, the point was made that the paper and the principles underlying it would have to be considered by the various agencies before it could be handed even to the British.

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<sup>1</sup> Readout of ACDA meeting on test ban issues. Confidential. 2 pp. Washington National Records Center, RG 330, OSD/OATSD (AE) Files: FRC 69 A 2243, 97 USP, Nuclear Test Suspension/Geneva, 1960–1962.

3. *Detection Capabilities Memorandum*. It was agreed that Frank Long's memorandum discussing detection capabilities and suggesting the possibility of a system of twenty to thirty high-quality stations, could be handed to the British on Thursday.

John T. McNaughton

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132. Telegram 378 to London, July 17<sup>1</sup>

July 17, 1962

Please pass soonest following message from Secretary to Lord Home in reply to latter's note of July 15 rptd septel:

QTE I am happy to have your report about agreement among the scientists on the new findings produced by the VELA project research efforts. We also are hopeful this can lead to important developments in the nuclear test ban negotiations.

We are still in the process of working out basic positions and language for a possible new draft treaty. While we are proceeding as rapidly as we can with our consultations within the US Government, I am very doubtful that we would have a draft treaty available for submission to the Conference during the time that you and I will be in Geneva.

The operating plan we discussed with your Delegation representatives who came to Washington earlier this month was designed to give us time to assess the new data more carefully, to consult with Congress and to make sure that the language we would put in a draft comprehensive treaty would in fact provide adequate assurance of a control system which would protect our interests. Ambassador Dean has now informed the Conference that we will present this data and he indicated fairly clearly that we will not have a new proposal ready before the technical data has been laid before the Conference and its significance explored.

I agree with your identification of the prime political questions to be faced and look forward to discussing them with you when we meet in Geneva. Our present thinking is that the number of on-site

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<sup>1</sup> Text of Rusk letter to Home on Geneva issues. Top Secret. 2 pp. Department of State, Presidential Correspondence: Lot 66 D 204, Secretary Rusk's Conversations with U.K. Officials, 1961-1962, Vol. 1.

inspections and the number of detection stations depend to an important degree on technical judgments not yet formulated within our Government.

I hope you will understand our position here. We are doing our best to produce a treaty based on the latest technical evidence. We have not, yet, however, taken the basic political decision that modifications should be made in our previous position as represented in the April 18, 1961 treaty draft. Until we have arrived at a judgment on this question, all our discussions must be, for our part, tentative and exploratory. UNQTE.

**Rusk**

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**133. Letter from Rep. Holifield and Sen. Jackson to President Kennedy, July 25<sup>1</sup>**

July 25, 1962

My dear Mr. President:

The Joint Committee on Atomic Energy held an executive session on July 19, 1962 to review the latest developments in the field of detection and identification of nuclear explosions and on July 23, 1962 to be briefed on the current status and future plans regarding the nuclear test ban.

The Committee very much appreciates the cooperation of the responsible officials in the Executive Branch who participated in the hearings and particularly Mr. William Foster, Director, Mr. Adrian Fisher, Deputy Director, and Mr. George Bunn, General Counsel, of the Disarmament and Arms Control Agency, who have been most diligent in keeping the Joint Committee informed on a current basis of developments within the Agency's jurisdiction.

We have noted that in your press conference on Monday, July 23, you indicated that you expected to reach a decision by the end of this week as to any changes in the United States' position on the test ban negotiations. In order that you and your staff may have the flavor of the Joint Committee's discussion of these problems, we are transmitting a copy of the transcript of the hearings separately to Mr. Bundy.

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<sup>1</sup> Concern regarding U.S. negotiating stance on the test ban talks. CIA Files, DCI, ER Subject Files, Congress.

We are setting forth below our personal views based on these hearings and long experience with previous changes in U.S. scientific data and political positions on the test ban:

1. We believe any decision on a change in position should carefully take into account the recent Soviet announcement that the USSR would resume testing. It would seem prudent to believe that the Soviets will reject everything until their coming series is completed. It would also seem prudent for the United States to await the results of the Soviet test series before placing ourselves in a position whereby we would not be able to test.

2. Based upon the testimony at these recent hearings and previous extensive hearings, there does not appear to be any significant change or breakthrough in the technical capabilities of detecting and identifying clandestine nuclear weapon tests. Despite the relatively large amount of technical data obtained in conjunction with our current test series coupled with other analysis, it is evident that our knowledge is too preliminary in nature to constitute the basis for any political change in our negotiating position at Geneva. Both the ARPA press release of July 7 and Dr. Ruina's statement to the Joint Committee on July 19 stated that the results to date were of a "preliminary" nature. We believe it is very necessary that all data be carefully checked and rechecked in view of past serious errors.

We know from past experience that scientific findings, whether they are called preliminary or final, are not immutable. The hearings held by our Committee over the years corroborate the fact that scientists have had to change their position consistently because of new developments that scientific research has given us. As we know, there are a number of recent classic examples in this field.

Our major cause for concern is the danger that, because of certain preliminary scientific findings, we will make a radical change in our approach to an agreement on a nuclear test ban—that radical change being to give up our insistence upon a true international control system of detection and inspection, including international control stations on Soviet territory.

There could be nothing more dangerous than to make a hasty change in a fundamental principle of arms control because of a preliminary scientific finding.

3. Notwithstanding the many and extensive concessions made by our negotiators during the past three and one-half years, the USSR remains adamant in its refusal to permit internationally manned stations and realistic inspection of significant events in the USSR which are essential to an adequate control system. We believe the idea that our negotiators must continue to make major concessions is unrealistic.



4. In his testimony to the Joint Committee on July 23, Mr. Foster discussed the various alternatives under consideration. Certain significant omissions were made, including:

a) The previous U.S. proposal of a joint U.S.-USSR coordinated research program for improving technical capabilities of detection has apparently been dropped. We would certainly hope that our negotiators will not retreat from the position that current technical know-how is still inadequate and continued research is required. In this connection, adequate attention must be given to the possibilities that concealment techniques may also advance.

b) There was no indication of any means of surveying Soviet territory to determine anomalies as shown by the GNOME shot.

Please be assured of our continued interest in these problems and our desire to be of assistance to you and your advisors in determining that action which is best for the United States and the Free World.

Sincerely yours,

**Chet Holifield**  
*Chairman*

**Henry M. Jackson**  
*Chairman, Subcommittee on Military Applications*

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#### 134. Memorandum for the Record Prepared by McCone, July 26<sup>1</sup>

July 26, 1962

##### ATTENDED BY

Secretary Rusk, presiding; McNamara, Lemnitzer, Nitze, McNaughton for DOD; Foster, Fisher for Disarmament; Bundy, Wiesner, White House; Rostow, State; Murrow, USIA; Seaborg, AEC; McCone, CIA

Foster outlined in broad terms the proposed atmospheric and comprehensive treaties.

Rusk raised questions concerning the tentative nature of technical data. Wiesner supported data as dependable and stated scientific findings will improve with time and not retrogress.

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<sup>1</sup> Discussion of atmospheric and comprehensive treaties by Committee of Principals, July 26. Secret. 4 pp. CIA Files, Job 80B01285A, DCI Memos for Record, 4/9/62–8/21/62.

McNamara raised two unknowns: (1) The level of threshold of any system and the number of unidentified natural events all of which related to the risks of a treaty with imperfect verification and second, the amount of weapon advance that the Soviets could make by operating below the threshold which he placed at about 14 KT.

Seaborg answering the second question stated that great developments could be done under 14 KT [*text not declassified*] (a) Development of small tactical weapons; (b) [*text not declassified*]; (c) [*text not declassified*]; (d) Partial but incomplete information on weapons effects. Underground technology has advanced; results have improved.

Foster questioned whether the USSR would run the risk of being caught by cheating. Comprehensive treaty was entered. This was supported by Wiesner.

McNamara stated that nevertheless we must weigh the risk even if the Soviets cheated at half the indicated threshold or 7 KT.

Seaborg then advanced strong argument of maintaining underground testing to preserve the vitality of the laboratories. He was joined by Haworth.

Rusk then asked the question of "do we all agree that our interests are served by stopping testing, if all parties stopped and the suspension can be verified?" There was no dissension.

Rusk then reporting on Geneva, stated that (1) there was an atmosphere of expectancy of a major change in U.S. policy because of the Vela announcement; (2) We must not put out proposals for propaganda purposes as this hurts us rather than helps us. (3) We must be prepared to live with any proposal we put forth. (4) Unfortunately, each new meeting creates an expectancy that the United States will come forward with new offers or new concessions.

Rusk therefore summarized the two main approaches: (1) A comprehensive treaty tabled complete with the indicated number of inspection stations; their locations and the number of on-site inspections and the full explanation of the reasoning. (2) Recognized the Soviet attitude of forbidding on-site inspection and therefore while we want a comprehensive treaty, this basic issue must be resolved with the Soviets first and therefore we proposed to start with an agreed atmospheric treaty which would include outer space and underwater tests and would depend entirely upon a national detection resources and no inspection would be required in the territories of the other party.

McCone reviewed briefly the history of several such proposals previously made in 1959 and 1960 and therefore stated that he felt an atmospheric ban would not be agreed to by the Soviets.

Foster, Rusk and Bundy felt previous offers had been linked with other agreements for research or for the installation of control posts

and that we at no time had made a straight offer to suspend atmospheric tests with no conditions.

NOTE: A review of history indicates that this is correct except that in 1959 President Eisenhower in writing to Macmillan actually made an atmospheric test suspension offer free of other entanglements. Murrow indicated that it might be a good idea to repeat our position and McCone agreed.

Rusk then reported on Gromyko talks indicating a rising concern on the part of Gromyko over proliferation, stating that both U.S. and USSR have a common interest against proliferation. Gromyko complained about our plans for multilateral (NATO) forces interpreting them as a device to proliferate weapons to several countries including West Germany. Rusk encountered some difficulty in disabusing Gromyko of this but felt he finally succeeded.

McCone then discussed question of whether atmospheric suspension and a continuation of underground testing would halt proliferation, stating that all nations who wished to develop a nuclear capability could do so with underground testing. Wiesner joined in this viewpoint. It was the consensus that this was probably true but nevertheless was worth a try. Rusk then brought up the question of our policy on insisting upon on-site inspection as a part of the comprehensive treaty. He asked if anyone in the room felt that we could proceed with a comprehensive treaty that provided zero inspection. No one felt this would serve our interests and would involve dangers that we should not accept. Therefore, Rusk concluded that unless the Soviets waived their position in opposition to on-site inspection we are simply not in business with respect to a comprehensive treaty. All agreed and it was agreed that this would be reported to the President at the meeting on Friday.

Bundy emphasized that the new technical findings as he understood them did not permit a treaty with no on-site inspections. Others concurred. There was complete unanimity on this point. It was the most important point made at the meeting.

McNamara then raised the question of the two risks or dangers faced by the United States: (a) Risk to the U.S. if the Soviets beat the system and cheat. What will they accomplish and what will that mean to our security. (b) Risks to the United States if we do not make a Treaty, continue testing with the result that there will in all probability be a continual proliferation of weapon capabilities. He mentioned specifically West Germany, Italy, Israel, Japan, and India, pointing out that all now have reactors and hence were producing plutonium. [It was agreed that an appraisal as proposed by McNamara should be made.] Wiesner took this occasion to press for a comprehensive treaty, proposed an assessment of risks and urged that the atmospheric treaty

be used as a fall-back position if the Soviets continue to oppose on-site inspection.

Bundy then stated that as a matter of policy we are to continue underground testing in Nevada until we have a comprehensive treaty. There is no intention to stop the AEC and DOD from further underground testing; indeed, a new series of underground tests has been approved by the President.

McNamara then raised the question of continuing preparation for atmospheric testing in the event of a suspension. Bundy and Rusk stated that we must maintain readiness for further atmospheric testing even though agreement is reached to suspend atmospheric testing as we must anticipate a circumstance under which the Soviets would suddenly confront us with a series and would abrogate a treaty in order to proceed. It was agreed that maintaining a state of readiness would be difficult; that a great many things could be done secretly so that the lead time for a test series would always be at a minimum. All agreed that such a procedure should be followed as a matter of policy. Rusk proposed that State and DOD work jointly in this area.

In summary, it appeared to me that the meeting was unanimous that we should not engage in a comprehensive treaty without provisions for detection stations on Soviet territory and if necessary on-site inspections, taking into account Vela results. Under no circumstances should we agree to a treaty which did not provide proper verification and this called for some on-site inspections. All agreed that an atmospheric ban depending on national detection resources was satisfactory. All expressed very great concern over the proliferation of weapons and equated this danger to the risks of Soviet clandestine cheating on any comprehensive treaty. Finally, there was unanimity in the views which should be presented to the President.

NOTE: Since Khrushchev as recently as yesterday repeated his adamant objection to on-site inspections, it appears that a comprehensive treaty is futile. From my four years' experience with this negotiation, I feel a proposal for an atmospheric ban alone will be rejected by the Soviets and therefore question whether the Geneva conference will meet with any success at all.

The meeting then dealt with two or three other disarmament issues as set forth in the papers, on which there was no disagreement.

**John A. McCone**  
*Director*

**135. Memorandum of NSC Meeting, July 27<sup>1</sup>**

July 27, 1962

## ATTENDED BY

The President, Vice President, SecState, Foster, Murrow, Bundy, Wiesner, Etc., etc.

1. Rusk reviewed the comprehensive and atmospheric treaty indicating fewer number of stations required in Soviet Union and only 12 on-site examinations. However, Soviets still say no on on-site inspections, therefore number not negotiable and if we put forward a number the neutrals will attempt to reduce it by negotiation. Rusk referred to Congressional problems and other difficulties of a comprehensive treaty. In this connection the Soviet stations would be manned by nationals but with an international observer.

2. Rusk therefore turned to alternate proposal of atmospheric ban with no on-site inspections as a starting point with an understanding that we and the Soviets would work towards the comprehensive agreement when we reached an understanding on the inspection posts on Soviet territory and the on-site inspection problem.

3. The President raised the question of justifying 12 on-site inspections and also expressed concern over an atmospheric ban which the Soviets might accept effective January 1, 1963, and leave us in a difficult position if they demonstrated very important technological advances in their forthcoming tests.

4. There was an extended discussion of the proposed 25 world-wide station lay-out with five posts in the Soviet territory as contrasted with the original Geneva program of 180 stations with 19 in the Soviet Union. Wiesner stated the new system was not as good as the old Geneva system, based on old technology.

5. The President emphasized, and all agreed, that we must have on-site inspection even though the number might be reduced. He then asked what would be a satisfactory treaty. Wiesner responded that he thought something in the order of six to nine on-site inspections would be satisfactory.

6. McNamara spoke of the high threshold, indicating possibility of Soviet clandestine testing under 14 kilotons. Seaborg answered the

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<sup>1</sup> Discussion of Soviet refusal to allow on-site inspections and Geneva negotiating strategy. Secret. 2 pp. CIA Files, Job 01676R, DCI Files, ER Subject Files, NSC etc, 7/1/62–7/31/62.

President's questions on this subject in the same way as he did in yesterday's Principals Meeting.

7. McCone stated that the Rusk proposal for atmospheric ban and the reasons for it were almost identical to President Eisenhower's proposal to Khrushchev by letter on April 13, 1959, which McCone read. McCone further stated that in his opinion continuing underground testing by one or more nations would not foreclose proliferation of weapons among other nations, indicating West Germany, India, Japan, Israel, and others could proceed with their developments using the underground techniques.

8. McNamara spoke of the comparative risks to our security versus loss of security and safety if other nations acquire nuclear weapons. President ordered a study made of these relative risks.

9. The President seems to favor stopping all testing because of the danger of proliferation and spoke of the technological advances as being infinitesimal.

10. There was an extended discussion of negotiating technique and it was decided to bring Arthur Dean back this week end for conferences Monday and Tuesday.

11. Rusk repeated United States position that we must have on-site inspection and if the Soviets continued to refuse, there was no possibility of reaching agreement on a comprehensive test ban.

**John A. McCone**  
*Director*

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**136. Memorandum for the Record Prepared by McCone, July 27<sup>1</sup>**

July 27, 1962

Dr. Edward Teller called at my home at 1:30 on July 27th; expressed concern over the possibility that we were going to enter a moratorium of a test suspension without reasonable means of verification.

I discussed at some length the two risks, one being the loss of our nuclear superiority if we stopped and Russia proceeded clandestinely; the other being the dangers inherent in nuclear proliferation. I told Dr. Teller that there was no danger of our entering an agreement which

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<sup>1</sup> Meeting with Dr. Teller regarding verification issue. Secret. 1 p. CIA Files, Job 80B01285A, DCI Memos for the Record, 4/7/62-8/21/62.

would suspend all testing unless reasonable means of verification were agreed upon.

Dr. Teller then spoke of the enormous developments possible as a result of the breakthrough in the [*text not declassified*] experiment. I told Dr. Teller I did not feel that the true significance of this breakthrough was understood and that he should be sure Seaborg and Dr. Harold Brown fully appreciated this fact and brought it to the attention of their superiors and to the President.

**John A. McCone**  
*Director*

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**137. Memorandum of Discussion Prepared by McCone, July 27<sup>1</sup>**

July 31, 1962

Dr. Northrup stated he was in difficulty because of criticism of his handling of newly developed information on seismic detection, and this concerned him because he followed the procedures that he and Dr. Romney had followed for many years. Northrup pointed out that although he was responsive to General Rodenhauser, who in turn reports to General Breitweiser, who in turn reports to General LeMay and the Secretary of the Air Force, nevertheless traditionally he had always consulted directly with all sections of the Executive Branch of the Government, and had testified regularly before interested committees.

Indications of improved detection capabilities was controversial and hence he had gotten in bad. Northrup left me with the impression that recent technology improves our seismic capability and therefore reduces the number of stations and probably the number of necessary on site inspections, without increasing the hazards. However, I was left with the impression that Northrup felt that Mr. Foster and Dr. Long in testifying before the Joint Committee and others had seized upon the improvements and had not mentioned the fact that the same scientific information proved an increased ability to deceive the system; and furthermore that the unknown geological phenomena proved that the direction finding capability of the seismographs was not as great

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<sup>1</sup> Meeting with Dr. Northrup on seismic detection technology. Secret. 2 pp. CIA Files, Job 80B01285A, DCI Memos for the Record, 4/7/62–8/21/62.

as was thought and this raised a question as to the effectiveness of on-site inspection. Dr. Northrup stated that although all of his actions were known to Mr. McNaughton, apparently they irritated General LeMay, but more particularly General Breitweiser, who ordered General Rodenhauser to remove Northrup, assigning him to the position of chief scientist, and placing a Colonel in charge of AFTAC. This resulted in an indication that five key people would resign; hence the order was rescinded by General Breitweiser and Northrup was ordered reprimanded. Also Northrup was ordered not to give any information outside of the Air Force without General Rodenhauser's approval. Later an exchange between Rodenhauser and Mr. Fisher removed this injunction and resulted in an arrangement where AFTAC and ACDA could work together but that General Rodenhauser and General Breitweiser wished to be informed of the requests made of AFTAC for information and the information which would be given.

The sense of Northrup's decision was that he felt AFTAC was an extremely important national facility, that information developed by it must be made known currently and accurately and fully to many departments of government, that he had acted in a traditional and established manner and with the knowledge of Mr. McNaughton, and that he felt he should continue to do so if AFTAC was to serve various departments of government, most particularly CIA, in the future as it had in the past. He therefore hoped that he could find some way to remove the injunction placed upon him which in effect confined him so that he could now only respond to communications placed formally through "Air Force channels." I told Northrup I would go into the matter and try to straighten it out as CIA must have complete access to AFTAC.

**John A. McCone**  
*Director*



**138. Letter from President Kennedy to Macmillan, July 27<sup>1</sup>**

July 27, 1962

Dear Mr. Prime Minister:

I am asking David Ormsby-Gore to send you this message over the week end so that you can know just where we stand in our discussion in the relation between our new technical data and the test ban effort.

I think your technical people and ours are agreed that the new data have two principal technical meanings. First, they substantially reduce the number of unidentified events with which the system will have to cope. Second, it appears that our ability to detect shocks at a distance has been substantially improved. These developments, in combination, may permit a number of modifications in our proposals. The one thing which they clearly do not justify is a complete abandonment of on-site inspections.

The data now available, while encouraging, have not been examined in sufficient detail, and their relation to various kind of risks have not been sufficiently analyzed for us to be ready yet to say just how many on-site inspections would now be necessary. The number is clearly going to be lower than it has been in the past, but I could not today defend a particular figure against neutrals on the one hand, and critics of all test ban proposals on the other. Thus we have it in mind not to propose a new fixed number of on-site inspections at this time. We think it better to emphasize that the adamant Soviet opposition to all on-site inspection is the real stumbling block. We would indicate that if the Soviet Government will change its position on this point, we would be glad to enter the most serious discussion of the appropriate number of inspections.

With respect to control stations, my thinking is that it should be possible now to adopt a system of some twenty-five stations, world-wide, of which five would be in the Soviet Union. These systems would be internationally monitored and coordinated, but nationally manned and controlled. Subject to some further technical analysis in the next few days, we are hopeful that such a system would give us adequate protections, in the light of the balance of risks involved in this whole great subject. This matter of balance of risks, indeed, is what I find more and more on my mind. As we have often said to each other, we have to consider the consequences of not having a test ban as well as the risks of having one.

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<sup>1</sup> Possible modification in proposals on test ban. Top Secret. 4 pp. Department of State, Presidential Correspondence: Lot 66 D 204, Kennedy–Macmillan, 1962, Vol. III.

At the same time that we indicate the possibility of modifications in the comprehensive treaty, we are considering the possibility of a strong appeal for an atmospheric test ban, to include underwater and space tests as well. We think there may be real appeal in urging that possibility as well as the possibility of a properly controlled and inspected comprehensive treaty. In terms of world opinion, atmospheric fall-out may be more important than the arms race itself. On the other hand, in terms of the great problem of nuclear proliferation, a comprehensive treaty still seems better to me. Thus my tentative opinion is that we may wish to press both proposals at once.

At the same time, in order to emphasize and win support for our purpose of non-proliferation, we would consider pressing for a worldwide agreement which would ban the transfer or acquisition of nuclear weapons or nuclear technology to individual nations not now in the act.

We are still considering the problem of timing which is presented by the Soviet announcement of a new test series. (There is another related problem in the fact that the completion of our own high-altitude tests has been delayed for an indeterminate number of weeks by the failure of yesterday.) We do not think we should foreclose the possibility of supplementary tests, in case the Soviet series should produce extraordinary surprises. On the other hand, we wish to make clear that this series does not in and of itself lessen our interest in seeking agreement. Probably we shall need to have some reservation in our position to cover this difficulty.

One further point has become clear to us in these studies. If we get a test ban agreement at all, either comprehensive or atmospheric, we shall still be faced with the possibility of a sudden surprise by Soviet breach of the treaty. Inspection of preparations no longer seems a very hopeful prospect, and the logical alternative is to maintain our own test readiness. Indeed, Ambassador Dobrynin has suggested this possibility to some of our people. In this context we would wish to consider with you the possibility of maintaining Christmas Island, on a purely stand-by basis, as a part of our proper posture under a safeguarded test ban. I should be glad to have your personal view as to whether this possibility is worth exploring.

I have asked Arthur Dean to come back here at once, so that I can review these matters with him before reaching firm conclusions of my own. Meanwhile I hope very much to have your own comments on this general line of thinking. May I add in ending that I have written most frankly and that in this period before a final decision, I am very eager not to have these elements of our thought move outside the closest circle. May I therefore ask that if you wish to consider any of

these matters with your advisers, you avoid indicating just what my own current thinking is.

Sincerely,

**John F. Kennedy**

## August 1962

### 139. Memorandum for the File Prepared by McCone, August 2<sup>1</sup>

August 2, 1962

On Monday, July 30th, at 5:00 o'clock an NSC meeting was held for the purpose of discussing Geneva test suspension negotiation procedures.

In attendance were The President, the Secretary of State, the Secretary of Defense, the Vice President, Mr. Bundy, Mr. Murrow, Dr. Seaborg, Dr. Hayworth, Mr. Foster, McCone and a number of others.

Secretary Nitze and Commissioner Hayworth reviewed four papers prepared jointly over the weekend by Defense and AEC on the gains to be made from continued testing, the dangers from extensive weapon development by the Soviets through clandestine testing and steps required to maintain a state of readiness for further testing should a treaty be suddenly abrogated. Also a paper on the proliferation of weapons. Copies of these 4 papers were made available to me and are on file. The sense of this discussion was that if the Soviets cheated under a threshold of a treaty for a period of 5 years, they would have made some progress. In the opinion of Dr. Hayworth it would not have been progress that would have been so vital that it would have affected the balance of nuclear power; furthermore we could undoubtedly catch up in a year or two if we maintained some vitality in our laboratories. No one expressed grave concern over the danger of cheating if reasonable verification procedures were made a part of the treaty.

Mr. Foster then raised the question of negotiation procedures through this meeting and the following meetings and there was considerable difference of opinion as to whether we should table a comprehensive treaty, whether we should indicate a revised pattern of control stations at this time, whether we should indicate a reduced number of on-site inspections or alternatively whether we should first proceed to propose a comprehensive atmospheric treaty with no inspection.

Ambassador Dean favored the former; Secretary Rusk the latter. During these long exchanges considerable information was developed on just what the new seismic technology had revealed with respect to the number of natural events in the Soviet Union, the capabilities of

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<sup>1</sup> Readout of NSC meeting on Geneva test suspension negotiation procedures. Secret. 2 pp. CIA Files, Job 80B01258A, Meetings with President, 7/1/62-12/31/61.

a detection system of 20 stations and the attitude of the neutrals at Geneva.

The meeting was adjourned until the following day.

**John A. McCone**  
*Director*

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**140. Personal Message from Prime Minister Macmillan to  
President Kennedy, August 1<sup>1</sup>**

August 1, 1962

Dear Friend,

I was very grateful for your letter of July 27 and for your frank statement of your views about tests.

As you know, my own view is that all nuclear tests should be abolished and as I explained at Bermuda last year I do not believe that we should be worse off if this were to happen. Whatever your and our scientists may say, I believe that we could really detect any significant series of Soviet tests if they tried to cheat.

However, I quite realize that you do not entirely share this view and that anyway Congress would not accept it, at least at the moment. So I agree that there would now be advantage in offering both the atmospheric ban, as you suggest, and also a comprehensive treaty which at this stage would not need to specify the exact number of inspections.

I am looking into the question of Christmas Island but I should think that we would not find it too difficult to keep the installations on a care and maintenance basis, as indeed we have been doing in recent years. I am looking into this further and if the treaties were tabled we would certainly consider doing as you suggest. Of course, the question of re-activating Christmas Island in the event of the Russians cheating would have to be discussed between the United States and British Governments of the day.

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<sup>1</sup> Views on atmospheric ban, comprehensive treaty, and use of Christmas Island. Top Secret. 2 pp. Department of State, Presidential Correspondence: Lot 66 D 204, Macmillan–Kennedy, 1961–1962.

I have not discussed your letter with anyone except David Gore who is here on leave and with Alec Home. So these are just my own personal thoughts.

With warm regards,

Yours sincerely,

**Harold Macmillan**

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**141. Memorandum of Conversation, August 8, between Rusk and Dobrynin<sup>1</sup>**

August 8, 1962

SUBJECT

Test-ban Agreement

PARTICIPANTS

Anatoliy F. Dobrynin, Ambassador of the U.S.S.R.

Georgi M. Kornienko, Counselor, Embassy of the U.S.S.R.

The Secretary

Mr. Philip Valdes, EUR/SOV

The Secretary said he hoped Ambassador Dobrynin's government could give serious thought to moving on a comprehensive test-ban treaty. We would like to move on one, and we think there are possibilities of narrowing the gap. We frankly do not understand Soviet preoccupation with espionage, but if this is a genuine preoccupation, our representatives can work out arrangements that cannot possibly involve espionage. Khrushchev indicated, he pointed out, that our two countries know enough about each other to destroy each other. We cannot move without, for example, on-site inspection, but he cannot see why the amount of such inspection which would be necessary to avoid recurring waves of suspicion should cause difficulties.

Ambassador Dobrynin asked if, after our studies, we really believe national means are not enough. This, he said was the crucial question. The Soviet Government believes it, and Soviet scientists believe it.

The Secretary said that instruments have been improved, but beyond a certain range our instruments cannot differentiate between

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<sup>1</sup> On-site inspection concerns. Confidential. 2 pp. Department of State, Central Files, 611.6112/8-862.

earthquakes and tests. If the Soviets have instruments that can, they should advance them at Geneva. We do not say you do not have such instruments, but if you do, let us know.

Dobrynin said the Soviets have no explanation for our insistence on on-site inspection other than espionage. He noted that after Vela we said we could differentiate between earthquakes and tests up to 3,000 miles.

The Secretary said we did not say we could do so comprehensively across a series of events. He noted that the Soviets have a large number of observers in our country.

Dobrynin demurred, suggesting that if we counted this sort of thing on each side, we would be on the leading side.

The Secretary said he hoped the Soviet Government would take another look. If it turned out they cannot or will not move on this, why not consider the possibility of an atmospheric ban, on all but underground tests. This would not be entirely satisfactory, but would take account of the major concerns.

Ambassador Dobrynin replied that Soviet policy is in favor of banning all tests, and there is no change in Soviet policy on this.

The Secretary commented that it looked, then, as though there is not going to be an agreement, and there will be continued testing.

Dobrynin observed that the majority of countries oppose testing.

The Secretary agreed that they did, and said that the Soviets will not accept public opinion on on-site inspections, and we will not accept it on an agreement without inspection. He said he wished Ambassador Dobrynin would transmit his urging that the Soviet Government take another serious look at the comprehensive treaty, and if this is not acceptable, at an atmospheric treaty.

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#### 142. Disto 727 from Geneva, August 16<sup>1</sup>

August 16, 1962

Paris pass USRO. Dean, Fisher and Wiesner met privately August 15 with Kuznetsov and Lachs in Dean's hotel room for completely informal exchange on test ban problems. Each side spoke freely and

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<sup>1</sup> Geneva negotiations: readout of informal exchange with Soviet delegation on on-site inspection issue. Secret. 3 pp. Department of State, Central Files, 700.5611/8-1662.

relatively frankly so that we now feel sure that there is no misunderstanding of position in either direction.

US side explained carefully why we consider on-site inspection essential to any agreement on test ban which includes underground environment. We explained need for verification measures which could furnish some degree of confidence not only to US officials but also to members of Congress and American public. We stressed that we were not seeking perfection or 100 percent elimination of risk, but had to feel assured that there would be some small opportunity through random sampling under inspection for dealing with some of unidentified events which would be turned up by any worldwide detection system.

Kuznetsov made it crystal clear that Soviet Government considers on-site inspection problem to be entirely political. It was not question of divergence of views between Soviet and American scientists, and he even implied agreement to idea that there would be some number of unidentified events every year. However, as practical matter in present political situation, Soviet Union just would not be willing to give US any assurances other than those obtainable from system of control posts alone. He, therefore, repeatedly, urged us to assume this allegedly small degree of risk because no other solution of test ban problem was presently possible. Insisted international supervision would change essential character of nationally manned detection stations and was not acceptable.

Impression of inflexible Soviet position only hardened under further questioning. Kuznetsov was explicit in saying that no amount of semantic tinkering with terms of 8-nation memo to create Soviet obligation to issue invitation for on-site inspection on every occasion when commission might request such invitation would be acceptable. Invitation was matter which had to be left solely and entirely to unfettered discretion Soviet Government. In addition, when Wiesner offered to send scientists to Moscow to clarify situation on technical level or to discuss significance of random sampling arrangements with Soviet statisticians, this was also turned down on ground that this could not have relevance to political decisions which had to be sole basis of present position.

Since there was not repeat not slightest Soviet feeler for negotiation on this issue, it appears that USSR is presently more willing to accept continuation of arms race in nuclear weapons (with all implications which this has for third countries, which we discussed) rather than to make any compromise in its adamant opposition to obligatory on-site inspection. Several references were made to possibility of changed circumstances in next few years, including potential developments in identification of seismic events by long distance instrumentation which might make us more willing to consider test ban without inspection.



Short of that, however, no hope was held out on new basis for agreement, and we believe that this must be accepted as fact of Soviet policy which is not likely to change, however we may choose to play this subject for political and propaganda purposes at this conference or elsewhere. Partial test ban, for all environments except underground, was never discussed during conversation.

Am lunching with Kuznetsov Saturday. Godber (UK) leaving for London with Wright (UK) in charge.

**Tubby**

## September 1962

### 143. Record of Action, 504th NSC Meeting, September 6<sup>1</sup>

NSC Action 2456

September 6, 1962

#### *Results of 1962 Nuclear Test Program to Date and Tests Proposed for Remainder of Program*

a. Discussed a draft Department of Defense-Atomic Energy Commission letter, dated September 6, to the President advising him of the status of current preparations for continuing the high altitude tests in the Johnston Island area and requesting his approval for certain modifications and additions to the test program in Operation DOMINIC.

(Note: The Atomic Energy Commission and the Department of Defense subsequently revised the draft letter and formally submitted it to the President. The President approved the recommendations contained therein.)

b. Noted the President's directive that the schedule proposed in the above-cited letter was subject to revision to accommodate the next MERCURY launching, and that he expected the Department of Defense, the Atomic Energy Commission and National Aeronautics and Space Administration to maintain constant coordination in this respect.

c. Noted the President's directive that the usual "Notice to Mariners" closing the test area be issued through regular channels at the appropriate date. Noted also the President's decision that any announcement or statement describing or explaining the continuation of the current test series would require White House approval prior to release.

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<sup>1</sup> Results of 1962 nuclear test program to date and tests proposed for remainder of program. Secret. 1 p. Department of State, S/S-NSC (Miscellaneous) Files: Lot 66 D 95, Records of Action by National Security Council.

**144. Letter from President Kennedy to Prime Minister Macmillan,  
September 7<sup>1</sup>**

September 7, 1962

Dear Prime Minister:

I have just completed a careful review of the plans for completing our atmospheric test series, which as you know was interrupted in mid-summer by a failure at the launching pad in Johnston Island, with substantial damage to the immediate installations.

In reviewing the proposals, we have been faced with a number of new considerations. One is the quite unexpected magnitude of the deposit of high energy electrons in addition to the Van Allen Belt. This experience has led us to a drastic downward revision of the planned yields for high altitude tests.

We have also been reviewing the results of the earlier atmosphere series in Christmas Island and have reached the conclusion that very promising technical developments affecting yield-to-weight ratios should be followed up promptly, and accordingly we plan not more than four additional atmospheric tests, to be carried out by air drops near Johnston Island, along with the resumed high altitude tests.

The total number of tests thus authorized is seven, three at high altitudes and four by air burst from aircraft drops. I am reserving decision on an eighth test which would be at a high altitude, with a yield which might affect the radiation belts and is not yet adequately calculated.

None of these tests is proposed for Christmas Island, but I do wish to let you know that this is our general plan, well before public announcement which is now expected to be made early in the week after next.

Our object here is to complete the interrupted series, and to include a modest number of additional tests which I hope will have the effect of making it much easier for us to avoid atmospheric testing for a substantial time after November. That may allow us to make further progress along the lines of the exchange we have just had about a test ban (on this latter subject we are still working out our proposed answer to Khrushchev and will be in touch with you shortly).

The total fallout from the resumed series should be on the order of 15% of that involved in our earlier tests this year, and it will remain

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<sup>1</sup> U.S. atmospheric and underground nuclear testing schedule. Top Secret. 3 pp. Department of State, Presidential Correspondence: Lot 66 D 204, Kennedy-Macmillan, Vol. II.

true that our whole series has very much less radioactive fallout than the Soviet tests in the two series which they have conducted.

Our current plan is that these last tests will be conducted beginning about 30 September and ending early in November. Our impression is that Soviet tests will continue through approximately the same period of time, and thereafter there may be a renewed opportunity for some agreement, in a situation in which no atmospheric tests are going forward.

Our underground testing program is now scheduled to continue routinely. I want you to know quite privately that I am prepared to interrupt this program for a limited time if at any point that appears to be a useful step in getting forward toward a test ban agreement. We have just received your Government's request for the inclusion of a British underground test at Nevada, and I am sure that as long as our own testing underground continues, there will be no difficulty in scheduling such a test for you. A proper diplomatic answer will be coming back to you on this last point through the usual channels.

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**145. Memorandum from Gen. Decker to McNamara,  
September 10<sup>1</sup>**

JCSM-732-62

September 10, 1962

SUBJECT

Review of US Disarmament Policy During the Recess in the Geneva Conference  
(U)

1. The US Arms Control and Disarmament Agency (ACDA) plans a re-examination of US positions on disarmament matters during the recess in the Geneva Conference, 8 September to 12 November 1962. The Joint Chiefs of Staff are concerned that this review may be oriented more toward developing more negotiable and politically expedient proposals than toward a comprehensive reassessment and clarification of US disarmament policy which would strengthen the US position at Geneva.

2. a. This concern of the Joint Chiefs of Staff is based primarily on a trend of the past two years which, if allowed to continue without

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<sup>1</sup> JCS views on review of U.S. disarmament policy during the Geneva Conference recess. Secret. 3 pp. National Defense University, Taylor Papers, Disarmament 3, 1962.

thorough consideration of possible military implications, could place the United States in a highly disadvantageous situation. While the Soviet position on disarmament has remained practically unchanged since June 1960, the US position has been in a constant state of evolution, generally moving towards accommodation of Soviet views. This trend is outlined in Appendix A.

b. By contrast, the Soviet positions clearly reflect an effort to gain military superiority over the United States.

c. Although the test ban treaties, as tabled, do not fully reflect the recommendations of the Joint Chiefs of Staff and mark a considerable retreat from the previous US position of 13 April 1961, the United States has moved in Geneva to convince conference participants that the United States has tabled a final position and that pressures for further accommodation should be directed to the Soviets. The Joint Chiefs of Staff consider that a firm stand should also be taken with respect to general disarmament.

d. As a concomitant to the foregoing, all agencies of the Department of Defense should endeavor to resolve their differences of view in order to arrive at strong, cohesive positions from which to urge and vigorously to defend assumption by the United States of a firm stand in disarmament negotiations. In this connection, there have been noted several divergencies in regard to disarmament issues. Examples of these divergencies are included in Appendix B. This recapitulation has been made only for the purpose of portraying a situation which has tended to lessen the impact of military considerations on disarmament policy.

3. Another major reason for concern is the tendency on the part of ACDA to develop and put forth negotiating positions concerning US disarmament measures before the basic proposals have been thoroughly evaluated and correlated. On occasion, the United States has become virtually committed to a proposal before its feasibility or advisability could be determined (e.g., new test ban treaties based on "Technical Breakthroughs" and progressive zonal inspection concept) or before its relationship to the over-all US position could be fully considered.

4. The Joint Chiefs of Staff agree that the recess can be advantageously employed by re-examining US positions on disarmament matters. However, they believe that this review should have as its primary objective a comprehensive reassessment and clarification of US disarmament policy, followed by a strengthening of arguments therefor. They further believe that "accommodations" or concessions to the Soviets are neither necessary nor desirable and will only convince neutrals and the USSR that, if they goad and wait, the United States gradually will give in. Also, existing doubts will be confirmed in other nations

as to the validity and sincerity of the original US positions and as to the US determination to hold its position in the face of Soviet intransigence.

5. The Joint Chiefs of Staff recommend:

a. That the Secretary of Defense urge the Secretary of State and the Director, ACDA, to devote the main effort within the US Government during the recess toward comprehensive reassessment of US policy, clarification of just what each US disarmament measure is intended to encompass, and development of solid arguments in support of US agreed positions.

b. That proposals, such as listed in Appendix A, intended to facilitate negotiations be resisted unless the proposals clearly do not have adverse implications for the military security of the United States.

For the Joint Chiefs of Staff:

**G.H. Decker**  
*Acting Chairman*  
*Joint Chiefs of Staff*

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**146. Note from Kaysen to Shepard, September 21<sup>1</sup>**

September 21, 1962

Taz:

The attached folder on nuclear diffusion discussions is something the President has asked for, and you should give it to him at the earliest opportunity. It contains memoranda of conversations between Secretary Rusk and Ambassador Dobrynin, with a covering note by me. The President will want to talk to the Secretary about this matter.

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<sup>1</sup> Recommends passing to President attached information on non-diffusion issue. Two attachments, both dated September 21, provide background information on status of current discussions with the Soviets and the probable German and French reactions to the proposal. No classification marking on covering note; attachments are Secret. 4 pp. Kennedy Library, National Security Files, Departments and Agencies Series, ACDA, Disarmament, Non-Diffusion of Nuclear Weapons, 8/62-7/63.

**Attachment**

## SUBJECT

Non-diffusion: Approaches to Adenauer and de Gaulle

I talked with several people on the German and French desks about the question you posed this morning.

GER believes that the odds are in favor of a positive German reaction to ACDA's suggested approach. As far as the Germans are concerned, this scenario has a distinct advantage over the earlier ones in that it takes non-diffusion out of the Berlin and German contexts and puts it into the broader one of disarmament. Moreover, since the Germans do not believe that early agreement, or for that matter any agreement, is possible on such an arrangement, they would not be inclined to look at this move as one which would really inhibit future West German nuclear developments. This subject apparently has been discussed with the Germans and an official nod was given to a possible approach of this kind in a recent exchange. I have asked the Situation Room to get me the pertinent messages.

The French picture is somewhat different. The French Desk feels there is a 50–50 chance of a favorable de Gaulle reaction. This is based on an assumption that by according the French nuclear club membership, and therefore removing France from the group of nations subjected to the non-diffusion restrictions, the proposition might be attractive to de Gaulle.

**David Klein**

**Attachment**

## SUBJECT

Nuclear Diffusion Discussions

1. Attached are the records of the two most recent conversations which Secretary Rusk had with Ambassador Dobrynin on this subject. His earlier conversations with Mr. Gromyko in Geneva in July add nothing to this record. In addition, there are: a talking paper still in draft form, produced jointly by ACDA and Defense, which shows what Rusk would say, and also the lines along which a piece of paper would be drafted; and several pieces of paper by ACDA which indicate the approach they would take to the problem, and the areas of their agreement and disagreement with DOD.

2. I talked to the Secretary again on the telephone this afternoon and indicated your desire to talk with him on the subject. He will be

here in Washington until 4:00 p.m. on Saturday, 22 September. After 6:30 p.m. he will be at USUN at the Waldorf.

In my conversation, I told the Secretary that you were concerned both about the question of talking to our allies and whether we had to try to get agreement with them before talking to the Soviets, and the question of discussion within the Government and with the Congress and the attendant political problems that might raise. Ros Gilpatrick has indicated that the Defense Department would go along with this proposal, but the Chiefs object to it strenuously. If possible, Bob and Ros would rather fight with them another time than now.

3. The heart of the problem, in my own judgment, is that Secretary Rusk feels he has to give a piece of paper to the Soviets. He may be perfectly correct that if he is to give a piece of paper to the Soviets, he must first give it to our allies. Otherwise, the Soviets could always use the piece of paper with Kroll, or someone like that, as evidence of our bad faith. However, it is not clear that more cannot be said to Gromyko or heard from him before pieces of paper are passed. Chip Bohlen shares the view Mac and I hold, namely, that we should [*text not declassified*].

4. As of the present moment, we think that the Germans would not be unfavorable to the proposed agreement, since the Soviets have for long pressed for special language concerning Germany, to which the Germans have always objected. The major change in Dobrynin's last communication was his apparent willingness to do without a special reference to Germany.

On the other hand, the French remain the French—nobody thinks it is better than even money that they would be willing to be involved. I myself would guess that the two cables from Paris contained in your reading book this morning (Paris 1400 and 1406) point in the other direction.

Carl Kaysen



**147. Memorandum from Conger to Brubeck, September 27<sup>1</sup>**

September 27, 1962

On September 26 a letter was sent from Mr. Foster to the Secretary of Defense, summarizing developments to date regarding a possible international agreement on the non-diffusion of nuclear weapons, and giving this agency's recommendations on such an agreement.

A copy of this letter is attached for the Secretary's information.

**Attachment**

Dear Bob:

As you know, there have been recently several informal discussions and exchanges of memoranda regarding a possible international agreement on the non-diffusion of nuclear weapons. Specifically, within the past two weeks we have sent to the Department of Defense the following papers: 1) a copy of a memorandum to the Secretary of State from me, dated September 13, 1962, enclosing a draft memorandum to the President, draft letters to the heads of the Governments of the United Kingdom, France, and the Federal Republic of Germany, and a draft declaration on non-diffusion; 2) a memorandum for the Committee of Principals, dated September 18, 1962, containing revised versions of some of the above-mentioned documents sent to Defense on September 13; 3) a draft Minute, which might be transmitted to the Soviet Foreign Minister, further clarifying the United States view on a multinational nuclear force, sent to Defense on September 19, 1962; and 4) copies of a memorandum from the Secretary of State to the President outlining a course of action for the United States to follow in attempting to negotiate a non-diffusion agreement, dated September 21, 1962, and which was sent to Defense on September 22, 1962.

The purpose of this letter is to request that the Department of Defense and the Joint Chiefs of Staff continue to give active consideration to the various papers mentioned above, particularly the memorandum to the President of September 21, 1962. The course of action outlined in the memorandum, including three attachments, is directed toward the formal submission to the Soviet Union and other countries by the United States of a declaration on the non-transfer of nuclear weapons.

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<sup>1</sup> Transmits copy of letter from Foster to McNamara on status of non-diffusion issue for Rusk's information. Attached letter from Foster to McNamara is dated September 26. Confidential. 4 pp. Department of State, Central Files, 397.5611-GE/9-2762.

The prevention of the further diffusion of nuclear weapons among individual nations has been a national security and foreign policy goal of the United States for some time. It is incorporated in the United States disarmament proposals of September 25, 1961, and of April 18, 1962. The United States voted for the Irish Resolution, passed unanimously by the 1961 session of the United Nations General Assembly, which called upon all states to secure an international agreement on the non-transfer and non-acquisition of nuclear weapons.

As a result of recent conversations between the Secretary of State and the Soviet Foreign Minister and Soviet Ambassador, the United States should consider pursuing an agreement with the Soviet Union and other countries on the non-transfer of nuclear weapons which would not preclude the possibility of international nuclear weapons arrangements of a truly multinational nature of the type which might be developed within the NATO framework. A non-transfer agreement which would not preclude the possible development of a NATO multinational nuclear force and which would not in any way call into question existing custodial arrangements for the storage and deployment of United States nuclear weapons would be in the interest of the NATO alliance as well as in the national interest of the United States. It would be in the interest of NATO with respect to the defense of the countries in the alliance, with respect to the maintenance of international peace and security generally, and with respect to the strengthening of countries in the West and elsewhere believing in free and democratic institutions and individual liberty. In negotiating a non-transfer agreement with the Soviet Union and other Communist states, the United States would seek the active participation and support of the NATO countries, especially the United Kingdom, France, and the Federal Republic of Germany.

To my knowledge, the Department of Defense has no planned arrangements for the deployment or transfer of nuclear weapons which a non-transfer agreement of the type proposed in the memorandum to the President would preclude. If any such arrangements are being considered it would be important to have them discussed at this time, before negotiations for a non-transfer agreement proceed further.

The draft declaration on non-transfer is one which would not require any special international verification machinery. There would be little incentive for the Soviet Union to want to violate clandestinely the terms of a non-transfer declaration. If a violation occurred, it would be more likely to be done openly than not. The United States can have a high degree of confidence that the Soviet Union would comply with a non-transfer agreement because it is in Soviet self-interest not to spread nuclear weapons capabilities among other states, including states allied with it.

It would be helpful if I could receive by the close of business on Wednesday, October 3, comments of the Department of Defense and the Joint Chiefs of Staff on the memorandum and enclosures sent to the President on September 21, 1962. No meeting on this is planned at the present time, but I shall keep you informed of any developments.

Sincerely,

**William C. Foster**

October 1962

**148. Report of Foreign Weapons Evaluation Group Meeting,  
October 4<sup>1</sup>**

October 4, 1962

REPORT OF THE FOREIGN WEAPONS EVALUATION  
GROUP MEETING OF 2-3 OCTOBER 1962

1. Up to date, the Soviets have detonated about 30 nuclear devices in the current series. Almost half of these are thermonuclear devices which range from sub-megaton to 30 megatons in yield. Of these thermonuclear tests, approximately one half are in the 3-6 MT range in contrast with the Soviet 1961 series when half of the thermonuclear tests were in the 1½-3 MT range. The cumulative yield of the Soviet 1962 tests amounts to 130 MT which compares to *[text not declassified]* the US DOMINIC series. The rate at which Soviet tests have been conducted is comparable to the high rate in the Soviet 1961 series. Debris has been collected and at least partially analyzed on approximately two-thirds of the 1962 tests permitting a preliminary assessment of the Soviet series.

2. For the first time, electromagnetic pulses were observed at relatively close distances from the test site (600-1200 km). The internal evidence from these observations, and especially comparison with calibration observations at 600 to 900 km give interpretable data *[text not declassified]* (observations at 1200 km and more are difficult to interpret). These observations give a very important new tool for the establishment of the design of the Russian devices. We are only at the beginning of exploiting this new tool in our interpretation.

The interpretation depends also on the height of burst. Tests at an altitude of 10,000 ft and higher give clear records, tests at altitudes much below 10,000 usually contain spurious signals arising from the reflection of the KM signal from the ground.

*[text not declassified]*

*[text not declassified]* The fact that a relatively simple and straightforward interpretation of this device appears to explain the observed data does not preclude the possibility that the device was indeed much more complex.

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<sup>1</sup> Discussion of current series of Soviet detonations. Top Secret. 5 pp. Kennedy Library, National Security Files, Bromley Smith Safe, Drawer 1, Bethe Report, 10/4/62.

4. [text not declassified]

It appears from preliminary analysis that these may represent older, i.e., pre-1961 Soviet designs.

6. Two of the thermonuclear tests were sub-megaton, namely 400 KT and 160 KT in yield. [text not declassified]

7. The analysis of the Soviet 1961 fission devices was not completed until after the last meeting of this panel, it is therefore appropriate to include a summary of them in this report. In the Soviet 1961 series there were 16 tests of fission devices for which debris was collected and analyzed. [text not declassified] Of the unboosted fission devices tested in 1961, the majority bear strong resemblance to devices previously tested in 1957 and 1958. One test was of an oralloy device which may have been either a gun assembly or a large spherical implosion device.

8. Of the approximately 15 fission devices tested by the Soviets in the 1962 series, debris has been collected and analyzed on approximately 10. Only two of those show presence of a boost and all have tuballoy tampers. This appears to be a marked distinction to the 1961 series in which considerable effort was given to boosting and to the elimination of the tuballoy tampers.

**H.A. Bethe**

*Chairman, Foreign Weapons  
Evaluation Group*

November 1962

**149. Memorandum from Gen. Taylor to McNamara,  
November 10<sup>1</sup>**

JCSM-877-62

November 10, 1962

SUBJECT

Nuclear-Free or Missile-Free Zones (U)

1. In a memorandum, dated 25 October 1962, the Assistant Secretary of Defense (International Security Affairs) requested the advice of the Joint Chiefs of Staff as to the military impact of a US initiative to propose nuclear-free or missile-free zones in various areas of the world. The views of the Joint Chiefs of Staff regarding proposals for nuclear-free or missile-free zones in Latin America and Africa were submitted in JCSM-828-62, dated 26 October 1962, subject as above. This memorandum provides their views on proposals for such zones anywhere in the world.

2. In assessing the military impact of the establishment of a nuclear-free or missile-free zone, it is of paramount importance to recognize the basic difference between the strategic posture of US military forces and that of Soviet forces.

a. With two exceptions (discussed below), the Soviet strategic striking forces are confined to the geographical limits of the Soviet Union. This concentration of strategic striking power in the Soviet heartland is not a posture adopted by free choice; rather it is a posture forced on the Soviet Union by two prevailing conditions: first, a lack of bases or base rights anywhere in the world beyond the perimeter of the Sino-Soviet Bloc, and second, Soviet distrust of both Communist China and certain of the European satellites. The two exceptions noted above are the Soviet missile and bomber forces now in Cuba and the Soviet missile submarine force. The threat in Cuba, it now appears, is about to be liquidated. The Soviet missile submarine force, deployed in the Atlantic and Pacific Oceans, is at present a relatively minor threat, although in time it probably will assume greater proportions. Even these missile submarines, however, are obliged to operate from bases in the Soviet Union itself.

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<sup>1</sup> Military impact of U.S. initiative to propose nuclear-free or missile-free zones worldwide. Secret. 5 pp. Washington National Records Center, RG 330, OSD Files: FRC 69 A 926.

b. The strategic posture of US military forces is markedly different. The United States is not a continental but a world-wide power. US strategic striking forces are based, not only in the United States, but around the entire periphery of the Sino-Soviet Bloc. There are US nuclear striking forces, of one kind or another, deployed in Alaska, the Atlantic Ocean, Western Europe, the Mediterranean Sea, North Africa, the Middle East, Guam, and the Pacific Ocean. Furthermore, there are many other locations where the United States has, or could obtain in an emergency, base rights for the operation, support, or staging of nuclear striking forces.

3. Two highly important advantages are achieved by the United States in having its strategic striking forces deployed world-wide. First, in the matters of strike-timing (time from launch to target) and resultant warning times, the United States has a great advantage over the Soviet Union. Second, in the matter of targeting complexities, the Soviet Union, faced with a world-wide system of priority targets, is at a distinct disadvantage.

4. Application of a nuclear-free concept in any part of the world (other than the homelands of the United States and the Soviet Union) would work to the disadvantage of the United States. We would be forced to pull back our nuclear striking forces from the area involved, and we would have to relinquish base rights for the operation, support, or staging of nuclear striking forces. The Soviet Union on its part would have to sacrifice nothing.

5. If the nuclear-free concept were extended to one part of the world after another, eventually the United States would be forced into the necessity of maintaining all of its land-based nuclear striking forces in the continental United States. With less area in which to disperse (and with other factors being equal), these forces would then be more vulnerable than those of the Soviet Union. This would be a disastrous reversal of the situation existing today.

6. In connection with the preceding paragraph it is pertinent to note that, as Soviet nuclear capabilities grow during the years ahead, the question of relative vulnerability will become increasingly important in assessing whether or not the United States retains a strategic advantage over the Soviet Union. If we do not retain an advantage, our national objectives for general, limited, and cold war will have to be radically altered.

7. In addition to impairing the effectiveness of US strategic striking forces, establishment of either a nuclear-free zone or a missile-free zone would gravely affect the tactical capabilities of US forces. Conventional land power has thus far been the principal instrument of Communist aggression; both the Soviet Union and Communist China continue to maintain large armies. One vital counterpoise against this might is the

ability of US ground, sea, and air forces to employ tactical nuclear weapons, including missiles. A denuclearization proposal would be intended to reduce world tension and foster peace. However, in those areas of the world accessible to Red armies, denuclearization by limiting the tactical prowess of US forces would decrease the existing deterrent to Communist aggression and would thereby increase tension. Not only would it invite attack, but it increases the incentive for enemy use of tactical nuclear weapons against defenders unprepared to respond in kind. Thus, the proposal, if adopted, would weaken our deterrent, reduce the number of alternatives available to the United States in the event of attack, and increase the opportunities for Communist miscalculation of our intent and resolution.

8. Still another adverse effect of the establishment of a nuclear-free or missile-free zone would be a reduction in our flexibility of operations in peacetime. An important element of US strength is our ability to project our power overseas as desired and as needed. Occasional visits by US naval and air forces to allied and neutral countries are useful as a demonstration of continued US strength and purpose. The presence of such forces in an area of potential disorder can also be highly effective in stabilizing the situation. Establishment of a nuclear-free or missile-free zone would seriously inhibit such operations by US naval and air forces in the area involved. Consequently, US ability to influence the trend of events in that part of the world would be diminished.

9. Establishment of a nuclear-free zone would not have the same military impact as establishment of a missile-free zone. A nuclear-free concept would probably exclude all types of nuclear weapons: bombs, antisubmarine weapons, projectiles, demolition charges, AND missiles. (All long-range offensive missiles can be presumed to have nuclear warheads; otherwise they would be of little consequence.) On the other hand, a missile-free concept would undoubtedly exclude all offensive (nuclear) missiles and might or might not exclude nonnuclear missiles, such as surface-to-air and air-to-air missiles. In any event, a nuclear-free concept would be more damaging to the US military position than a missile-free concept.

10. In conclusion, the Joint Chiefs of Staff believe:

a. That because of a basic difference between the US and Soviet strategic postures, application of a nuclear-free or missile-free concept in any part of the world would be far more damaging to the United States than to the Soviet Union.

b. That the principal adverse effects of a nuclear-free or missile-free concept upon the US military position would be:

(1) Severe degradation of US strategic striking power relative to that of the Soviet Union.



(2) Serious reduction in the tactical capabilities of US forces and a consequent decrease in the US deterrent to Communist aggression.

(3) Impairment of US flexibility of operations in peacetime.

c. That a nuclear-free concept would be more damaging to the US military position than a missile-free concept.

d. That the United States should oppose and certainly should not initiate any proposal for the establishment of a nuclear-free or missile-free zone in any area of the world.

e. That if forced to negotiate on this issue, the United States should agree to the establishment of a nuclear-free or missile-free zone only in the context of a broader arms control agreement in which the Soviet Union makes equivalent concessions.

11. It is recognized that this memorandum has discussed only in general terms the military impact of a nuclear-free or missile-free concept. The precise effect of a specific proposal for a nuclear-free or missile-free zone would depend upon (1) the terms of the proposal (*inter alia*, the area involved and the categories of nuclear weapons or missiles excluded); (2) the extent to which the nuclear-free or missile-free concept has already been applied in other parts of the world; (3) the current status of US base rights in the area involved; and (4) the extent to which current US military plans for cold, limited, and general war depend upon our ability to operate, support, or stage nuclear or missile forces in the area involved. Because of these many variables, in the absence of a specific proposal it is not possible to discuss with any exactitude the military implications of the application of a nuclear-free or missile-free concept in various areas of the world. However, the Joint Chiefs of Staff are prepared to provide, if and when required, their estimate of the military impact of any specific proposal.

For the Joint Chiefs of Staff:

**Maxwell D. Taylor**

*Chairman*

*Joint Chiefs of Staff*

**150. Memorandum for the Record Prepared by McCone,  
November 12<sup>1</sup>**

November 12, 1962

## SUBJECT

Discussion with Dr. Teller—12 November 1962

Dr. Teller had breakfast with me on Monday morning, November 12th.

We reviewed at some length the results of our nuclear testing program. [*text not declassified*]

Dr. Teller said that practically all of the work could be conducted in the underground, [*text not declassified*]. Finally we must, according to Dr. Teller, test the completed devices in the atmosphere.

Dr. Teller felt that the laboratories had at least a year's work before they would be prepared to do anything significant in the atmosphere. He felt the Soviets would need a year or even more. He further expressed the thought that the most recent Soviet series did not expose any new techniques or breakthroughs. [*text not declassified*]

With respect to the value of a 100 megaton warhead, Teller made the point that if an anti-ballistic missile defense was successful, it very probably would not be able to interdict an incoming nuclear warhead at altitudes above 50,000 or 60,000 feet. He pointed out if this was the case, the 100 megaton explosion at 60,000 feet would be devastating to vast areas (although not to hardened bases); therefore it was concluded that there is a need for warheads of this yield.

Teller asked my advice as to what to do. I suggested that since we could take no constructive action for a year he had better confine himself to talks with Government officials and responsible authorities and not project the issue into the public press by making speeches, television appearances, etc., at this particular time. I assured him that our policy was under careful review and that he, as well as others, would be consulted before decision is reached.

**John A. McCone**  
*Director*

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<sup>1</sup> Meeting with Dr. Teller on nuclear testing program. Top Secret. 2 pp. CIA Files, JOB 80B01285A, DCI Memos for the Record, 9/24/62–12/31/62.

**151. Telegram 525 to Djakarta, November 13<sup>1</sup>**

November 13, 1962

Brazil has introduced resolution in GA recommending Latin American countries negotiate arrangements for nuclear free zone in Latin America with provisions for verification to insure arrangements being observed. We intend support this resolution. We believe that in area like Latin America, where nuclear weapons not deployed, arrangements worked out among states concerned for denuclearized zone with adequate verification to insure zone indeed remains free of nuclear weapons could be important contribution to overall efforts prevent wider dissemination such weapons. FYI Carefully formulated resolution also offers vehicle to stimulate action which could prevent reintroduction Soviet nuclear weapons in Cuba. END FYI.

As reported USUN's 1746 repeated Djakarta 31 and being repeated Karachi and Geneva, Indonesia also considering introducing resolution urging powers in region of Asia and Pacific Ocean to secure agreement on denuclearization that region. We are opposed to UN resolution calling for such zone. Embassy Djakarta requested approach Foreign Office soonest to express strong hope Indonesia will not repeat not introduce resolution. Following arguments may be drawn upon:

1. Unlike situation in Latin America where there is wide support for denuclearized zone, many states in Asia and Pacific area oppose nuclear free zone for their region. UN should not suggest nuclear free zone in any area where there is such wide disagreement on question among states concerned. Resolution in this situation devoid of meaning. Question is one for states themselves to work out.

2. Basic distinction must be drawn between nuclear free zone in Latin America and such zone in Europe or Pacific where nuclear weapons now deployed and where military balance would be changed. This is problem which can be solved only in general disarmament context. It is not, as in case Latin America, problem of preventive disarmament of area where nuclear weapons do not exist. As in Europe, Soviet nuclear striking power must be taken into account in considering problem nuclear weapons in Asia. Accordingly, this problem must be considered as part of general disarmament problem, and not, as in Latin America, as matter of declaring area "off limits" to nuclear arms race. Problem in Asia, as in Europe, is task of general disarmament negotiations to alleviate and, if possible, resolve.

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<sup>1</sup> U.S. support for U.N. General Assembly resolution on nuclear free zone in Latin America. Confidential. 3 pp. Department of State, Central Files, 600.0012/11-1262.

3. Although Chicoms have paid lip service to idea of nuclear free zone for Asia and Pacific, they are actively working on nuclear development and clearly have no intention renouncing their efforts or entering into any agreement involving necessary effective verification. Chicoms are determined go ahead with their efforts to produce nuclear explosion as first step toward some kind of nuclear capability despite grave economic difficulties and despite fact such capability would be long way in future after first explosion. Chicoms therefore not sincerely interested in objectives Indonesians seeking in proposed resolution.

4. Net result of resolution would be put pressure on Free World to denude itself of nuclear defenses in Asia and Pacific and render Asian nations more vulnerable to Chinese Communist aggression. Chicoms have history of aggressive action in Asia and right now are engaged in aggression against India in violation all principles subscribed to by Chicoms in long series of public pronouncements and promises to other nations of Asia. Obviously impossible for India and other states in region to agree to nuclear free zone in absence sincere Chicom agreement since result would only be to advantage Chicoms.

5. Most fruitful steps which could now be taken in interest of reducing dangers posed by nuclear armament are those involving nuclear test ban. To divert attention and effort from work towards such measures would be disservice to cause of nuclear disarmament.

USUN may wish draw on foregoing in discussions with Pakistan Delegation in New York. If Indonesians do introduce resolution, Department will consider advisability approaching GOP in Karachi in order discourage support for Indonesian proposal. Given present coolness between U.S. and Pakistan because of U.S. military assistance to India, premature representations in Karachi against Indonesian proposal might have opposite from the desired effect.

**Rusk**

**152. Memorandum of Conversation, November 30, between Rusk and Mikoyan<sup>1</sup>**

November 30, 1962

LA Atom Free Zone

*The United States*

The Secretary  
The Under Secretary  
Ambassador Thompson  
Mr. Davis, EUR  
Mr. Kamman, Interpreter

*The Soviet Union*

First Deputy Premier A. Mikoyan  
Ambassador Dobrynin  
Mr. Kornienko, Counselor, Sov. Emb  
Mr. Chistov  
Mr. Vinogradov, Interpreter

At a working luncheon for Soviet First Deputy Premier, Anastas Mikoyan, the Secretary turned the conversation, about dessert time, to a serious discussion of problems by remarking that the President thought some progress had been made in yesterday's conversation at the White House. Mr. Mikoyan responded he was very gratified if the President believed some progress had been made. He was under the same impression. He had been on the point of asking the President at the end of the discussion whether they had made any progress but decided not to do so. He, himself, however, felt we had achieved some progress and was glad that the Secretary had mentioned it.

The Secretary said we were seriously interested in the proposal for an atom free Latin America. In the long run this might provide mutual assurance which would give a feeling of security to these countries. In addition, we were interested in the words of Chairman Khrushchev who had spoken of measures against surprise attack, such as observers in key seaports, airports and rail centers. It was not clear to us whether Chairman Khrushchev looked on these measures as part of a complete package in the disarmament field or whether they were measures valuable in themselves which should be taken up immediately without waiting agreement on general and complete disarmament.

Mr. Mikoyan said he would not dwell on the history of disarmament negotiations. He thought disarmament was an important issue on which we should reach agreement. The arms race laid a very heavy burden on the Soviet Union and on the United States. For many years we have been conferring together. The Soviet Union had shown maximum flexibility, but they did not know where the United States and Western countries were moving. Though he did not wish to dwell on

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<sup>1</sup> Discussion of Latin America atom-free zone. Secret. 3 pp. Department of State, Secretary's Memoranda of Conversation: Lot 65 D 330.

history, he wanted to mention missiles. First, the Soviet Union had agreed to destroy all missiles in the first stage of disarmament, but since the United States had certain apprehensions, it had made the Soviet position more flexible. Chairman Khrushchev then said a certain number of missiles could be retained during the first stage. However, up to now no counter-proposals had been made by the United States.

Mr. Mikoyan then referred to the Secretary's statement about United States interest in an atom free Latin America. He commented that the Brazilian proposal had been a good one in its first draft. But now it appeared that while the Latin American countries could not have atomic weapons on their territories, the United States could have on its bases in those countries. The Soviet Union could not support such a proposal, which is based on "what is bad for you is good for me". If, however, the proposal concerned all Latin American countries—in other words, if the United States would not have nuclear weapons in those countries—perhaps the Soviet Union could support the Brazilian resolution. He had the impression that Cuba would also favor it if the United States made clear, for instance, that no atom bombs would be in the Panama Canal Zone, and perhaps elsewhere. This would solve the problem of Cuba not having atomic weapons if other Latin Americans also did not. Mr. Mikoyan concluded he would like to touch on other things.

The Secretary responded he would like to come back to the Latin American atom free zone proposal. The Secretary commented that perhaps there was some misunderstanding and that our positions were not too far apart. If such an arrangement could be made, we would not expect to have nuclear weapons in Guantanamo, in the Panama Canal Zone or our base in Trinidad. However, this could not apply to Puerto Rico because it was part of the United States and we were not talking about an atom free United States. We would suppose that such an arrangement would ban atomic weapons from all existing and possible future bases, though he had nothing concrete in mind in speaking of future bases. Furthermore, we would expect that the Panama Canal Zone and Guantanamo would be subject to exactly the same kind of inspection as the rest of Latin American countries. The Secretary said, however, he would like to make one point quite clear. The prohibition against nuclear weapons would not apply to transit through the Panama Canal. For instance, we could not accept a prohibition on shipment through the Panama Canal of atomic weapons from the East Coast to our West Coast. The Secretary observed that when the Cubans responded to the LA atom free zone proposal, they had introduced elements which had nothing to do with an atom free zone. The Secretary concluded by saying he thought we needed to discuss this matter further; our two positions were not so far apart.

Mr. Mikoyan disclaimed knowledge of the details but expressed the opinion that basically the Cubans were in favor of this proposal. He said that he would report the Secretary's observations to Chairman Khrushchev, after which the Soviet Union would make a report.

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**153. Memorandum of Conversation, November 30, between Rusk and Mikoyan<sup>1</sup>**

November 30, 1962

Measures Against Surprise Attack

*The United States*

The Secretary

The Under Secretary

Ambassador Thompson

Mr. Davis, EUR

Mr. Kamman, Interpreter

*The Soviet Union*

First Dep. Premier Anastas Mikoyan

Ambassador Dobrynin

Mr. Kornienko, Counselor, Sov. Emb.

Mr. Chistov

Mr. Vinogradov, Interpreter

The Secretary said that it was our impression that we could make more progress than we have on other things. Referring back to the second point which he had made at the beginning of the conversation, he expressed the view that perhaps measures of surprise attack were something on which we could move. Mr. Mikoyan had expressed alleged Soviet concern about an attack on Cuba and we had shown our concern about missiles in Cuba. Perhaps if certain measures against surprise attack were adopted, these would take care of our mutual concerns.

Mr. Mikoyan said he had had limited experience in diplomatic negotiations. He had had no intention of evading the Secretary's second question; he had not forgotten it. He did want to make clear that Moscow favored denuclearized zones. He referred back to the Soviet proposals made first in 1955, against the danger of war suddenly breaking out. If there were a warning system, this would help for it was impossible to attack without calling up troops, moving rail transports, deploying planes at major airports. If this control existed there could be no surprise attack. Of course, it could be said missiles could be launched and, therefore, they had proposed their abolition in the first stage of disarmament as part of the package plan.

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<sup>1</sup> Discussion on measures against surprise attack. Secret. 2 pp. Department of State, Secretary's Memoranda of Conversation: Lot 65 D 330.

The Secretary referred to the complexity of general and complete disarmament and said we had been wondering whether it would not be worth while to take some steps now, i.e., pre-stage one. Perhaps this could be characterized as a kindergarten stage. Mr. Mikoyan protested that a kindergarten was for children and we were adults, to which the Secretary responded that perhaps we could borrow something from children.

Mr. Mikoyan said that if he understood the Secretary correctly, the Secretary thought the prospect for general disarmament was dim, perhaps hopeless, and in despondency the Secretary was bringing up separate items.

The Secretary responded he saw the proposal in three kinds of separate steps: First, there was complete and general disarmament, which was filled with complex problems which cut across the entire range of our relationships. Second, there was the ban on nuclear testing and on this we hoped agreement could be reached. Third, there were some steps which might be separated out from the disarmament package. For instance, the Latin American atom free proposal was one of these steps; the agreement on non-transfer of nuclear weapons was another. The Secretary agreed these were not disarmament steps in the strictest meaning of the word, but they were preparatory steps which might lessen tensions and aid to peaceful stability.

Mr. Mikoyan did not make a direct reply to the Secretary and at no time during the rest of the conversation did he refer back to this question.

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**154. Memorandum of Conversation, November 30, between Rusk and Mikoyan<sup>1</sup>**

November 30, 1962

1. Nuclear Test Ban
2. Non-proliferation

*The United States*  
The Secretary  
The Under Secretary

*The Soviet Union*  
First Dep. Premier Anastas Mikoyan  
Ambassador Dobrynin

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<sup>1</sup> Discussion of nuclear test ban and non-proliferation issues. Secret. 5 pp. Department of State, Secretary's Memoranda of Conversation: Lot 65 D 330, December 1962



Ambassador Thompson  
EUR—Richard H. Davis  
Mr. Kamman, Interpreter

Mr. Kornienko, Counselor, Sov. Emb.  
Mr. Chistov  
Mr. Vinogradov, Interpreter

### 1. *Nuclear Test Ban*

Mr. Mikoyan picked up the Secretary's reference to the nuclear test ban and observed the Soviet Union had made a number of proposals. The Soviets had learned last summer that American and British scientists had proposed that sealed boxes could be used to detect underground tests. This would eliminate the need for "on ground" personnel. These sealed boxes would be placed in earthquake zones in neighboring states provided their governments agreed. Soviet scientists had agreed with the conclusions of their fellow-American-British scientists on the feasibility of such a system.

The question had been asked, Mr. Mikoyan continued, how one could guarantee that these sealed boxes would actually be set up in the Soviet Union. This was a difficult question to ignore. Chairman Khrushchev had told Sir Frank Roberts sometime ago, and the day before yesterday Ambassador Soldotov in London had said to Lord Home that during the construction of these stations and for the delivery of these sealed boxes, foreign observers could be present. They could also be present when the boxes were removed. But they would not tolerate foreign observers as spies. There could be no cameras, perhaps portholes of planes would have to be covered up—just those things which were necessary, of course—but the Soviet Union would not separate underground from other tests. All other kinds of explosions can be easily detected. These automatic devices in sealed boxes can easily detect any underground test. It was now up to the American side to decide whether it wished an agreement.

The Secretary said we will be discussing these matters further but he must state that these black boxes do not distinguish between earthquakes and possible underground tests. Mr. Mikoyan interjected that the British and American scientists had said they did. The Secretary responded that we had urged a meeting of the scientists to ascertain the true facts, to which Mr. Mikoyan responded they had already met.

The Secretary pointed out that British and American scientists had not concluded that these devices could detect the difference between earthquakes and underground nuclear tests. The scientists' conclusion had addressed itself to the question of whether unmanned boxes could substitute for manned stations. The Soviets asserted the devices could detect underground tests. The United States could not say whether the Soviet Union has such instruments or not, particularly when they had orbited two men within 5 kilometers of each other in outer space. What is needed is to have our scientists meet and determine the facts. We would hope that they might find it possible to agree. This, however,

is not a policy question but a matter of fact. It was a question of whether both sides can have assurance that an agreement was being carried out.

Mr. Mikoyan replied, yes, that is the question. If the scientists find it possible to agree, then the question moves into the sphere of political policy.

## 2. *Non-proliferation*

For example, the Secretary continued, one aspect of NATO-Warsaw Pact relationship was the question of the non-transfer of nuclear weapons. This question too had been touched on in his conversation with Gromyko and he thought we were coming to a point where we could speak about this in precise terms. The Secretary expressed the hope that he would see Ambassador Dobrynin before going to the NATO Ministerial meeting in Paris. Some progress had been made on this subject over the past year and the Secretary had talked with certain of his colleagues in other governments, but only in general terms. He emphasized that reaching agreement on this question could be an important step.

Turning again to the nuclear test ban, the Secretary observed that the attitude of Peiping was important. If the Chinese would not cooperate on the test ban or a non-proliferation agreement, then there could be no agreement. He noted there had been certain articles published in *Jen Min Jih Pao* in Peiping which indicated Chinese opposition. He asked Mr. Mikoyan if he had an impression whether or not the Chinese would cooperate. The Secretary expressed the personal belief that the United States and the Soviet Union have a common interest to prevent the proliferation of nuclear weapons regardless of the political or ideological system of other states.

Mr. Mikoyan replied, the United States does not recognize China and yet the Secretary was asking him. He could only speak on behalf of the USSR interest, not China. This question should be addressed to the Chinese. Mr. Mikoyan continued, we should decide on our own positions. He then asked the Secretary whether he understood him correctly to say that if China opposes these two proposals there could be no possibility of agreement.

The Secretary answered the two proposals were somewhat different. In the case of the test ban, there was a provision in the treaty that the signatories could elect to free themselves of their obligations if someone else tests. As regards a non-transfer agreement, the proposal which he and Mr. Gromyko had been discussing began with two important paragraphs. First, it was proposed that the four existing nuclear powers agree not to transfer to national governments or to help national governments obtain nuclear weapons. The second paragraph provided that non-nuclear powers would agree not to receive or to manufacture

nuclear weapons. If there was a government capable of manufacturing nuclear weapons and refuses to sign this agreement, then it is hard to see how the agreement would have meaning. For instance, we assume the Soviet Union would be greatly concerned if Germany refused to sign. On our part, we would be greatly concerned if China, or indeed any one of twenty other countries capable of developing atomic weapons, refused to sign.

Mr. Mikoyan observed he was not a specialist in this matter, but he was apprehensive that this proposal might provide a loophole through which nuclear weapons could come under some other flag, such as an international body. Through this the Germans may have access to nuclear weapons. This the Soviets cannot accept. Even now the West Germans (Strauss) are saying don't give us nuclear weapons in our own hands, since we will have access to them through NATO. If this proposal is designed to provide a by-pass, it would not be acceptable to the USSR.

The Secretary replied that Mr. Mikoyan was correct. This was a key issue. The United States was prepared to agree on no transfer, either directly or indirectly, of nuclear weapons to national governments, but we must be absolutely clear on what we mean. We must discuss this more, as we believe it has real possibilities. The United States is not interested in increasing the number of governments who have nuclear weapons. We have had differences with our friends in Paris. We consider the point made by Mr. Mikoyan a serious one and we will want to be more precise and have further discussions in detail with Ambassador Dobrynin.

Mr. Mikoyan responded that he understood the United States as a country did not want to increase the number of governments who have nuclear weapons, but, he asked, can the United States withstand pressure from its Allies to transfer to national governments or to a supranational body these weapons? In case war should break out, the Soviet Union would use nuclear weapons in the interest of its Allies but it would not give weapons to them.

The Secretary remarked that we must be clear on what we are talking about. Both the USSR and the USA have nuclear weapons in direct support of our Allies, though the warheads remain in our hands and cannot be used without our consent. This does not prevent us from consulting with our NATO Allies to the greatest extent possible about the deployment and use of nuclear weapons. The Soviet Union could also consult with its Warsaw Allies. This would not prevent an agreement being reached. The United States does not want other governments to be in a position to use nuclear weapons by their own decision.

Mr. Mikoyan concluded his remarks by saying he understood that the Secretary would continue his talks on this subject with Ambassador Dobrynin.

December 1962

155. Letter from Rusk to Couve de Murville, December 12<sup>1</sup>

December 12, 1962

Dear Maurice:

You will recall our brief conversation, during your last Washington visit, about the non-transfer of nuclear weapons. I got the impression from you that, if our German friends saw no great difficulty, you felt that France might be able to participate in some arrangement on that subject. A recent talk with our colleague Gerhard Schroeder encourages me to take this matter up with you in more precise terms.

From our point of view, there are three main objectives in our mind. The first and dominant element is our desire to throw some obstacles across the path of a Chinese nuclear development if possible. Frankly, I believe the chance that Peiping would agree not to obtain nuclear weapons is a remote one. Nevertheless if the three Western powers and the Soviet Union could propose a general agreement, the Soviets might be able to use the proposal as pressure in Peiping, disagreement between them on the subject could benefit the West, and, as a minimum, Peiping would have to bear the responsibility for no progress. I cannot overemphasize the dismay with which we face the prospect of a Red China armed with nuclear weapons, in light of the impact on the rest of Asia and of our own security responsibilities in the Pacific and Far East. I am quite sure that the Soviets take little comfort from the same prospect.

Our second purpose is to devise a means for diverting the Soviets away from special arrangements with regard to Germany. If we have an offer which is open to them, provided they can obtain Peiping's adherence, we are in a strong position to shrug off any effort to connect non-transfer of nuclear weapons with Berlin or German issues on a discriminatory basis.

Third, we are concerned about the likelihood that more and more nations will develop nuclear weapons during the next decade unless some action is taken to prevent it. I am quite certain that it is in the interest of those possessing nuclear weapons not to have the number expanded if it is possible to prevent it.

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<sup>1</sup> Approach to French on non-diffusion proposal. Secret. 2 pp. Department of State, Conference Files: Lot 65 D 533, CF 2200.

I am attaching for your consideration a proposed draft declaration on this subject. Obviously, much turns upon precise understanding of what is meant by the language referring to direct or indirect transfer. I am also enclosing a draft minute of interpretation indicating what would not be prohibited under our language; it seems to me that we must be completely clear on such matters when or if we talk with the Soviets about precise proposals.

Schroeder told me that he thought that if it were quite clear that the adherence of Peiping was a *sine qua non* to an agreement, he thought the Federal Republic would be able to sign. I do not wish to speak for him, however, because he did not have a specific text in front of him and I am not certain that the matter had been discussed in their Cabinet.

It would be my suggestion that you, Home and I consider the matter since the three of us would be involved in paragraph one of the proposed declaration. If we can agree, we can consult the Germans and then proceed with the Soviet and other governments. Paragraph two would need the adherence of many governments if the declaration is to achieve its purpose. Certainly we would not be interested in a formal agreement which did not include Peiping.

Cordially yours,

Dean Rusk

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## 156. Draft Non-Transfer Declaration, Undated<sup>1</sup>

Undated

### DRAFT NON-TRANSFER DECLARATION

Desiring to promote international peace and security,

Desiring, in particular, to refrain from taking steps which will extend and intensify the arms race,

Believing that the creation of additional national nuclear weapons forces will jeopardize these ends,

Recalling that General Assembly Resolution 1665 (XVI) urges all states to cooperate for these purposes,

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<sup>1</sup> General and complete disarmament under effective international control. Confidential. 2 pp. Department of State, Conference Files: Lot 65 D 533, CF 2200.

Reaffirming their determination to achieve agreement on general and complete disarmament under effective international control,

1. The Governments of France, the United Kingdom of Great Britain and Northern Ireland, the United States of America, and the Union of Soviet Socialist Republics solemnly declare that they will not transfer any nuclear weapons directly, or indirectly through a military alliance, into the national control of individual states not now possessing such weapons, and that they will not assist such other states in the manufacture of such weapons;

2. The other signatory Governments solemnly declare that they will not manufacture nuclear weapons and that they will refrain from acquiring directly, or indirectly through military alliances, national control of any nuclear weapons, and that they will not seek or receive assistance from other states in the manufacture of any such weapons;

3. This declaration, which shall be deposited with the Government of \_\_\_\_\_, shall be open to signature by all Governments. It shall remain in effect indefinitely, subject to the right of any signatory to be relieved of its term if another signatory fails to observe them or if any other Government takes action which signatories have declared they will not take;

IN WITNESS WHEREOF THE undersigned, duly authorized, have signed this declaration.

DONE AT \_\_\_\_\_, this \_\_\_\_\_ day of \_\_\_\_\_, one thousand nine hundred and sixty-two.

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**157. Letter from Dean to Rusk and Foster, December 28<sup>1</sup>**

December 28, 1962

Dear Secretary Rusk and Mr. Foster:

I enclose four copies of a memorandum which you may wish to turn over to the scientists for appropriate analysis.

If you approve I would also suggest a copy be sent to the President for his information.

Sincerely yours,

**Arthur H. Dean**

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<sup>1</sup> Transmits a December 27 memorandum on possible solutions to a nuclear test ban treaty. Also appended is a January 3 note from Brubeck to Swank seeking approval to send copy of Dean memorandum to Bundy for President's use. Secret. 9 pp. Department of State, Central Files, 700.5611/12-2862.

## Attachment

### MEMORANDUM BY ARTHUR H. DEAN WITH RESPECT TO POSSIBLE SOLUTIONS FOR A NUCLEAR TEST BAN TREATY

1. In the immediate aftermath of Cuba and the Chi-Com attack on India there would appear to be little likelihood of the Soviet Union's agreeing to any effective number of internationally supervised detector stations on its territory equipped with proper and modern instrumentation, to their location in quiet areas or to the training of the USSR nationals on such stations.

2. There would also appear to be little likelihood that they would agree to any meaningful-on-site inspections by an international commission of unidentified events. To get Soviet acceptance the invitations would either have to be "invitational" in accordance with the Eight-Power memorandum or would be in accordance with Ambassador Lall of India's proposal that the commission would first ascertain whether an invitation, if issued by the commission, would be honored so that if the answer to the query were in the negative no invitation would be issued and therefore there would be no breach of the treaty.

3. The proposals with respect to having two or three automatic stations on Soviet territory, according to Sir Solly Zuckerman, offers endless possibilities for argument as to the size, the equipment and location of such stations and the manner in which their data would be recorded, reported and processed. While this scientific work was going on the Soviets would in effect be demanding a further uninspected and uncontrolled moratorium with respect to seismic events.

In order to meet the projected USSR unilateral proposal that all further testing underground be stopped on an uninspected and uncontrolled basis, the following program is put forward for examination:

I. The scientists be asked how effective a set of stations in quiet locations with modern instrumentation would be if such stations could be located in Japan, Korea, Formosa, the Philippines, India, Afghanistan, and possibly Poland, by the United States and could be manned by the United States with appropriate number of local nationals.

II. If the answer of the scientists would be that such a set of stations might be more effective in detecting, locating and identifying seismic events than a relatively few automatic stations on Soviet territory plus some larger number of automatic stations on the territories of countries contiguous to the Soviet Union, and if the scientific possibilities of such a system of stations would permit the detection, location and identification of all significant seismic events, the United States might be willing to say the following:



A. The United States will not ask for an international supervisory commission or for internationally supervised control posts manned by nationals on Soviet territory and will not ask for obligatory on-site inspections.

B. The United States will announce unilaterally that it will not test in the atmosphere, under water or in outer space or underground as long as it has no evidence satisfactory to it that the USSR or any other state is not testing in any one of these environments.

C. If the United States receives evidence satisfactory to it which leads it to believe that the USSR or any other state is testing in any one or more of these environments, then the United States reserves the full right to take any and all action as it may deem fit and proper with respect to the question of whether or not it will resume testing.

The foregoing proposal would seem to have the following disadvantages:

(1) It is not a treaty and does not obligate the Soviet Union.

(2) There will be no internationally supervised but nationally manned detection posts on the territory of the Soviet Union.

(3) There will be no right of the commission to make obligatory on-site inspections of unidentified seismic events on the territory of the Soviet Union. This program is based upon the premise which must be carefully examined by the scientists that by the setting up of our own stations in nearby countries with proper equipment and properly manned, despite the fact that there are no properly placed detection posts on the territory of the Soviet Union and no right of on-site inspection of unidentified events, we can do as reasonably good a job as we would with internationally supervised but nationally manned posts in the territory of the Soviet Union.

(4) There will be no right to make on-site inspection of unidentified events on the territory of the Soviet Union. But even with some 8 to 10 detection posts with modern instrumentation and possibly located on the territory of the Soviet Union the problem of location and identification will still be great, and even if the USSR were to agree to having the commission make its own decision with respect to on-site inspections there is no assurance that the Soviet Union would in fact cooperate in actually permitting the commission to carry out these on-site inspections effectively and efficiently.

(5) If the decision as to whether on-site inspections were to be left to a group of 17 scientists from each of the countries which are parties to the treaty, if the scientists thought that their declaration there was an unidentified event which needed on-site inspection might lead to the denunciation of the treaty, then the fear of making such a political decision, or the pressures which might be put upon them not to do so, might lead them not to ask for the right to make on-site inspections for certain unidentified events. If so, the actual request to make an on-site inspection might never arise.

Advantages:

(1) We design, equip and locate the stations.

(2) We operate them ourselves.

(3) We make our own decision as to whether there is an unidentified event and whether we have the right to resume testing and do not have to convince scientists from the non-aligned countries. Out of the eight nations, India and Burma are close geographically to Communist China and [text not declassified].

The Chi-Com attack on India and the rift between USSR and Chi-Com remain to be appraised. The relationship of the UAR and the USSR is well-known.

(4) [text not declassified]

(5) [text not declassified]

(6) [text not declassified]

(7) Even if the Proposed system has scientific disadvantages it gives the United States certain moral advantages and arguments with the non-aligned nations as against either (a) a policy of agreeing to any uninspected and uncontrolled moratorium on seismic events following the unilateral declaration of the Soviet Union against testing, or (b) being forced by world opinion to agree that we will discontinue further underground tests without any provisions for detection posts or on-site inspections on Soviet territory or without any clear right to resume testing if we find violations.

(8) It gives the United States control over the location and manning of the posts and control over the decisions.

If the program is handled in a highly objective scientific manner the fact that you do not have non-aligned nations concurring in the decision that there has been either a nuclear test or an unidentified event will be largely overcome.

If the foregoing proposal were cleared as satisfactory to the scientists it would of course have to be cleared with Senator Russell of Georgia and with the Joint Atomic Energy Committee in view of the statements that have been made with respect to the proposed treaty and with respect to resident supervision of the international commission at nationally manned detection parts in the territory of the Soviet Union.

Arthur H. Dean

### Attachment

A carbon copy of the attached has been sent to ACDA. If S approves, we will forward a copy to Mr. Bundy's office for the President.

**William H. Brubeck**  
*Executive Secretary*

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#### 158. Memorandum of Conversation, December 28, between Dobrynin and Harriman<sup>1</sup>

December 28, 1962

##### SUBJECT

Nuclear Testing

##### PARTICIPANTS

Ambassador Dobrynin USSR  
W. Averell Harriman

During a conversation at dinner at the Soviet Embassy, Ambassador Dobrynin expressed optimism that an agreement on the ending of nuclear testing could now be reached since Mr. Khrushchev had accepted the principle of on-the-ground inspections. The difference now was only how many.

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<sup>1</sup> Khrushchev acceptance of principle of on-the-ground inspections. Confidential.  
1 p. Department of State, Central Files, 700.5611/12-2862.

January 1963

159. Aide-mémoire, January 10<sup>1</sup>

January 10, 1963

The Soviet Government to which considerations of the U.S. Government on non-proliferation of nuclear weapons were transmitted at the request of Secretary of State Dean Rusk, appreciates such step of the U.S. Government which it had taken in a preliminary and confidential manner before the discussion in the NATO Council. The Soviet Government has studied these considerations with all attention and would like, on its part, to give its view on this important question.

We understand the situation in such a way that the U.S.S.R. and the U.S. are in agreement in principle as to the necessity of preventing, in the interests of reducing risk of thermonuclear war, further proliferation of nuclear weapons. It is important that an agreement on this question should lead precisely to this aim and should not create possibilities for actual proliferation of nuclear weapons among other states under this or that pretext.

I. The American draft declaration speaks of the commitment on the part of the U.S., U.S.S.R., Britain and France "not to transfer any nuclear weapons—directly or indirectly through military alliances—into the national control of individual states not now possessing such weapons" and of the commitment not to render assistance to these states in the manufacture of nuclear weapons. The direction this wording gives corresponds in general to the aim which was meant in the course of the Soviet-American exchange of opinion. More attentively thus one should see to it that the aim of non-proliferation of nuclear weapons among non-nuclear states is achieved in practice. But here we have several essential remarks to make in connection with the U.S. proposals.

At present there are two main nuclear powers—the U.S.S.R. and the U.S. A certain nuclear potential has been created by Britain. Some types of nuclear weapons are possessed by France. Judging from the mentioned text and commentaries on it the American draft does not prevent the U.S., Britain and France from placing nuclear weapons in the custody of units of "a multinational defense force" within the framework of NATO. In this way through the NATO machinery is

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<sup>1</sup> Soviet Government views on American draft declaration on non-transfer of nuclear weapons. Secret. 8 pp. Department of State, Presidential Correspondence: Lot 77 D 163, More Pen Pals, 1963.

allowed *actual* equipment with nuclear weapons of forces of the non-nuclear states of this military bloc and, above all, of those of the FRG which has the largest forces assigned to the NATO command and which especially seeks after nuclear weapons.

Reservations to the effect that nuclear weapons could not be deployed or used on the basis of national decision of any government not now possessing such weapons scarcely change the state of things because after all he commands the weapons who has them in his hands. Obviously no systems of paper or verbal control would provide adequate guarantee that, for instance, the FRG which openly expresses territorial claims to neighboring states and which takes a manifestly hostile position toward the GDR, the Soviet Union and other peaceful states would not commit to action nuclear weapons even if it had received them on the so-called “multinational basis” when it considers the moment appropriate for realizing its plans of revision of the results of World War II.

For the Soviet Union these or those agreements within the NATO concerning nuclear weapons cannot serve as guarantee of its interests. And even those people in the West who set hopes on such agreements could be reminded of the perfidy committed not once in history by German militarist circles against peaceful nations. A striking example of that is the policy of the Hitlerit Germany which broke one international agreement after another and then unleashed World War II.

It is not difficult to see that the realization of the provisions, envisaged in the American draft declaration and in the commentaries on it would, in practice, mean further drifting away from the position of non-proliferation of nuclear weapons to the position of their *actual* proliferation, i.e. to the transfer of them into the hands of those who now do not have such weapons, and into the hands of West Germans as well. But this corresponds neither to the interests of security of both our powers, nor to the interests of the entire world.

It was more than once said by the American side that the U.S. also took into account the danger of growing expansionist tendencies in the policy of the FRG and the necessity to contain such tendencies. The U.S. Government, and governments of other Western countries as well, more than once stressed that the Paris Agreements allowing in certain framework arming the FRG, at the same time set up restrictions for it in this field, especially with respect to weapons of mass annihilation and that in this sense the Soviet Union’s interests were even taken into account. The Soviet Government criticized the Paris Agreements pointing out that they opened gates for restoration of militarism in Western Germany.

But in fact the U.S. Government is going further and further away even from the principle of military restrictions for the Federal Republic

of Germany declared by the Western powers in the Paris Agreements and more and more often one can hear talk in the NATO about "equal rights" for the FRG in military matters including nuclear armaments as well. Unfortunately, this is reflected in the American draft in question.

The Caribbean crisis indicated how thin is the line which in the present international situation separates humanity from catastrophe of rocket-nuclear war. Isn't it clear that peoples and states may find themselves on the edge of abyss if militaristic and revanchist forces of Western Germany manage to acquire in fact, by whatever means, possession of nuclear weapons.

The Soviet Government deems it necessary to stress with all possible clarity that transfer of nuclear weapons to West German military forces disregarding the means of its realization would change the already existing situation in Europe in the field of armaments and would affect vital interest of the Soviet Union and other peaceloving states. The world would face a new series of dangers and a grave international crisis. One cannot but see that in this case the nuclear arms race would be even more intensified accompanied by more aggressive attitude on the part of West German militarism and by growth of dangers for the European peace, and it would be difficult in such case to find ways and means to turn the arms race downward. The U.S.S.R., naturally, cannot reconcile itself to such situation and would be obliged without delay to undertake all ensuing measures.

2. If both sides begin to transfer their nuclear weapons to others, it is difficult to say when the movement in this direction will stop and whether there will remain any obstacles whatsoever against non-restricted dissemination of nuclear weapon in the world.

In the opinion of the Soviet Government—and this point of view of ours is well known to the U.S. Government—an indispensable element of an agreement between nuclear powers should be an obligation of non-transfer of nuclear weapons to the troops of non-nuclear states also in case when those troops make part of multinational armed forces of military alliances. This would be real non-transfer of nuclear weapons, indirectly as well. Thus the point is that in military blocs nuclear weapons should be only with the troops of the nuclear powers. The access to such weapons of military personnel of other countries should be completely excluded disregarding the fact whether it means permanent or temporary or even episodic access, such as rotation of guards, watches etc. Indeed today one needs only several minutes if not seconds to unleash total war.

And reaching such accord would give necessary effectiveness to the agreement on non-proliferation of nuclear weapons.

3. The American draft seems to allow a possibility to exchange information on the manufacture of nuclear weapons and to exchange

those weapons themselves among the U.S., Britain and France as nuclear powers that are allies in NATO while the U.S.S.R. actually would assume commitment not to transfer such information or weapons to its allies. This would be inequality in commitments. Exchange of such information or nuclear weapons among the U.S., Britain and France would lead to increase international tension and to change the balance of power, to which the U.S.S.R. cannot agree. Hence it is necessary that corresponding provisions of the agreement on non-transfer of nuclear weapons and information on their manufacture cover also the relations among nuclear powers themselves.

4. In the question of non-proliferation of nuclear weapons and in other international questions the Soviet Union cannot speak in the name of other socialist states which themselves set forth their position. So far as the People's Republic of China is concerned—as a result of the U.S. policy it has been deprived of a possibility to take part in the work of the U.N. and negotiations on disarmament including the questions related to nuclear weapons. That is why it is the U.S. that bears the responsibility for the consequences of such situation.

5. From Mr. Rusk's explanation one might get an impression that the U.S. makes the solution of the question of prevention of nuclear armament of the two German states dependent on the achievement of global agreement on non-proliferation of nuclear weapons and accession to this agreement of one or another country. Seeking after achievement of general agreement on the non-transfer of nuclear weapons the Soviet side at the same time considers that if achieving comprehensive international agreement is protracted then regardless of such agreement commitment must be formally reaffirmed and fixed in an appropriate agreement on non-arming with nuclear weapons of the two German states.

6. As is seen from Mr. Rusk's explanations, the American side stands for the right to deploy its nuclear weapons on the territory of countries—members of NATO even if now there are such weapons in those countries. In other words what is meant here is expansion, as compared to what exists now, of the sphere deployment of American nuclear weapons, in Europe included. It does not correspond to the line for reduction of rocket-nuclear bases which has been brought about now by life itself as one of the most important tasks persistently demanding its solution in the interests of securing peace.

It is true Mr. Rusk spoke of giving the same opportunity to the Soviet Union. But the Soviet side proceeding from the task of lessening international tension does not strive for this. And in general such development would not facilitate normalization of the situation in Europe. On the contrary this might make the relations between NATO and Warsaw Treaty Organization even more acute.

7. The Soviet Government is ready to continue to search for a mutually acceptable agreement which would prevent further proliferation of nuclear weapons in the world. One cannot permit such situation when, using the words of a prominent American journalist, as time passes, even Paraguay can trigger world thermonuclear war. And this is where it would lead if necessary measures are not taken. To prevent such development is in the interests of both the Soviet Union and the United States which shoulder special responsibility for the destinies of universal peace.

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**160. Message from Prime Minister Macmillan to President Kennedy, January 13<sup>1</sup>**

January 13, 1963

My Dear Friend,

You know, I was very glad to hear that you have time to have private talks with the Russians about the [illegible in the original] of nuclear tests. This has now become public knowledge and on reflection I think it would be very useful if we could be associated with you in the talks. If that is agreeable, perhaps this could be after the first meeting. We have been so much together in all this that I feel it would be held to be quite natural for our cooperation to continue as before. I hope you will agree.

With warm regard,

**Harold Macmillan**

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<sup>1</sup> British desire to participate in U.S.-U.S.S.R talks on nuclear test ban. Top Secret. 1 p. Department of State, Presidential Correspondence: Lot 66 D 204, Macmillan-Kennedy, 1963.



**161. Message from President Kennedy to Prime Minister  
Macmillan, January 13<sup>1</sup>**

January 13, 1963

My Dear Friend

I entirely agree that we should stick together on the test ban and I am asking Rusk and Foster to concert most effective way of arranging this at first meeting tomorrow. Our first thought is that we might move from talks between co-chairmen to informal consultation among the three members of test ban subcommittee but Rusk or Foster will discuss details with David Gore tomorrow and in this connection I venture the hope that David may be given this assignment on your side.

Sincerely

**John F. Kennedy**

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<sup>1</sup> Agreement to British participation in talks with Soviets. Top Secret. 1 p. Department of State, Presidential Correspondence: Lot 66 D 204, Kennedy–Macmillan, Vol. II, 1962–1963.

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**162. Memorandum of Conversation, January 16, among Foster,  
Fedorenko, and Tsarapkin<sup>1</sup>**

January 16, 1963

SUBJECT

Nuclear Testing

PARTICIPANTS

*USSR*

Nikolai T. Fedorenko, Soviet Permanent Representative to the U.N.

S.K. Tsarapkin, Soviet Representative to ENDC

Y. Vorontsov, USSR Foreign Ministry

Vladimir N. Zhrebtssov, Interpreter

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<sup>1</sup> Nuclear testing: on-site inspections. Two attachments provide a listing of Soviet fixed seismic stations and Foster's comments on automatic seismic stations and procedures for on-site inspection. Secret. 14 pp. Department of State, Central Files, 700.5611/1–1663.

US

William C. Foster, Director, ACDA

Charles C. Stelle, Deputy U.S. Representative, ENDC

James E. Goodby, ACDA/IR

Alexander Akalovsky, ACDA/IR

Referring to Mr. Foster's comments at the previous meeting, *Fedorenko* stated that there were over 70 seismic stations in the USSR located with the aim of studying the seismicity of the Soviet Union. These stations participated in the international exchange of data. He then handed Mr. Foster a list of these permanent stations noting that there were 73. The Soviet Government, *Fedorenko* stated, agreed that data from these stations, or those of them designated for this purpose, would be sent to an international center in a uniform manner.

*Mr. Foster* said that this information would be helpful and that, in turn, he would be more specific on certain matters in which he knew the Soviet Union had an interest. He then proceeded to read the statement entitled, "Suggestions for Automatic Recording Seismic Stations within the USA" and promised to give the Soviet side a copy of the statement the next day. Noting that there would be some symmetry as well as some asymmetry between the Soviet Union and the U.S. in respect to automatic seismic stations, Mr. Foster stated that the suggestions for automatic seismic stations within the USA were presented solely for the purpose of suggesting stations which might function satisfactorily within the USA. They were not meant to have any implication with respect to the key item in the negotiations—the number of on-site inspections—and had no implication as to the number or location of automatic seismic stations the USA would want to have in the USSR.

*Fedorenko* inquired how the US understood the quota of on-site inspections to be affected by the considerations relating to the location, number and operation of automatic seismic stations.

*Mr. Foster* replied that the data supplied by these stations would have several effects. One would be to provide additional information about seismic waves which would help reduce the number of unidentified events.

Mr. Foster recalled the demonstrated willingness of the US to reduce the requirements for on-site inspections as technology improved and stressed that there was a direct relationship between the degree of information we had about such things as travel time and the ability we had to reduce the number of unidentified events. He also emphasized that there was a relationship between the number of unidentified events and the size of the quota of inspections.

*Fedorenko* rejoined that the explanation he had just heard was general and wondered whether Mr. Foster could give specific values so that the problem could be understood more precisely. *Mr. Foster*

doubted that there was an exact quantitative relationship between the various parameters he had mentioned and added that political judgments of course came into play.

*Fedorenko* then inquired whether the US had anything to say about automatic stations on Soviet territory.

*Mr. Foster* said that he did not have that information today but could say that three stations would not be enough. He reiterated, however, that there would be a certain symmetry between the situation in the US and the situation in the Soviet Union.

*Mr. Foster* recalled that he had raised certain questions at the previous meeting which needed clarification as concerned on-site inspections. Although the Soviet Government was familiar with much of what he was about to say about US views on these matters, *Mr. Foster* did wish to repeat these views to give them emphasis and also to elicit Soviet thinking. *Mr. Foster* then described the US position on the selection of events for inspection, the criteria for selection of events, conduct of on-site inspections, the size of area eligible for inspection and the composition of teams. *Mr. Foster* undertook to provide the Soviet side with a paper containing the points he had just made.

*Tsarapkin* then recalled that *Mr. Foster* at the previous meeting had said that the points he had just covered had a bearing on the on-site inspection quota. He inquired what it would take to decrease the on-site inspection quota as regards these particular factors. *Mr. Foster* responded that since 1959 the Soviet Union had never accepted more than three on-site inspections while the US had halved its requirement for on-site inspections. He felt that it was time for some response from the Soviet Union with respect to its views on both on-site inspections and the matters which he had just been discussing. It would be futile to agree on an on-site inspection quota if such agreement could be blocked by other elements in the inspection procedures.

*Mr. Foster* stressed that the US wished to have a test ban agreement which would endure and this meant that the treaty would have to contribute to the confidence of the parties to it. The US hoped to work together with the Soviet Union in a mutual effort to stop tests and to turn down the arms race. At this point, *Mr. Foster* mentioned that some time in the next few days the US would undertake an underground nuclear test at the proving grounds in Nevada. He noted that this was part of the series begun last year and did not signify that a major new test series was beginning. This underground test was scheduled to take place some time ago and it was anticipated that some others would also take place in the coming months in the event a treaty was not signed. The fact of this test did not lessen the interest of the US in continuing to negotiate with all possible speed an effective test ban treaty.

*Fedorenko* replied that Mr. Foster's reference to the US moves with respect to on-site inspections was a subjective opinion. There had been no change in the essence of the US position since the US still related the number of on-site inspections to unidentified seismic events. The fact that the previous quota of numbers suggested by the US had no foundation was evidenced by the fact that the US had decided to cut its suggested quota in two when it concluded that its original propositions were untenable.

Furthermore, the US failed to evaluate at its proper worth the important decision of principle of the Soviet Government, which had accepted the idea of on-site inspections, although its last position, the November 28, 1961 draft treaty, did not mention on-site inspection. There was no reason to say, therefore, that the Soviet Union had not changed its position.

Fedorenko then said that in the course of three meetings, the Soviet side had tried to talk about the specifics on the questions for which the meetings had been arranged. The US side had expressed its position only in general terms and it now appeared that this restrained attitude on the part of the US was because the US wished to continue nuclear weapons testing. How could this be reconciled with what these talks were supposed to do? The Soviet side did not think that the continuation of nuclear tests by the US showed a desire by the US to reach an agreement. Fedorenko wondered how sincere the US was in its desire to reach agreement. Were these negotiations to be used as a cover for the continuation of nuclear tests? The meetings had been going on for 3 days and no sign of forward movement had been seen. A proposal had been made to move the meetings to Washington. Fedorenko professed puzzlement as to what this meant and thought the announcement read by Mr. Foster was in contradiction to the understandings of the Soviet and US governments, with respect to the problem of a test ban.

*Mr. Foster* assured Fedorenko that the US was completely sincere in its efforts to reach a test ban and that these discussions were not a cover for a continuation of tests. The US had always said it would stop tests whenever an effective agreement could be achieved and the US continued to adhere to this. In the absence of an acceptable agreement, the US would continue to test at intervals as was required by its national security. The information about the underground nuclear test by the US had been given to the Soviet side because the US wished the Soviet Government to know in advance that a test would be held. The US, he reiterated, was ready to stop all such tests any time an effective agreement could be reached.

Concerning the points he had previously made on questions relating to on-site inspections, Mr. Foster pointed out that the US had had no response on these proposals, either here or in Geneva. He thought

the differences between the two sides had shrunk somewhat since the talks began, particularly on the question of the location of automatic seismic stations. However, three on-site inspections and three automatic seismic stations in Soviet territory would not be enough to build confidence in the treaty. Illustrating just one problem with the number three for on-site inspections, Mr. Foster observed that it would be necessary to keep one on-site inspection almost until the end of an annual period. This would leave only two on-site inspections for the rest of the year. The United States had taken cognizance of improvements in technology to reduce its on-site inspection requirements; the US accepted the fact that limitations could be placed on the exercise of on-site inspections to meet Soviet concerns about intelligence gathering and security areas. The US desired to move forward along the lines indicated by the previous exchange of communications between the two governments. Mr. Foster added that the US did appreciate the Soviet Union's acceptance of on-site inspections.

*Tsarapkin* then intervened to repeat the comments made by *Fedorenko* previously about the US continuation of nuclear tests. He said that the present Soviet position must be compared with its November 28, 1961 position and in comparison with that time the Soviet Union had made a significant step forward. Two to three on-site inspections were enough and the Soviet Union would not let inspectors go to the Soviet Union 8 to 10 times per year. *Tsarapkin* then said that Soviet scientists had considered the question of where automatic seismic stations should be placed in US territory, taking into account the activities of seismic zones in the US and with the understanding that 3 such stations would be enough for the entire US. The locations proposed by the Soviet scientists were: one in the Augusta-Columbia area in South Carolina, one in the Santa Fe-Albuquerque area in New Mexico, and one in the Spokane-Richmond area in Washington. *Tsarapkin* stressed that 3 automatic stations in each the US and the USSR would be completely sufficient as a supplement to national manned stations.

*Mr. Foster* said that the US side would examine these proposals and discuss them later with the Soviet side. He then noted that the two sides disagreed with respect to numbers. As to on-site inspections, two or three was not acceptable and if this was the Soviet ultimate position we should know it as soon as possible. With regard to automatic stations, two or three was also insufficient, though perhaps not to the same degree as in the case of inspections.

In the concluding discussions *Mr. Foster* stated that he would have to be in Washington on Thursday and could therefore not participate in a meeting on that day. He asked that the Soviet side let him know what the decision of the Soviet Government was with respect to a meeting in Washington and with respect to inclusion of the UK in the discussions.

*Fedorenko* then said that both of these matters were under study. The Soviet side would be glad to meet in New York on Friday. Mr. Foster declined to set a time for the next meeting in the absence of a Soviet reply on the questions of locale and UK participation and it was agreed he would be in contact with *Fedorenko* Thursday to find out whether he had response on the two matters.

### Attachment

#### FIXED SEISMIC STATIONS OF THE SOVIET UNION:

- |                 |                      |                       |
|-----------------|----------------------|-----------------------|
| 1. Abastumani   | 26. Klyuchi          | 51. Severo-Kurilsk    |
| 2. Alma-Ata     | 27. Krasnaya Polyana | 52. Seimpalatinsk     |
| 3. Alushta      | 28. Kulyab           | 53. Simferopol'       |
| 4. Andizhan     | 29. Kurilsk          | 54. Sochi             |
| 5. Apatity      | 30. Kurmenty         | 55. Stepanavan        |
| 6. Akhalkalaki  | 31. Kyakhta          | 56. Talgar            |
| 7. Ashkhabad    | 32. Leninakan        | 57. Tashkent          |
| 8. Baku         | 33. Lenkcran'        | 58. Tbilisi           |
| 9. Bakuriani    | 34. Lvov             | 59. Tiksi             |
| 10. Borzhomi    | 35. Magadan          | 60. Uglegorsk         |
| 11. Vladivostok | 36. Makhachkala      | 61. Uzhgorod          |
| 12. Gharm       | 37. Mirny            | 62. Fabrichnaya       |
| 13. Gori        | 38. Moskva           | 63. Feodosiya         |
| 14. Goris       | 39. Murgab           | 64. Fergana           |
| 15. Grozny      | 40. Namangan         | 65. Frunze            |
| 16. Dzhergetal  | 41. Naryn            | 66. Kheis             |
| 17. Dushanbe    | 42. Nakhichevan'     | 67. Khorog            |
| 18. Dusheti     | 43. Okha             | 68. Chilik            |
| 19. Erevan      | 44. Petropavlovsk    | 69. Chimkent          |
| 20. Zugdidi     | 45. Przhevalsk       | 70. Shemakha          |
| 21. Irkutsk     | 46. Pulkovo          | 71. Yuzhno-Sakhalinsk |
| 22. Kabansk     | 47. Pyatigorsk       | 72. Yakutsk           |
| 23. Kizyl-Arvat | 48. Rakhov           | 73. Yalta             |
| 24. Kirovabad   | 49. Samarkand        |                       |
| 25. Kishinev    | 50. Sverolovsk       |                       |

**Attachment**

January 17, 1963

In accordance with Mr. Foster's suggestion at the meeting yesterday, I am forwarding to you, at his request, an outline of his remarks at that meeting dealing with the questions of automatic seismic stations and procedures for on-site inspection.

**Alexander Akalovsky****Attachment**

The following outline of U.S. views on inspection procedures is set forth in the hope that the U.S.S.R. will also present its comments on this matter.

*1. Selection of Events for Inspection*

The U.S.-U.K. would select events certified, on the basis of agreed criteria, by the Executive Officer of the Control System as eligible for inspection in the U.S.S.R., and vice versa.

*2. Criteria for Selection of Events*

Executive Officer would certify events as located and unidentified in accordance with agreed objective criteria which would be essentially location criteria, although depth of focus, deep ocean, and aftershock-foreshock elements in these criteria would eliminate many events.

*3. Conduct of on-site Inspections*

If the quota has not been exhausted, the host government would not interpose objections to inspection. The team would be promptly dispatched to the location of the event to be inspected. The team would search for radioactive debris or other evidence of a nuclear explosion by means of lowflight aerial inspection and intensive ground inspection, including drilling if necessary. The duration of the inspection would depend on the conditions at the site and the operations required. Transit to the site could be subject to safeguards of the kind already described by both sides. Operations at the site would be monitored by observers from the host country and handled in accordance with any arrangements reached with regard to particularly sensitive areas from the standpoint of national security.

*4. Size of Area Eligible for Inspection*

In 1961, the U.S. proposed 200 or 500 square kilometers. That proposal called for 19 internationally manned superior multi-compo-

nent seismograph stations in the U.S.S.R. Technical progress has been made since 1961 but it remains true that the fewer the stations close to the epicenter the poorer will be the ability to locate the epicenter. Consequently, the number of automatic seismic stations and their location has a direct effect on the size of the area eligible for inspection. With stations on either side, and given the locations of existing seismograph stations, an area larger than 500 square kilometers would almost certainly be required, probably on the order of 700–800 square kilometers, or approximately 15 kilometers in radius.

### 5. *Composition of Teams*

The U.S. proposed in 1961 that for inspection in the U.S.S.R. 50% of the team would be composed of U.S.–UK nationals and the other 50% of nationals of countries not associated with either side, with the team to be headed by a U.S. or U.K. national. For inspections in the U.S., 50% of the team would be U.S.S.R. nationals and 50% nationals of countries not associated with either side, the leader of the team being a Soviet national.

We would also accept the formula of the August 27 U.S.–U.K. draft treaty; the Executive Officer selects team members on a broad international basis, but *excluding* host countries nationals.

The following suggestions for automatic recording seismic stations within the U.S.A. are presented solely for the purpose of suggesting stations which might function satisfactorily within the U.S.A. They are not meant to have any implication with respect to the key item in the negotiations—the number of on-site inspections—and have no implication as the number or location of automatic seismic stations the U.S.A. may consider as necessary in the U.S.S.R.

It is assumed that with respect to automatic recording seismic stations there would be some symmetry as well as some asymmetry between the U.S. and the U.S.S.R. Specifically, one can expect the character of the equipment to be more or less the same, the provisions for data collection to be more or less the same and at least some approximate similarity in the utilization of the automatic recording stations although here there may well be differences depending upon the character of the manned seismic stations in each country which would affect the judgment as to possible symmetry or asymmetry. This paper, which is at least partly for illustrative purposes, considers possible stations for the U.S. and possible locations for automatic recording stations.

### *Equipment*

The assumption is that each of the automatic recording stations will contain within it a three-component short period seismometer,



something at least comparable to the normal Benioff, and also a three-component long period seismometer. There will be provisions for timing and for calibration. A first assumption is that the data recorder would have data storage for two or three months although this should be a negotiable point since either a shorter storage period or a longer one may turn out to be more practical. In the United States it would seem reasonable to make the assumption that 110 volt AC electric power can be brought to any site for an automatic recording station.

The U.S. would be willing to discuss the noise levels for various parts of the United States and would be agreeable to construction of sites for recording stations that would be agreed upon.

To reduce noise levels it may be advantageous for some or all of the recording stations to have seismometers in deep holes. The extent to which these techniques become important and necessary depends largely on the number and placement of these automatic seismic stations. Stations in quieter locations might not need these techniques, while other would benefit from them.

#### *Location of Recording Stations*

The continental United States is relatively well covered either by quite superior Geneva-type seismic stations newly installed under Project Vela or by relatively good "standard stations" with fairly new equipment paid for by the U.S. Coast and Geodetic Survey under its Standard Station Program. Consequently, it seems probable that the major use of automatic recording stations in the U.S. will be to validate the data coming from national manned stations. This, in turn, suggests that a most probable location for the automatic stations will be adjacent to some of the already existing U.S. manned stations. This permits taking advantage of the work which has already been done by U.S. scientific groups in locating low noise sites and gives direct validation of the data from these manned stations.

Assuming ten recording stations for the entire U.S., it seems reasonable that seven of them would be in the central part of the country, i.e., excluding Alaska. If so, the following tentative suggestions are made as to sites which might be of interest to the U.S.S.R. Delegation: Baker, Oregon; Tonto Forest, Arizona; Vernal, Utah; one of the better of the California Institute of Technology stations; McMinnville, Tennessee; two stations in the East, for example, Palisades, New York; and Weston, Massachusetts.

In Alaska one obvious location would be at College, Alaska, to monitor the manned U.S. Coast and Geodetic Survey Station already there. Two additional locations might in this case be separate from a manned station and might be out on two of the Aleutian Islands to give more close in monitoring of the earthquakes there. If the U.S.S.R.

showed an interest in this area, the U.S. has much information about seismic noise levels, availability of electric power, etc. A particularly important item here would be the accessibility of the station to rapid transportation to ensure that data could be picked up fairly quickly. In fact, since courier-inspectors would be going to the automatic stations to pick up data at intervals as long as a couple of months, efficient transportation arrangements are of real importance.

It is quite probable that U.S.S.R. technical groups would like to have some automatic recording seismic stations in Mexico and Canada. If so, the U.S. should be willing to assist in obtaining sites and agreements for such stations and to help in efficient pick-up of the data if this would be helpful.

*Specific Data to be Forwarded from U.S.A. Manned Seismic Stations on a Routine Basis to an International Commission*

From some of the U.S. stations, for example the Geneva-type stations, it would seem quite reasonable to forward copies of all of the data taken by these stations. The data in this instance are in a variety of forms, including films, photo paper and magnetic tape and it should be quite straightforward to make arrangements to send copies of the records regularly, i.e., daily or every other day, or at other appropriate intervals. However, some of the stations within the U.S. are involved in experimental research programs and hence have a variety of specific seismic instruments, many of them varied in use from day to day. For these stations it would probably not be reasonable to ask them to send all data.

As two examples of the problem, the first concerns the station network operated in Southern California by Dr. Frank Press of the California Institute of Technology. The network involves 20 stations of some variability of noise level as well as variability in the degree to which the stations are maintained. The most reasonable procedure would seem to be to suggest that data be sent routinely from two of the stations, specifically, data from a standard three-component short period Benioff instrument and from a standard three-component long period instrument. Data of the same sort from the other stations of this network could then be preserved and made available on an "on call" basis whenever requested. Data from experimental seismometers in the same network would presumably not be involved in the data forwarding operations.

A second example concerns the Columbia University station operated under Professor Jack Oliver at Palisades, New York. Oliver has numerous seismometers of different sorts under study at this station. It would probably be unreasonable to expect him to send data from all of them. Again, a reasonable suggestion would seem to be that

a standard three-component short period seismometer and another standard three-component long period seismometer be designated as the two instruments from which data should be routinely forwarded to the International Center. In the process of preparing a specific list of proposed U.S. stations from which data would be forwarded to a Commission it would be necessary both to make definite arrangements with these stations and also to agree on what specific instruments were to be involved.

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**163. Memorandum of Conversation, January 22, among U.S.S.R., U.K., and U.S. Interlocutors<sup>1</sup>**

January 22, 1963

SUBJECT

Nuclear Test Ban

PARTICIPANTS

*USSR*

Nikolai T. Fedorenko, Soviet Permanent Representative to the UN  
S.K. Tsarapkin, Soviet Representative to ENDC  
Y. Vorontsov, USSR Foreign Ministry  
Vladimir N. Zhrebtssov, Interpreter

*UK*

Sir David Ormsby-Gore, British Ambassador  
Peter Wilkinson, First Secretary, UK Embassy

*US*

William C. Foster, Director, ACDA  
Charles C. Stelle, Deputy US Representative, ENDC  
James E. Goodby, ACDA/IR  
Alexander Akalovsky, ACDA/IR

*Mr. Foster* noted that the release of the exchange of correspondence between the President and Chairman Khrushchev may have changed the nature of the talks. For its part, US continued to believe that the discussions should be private. *Fedorenko* agreed that the talks should be private and said that the publication of the letters had been caused

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<sup>1</sup> Nuclear test ban issues. Two attachments provide a listing of proposed locations in U.S.S.R. and in U.S., including noise levels, for automatic seismic stations. Secret. 12 pp. Department of State, Central Files, 700.5611/1–2263.

not by the initiative of the Soviet Union. *Tsarapkin* added that if there were leaks the Soviet Union reserved its freedom of action.

*Mr. Foster* said he realized that *Mr. Gromyko* had said no "technical" matters should be discussed in these talks but it was difficult to evaluate the effectiveness of a verification system without having more information about it; it was also impossible to judge the appropriate number of on-site inspections and automatic recording stations. Observing that exchanges had already taken place on numbers and locations of national detection stations, *Mr. Foster* gave the Soviet side a list of locations in the Soviet Union where the US would like to have automatic seismic stations established (attached). *Mr. Foster* also gave the Soviet side a list of US locations for automatic seismic stations with data on noise level in each of those locations (attached). *Mr. Foster* noted that the Baker-Oregon station as previously suggested by the US was close to the Spokane-Richland area suggested by the Soviet side and was probably a quieter site. Moreover, the Augusta, Georgia-Columbia, South Carolina area requested by the Soviet side was quite a noisy site and the Soviet Union might wish to substitute for this station a station at Weston, Mass., which was a quiet site. The Albuquerque, New Mexico, station requested by the Soviet side was a quiet location and would suit the purposes quite well. It could be substituted for the Tonto Forest, Ariz., station.

*Mr. Foster* pointed out that peripheral stations would also be of great importance in properly monitoring any agreement.

*Tsarapkin* commented that *Mr. Foster* continued to insist on going into technical details and to argue that on these technical details depended the numbers of automatic stations and the on-site inspection quota. Soviet agreement to 2 or 3 on-site inspections was an expression of its good will and was an effort to overcome US internal difficulties. The figure 2-3 named by the USSR fully answered the desire of the US to have some on-site inspections as a deterrent. The Soviet Union had not specified 2 or 3 on-site inspections as a basis for bargaining but rather as a basis for agreement since the Soviet Union was in principle against even a single on-site inspection. The Soviet Government had opened the way to an agreement. It was a sad fact that all the previous negotiations had been a chain of lost opportunities and *Tsarapkin* hoped we would not lose another opportunity to reach agreement.

As for the locations of automatic seismic stations on Soviet territory, *Tsarapkin* stated that 10 such stations were not necessary. The Soviet Union would be prepared to discuss the parameters for these automatic stations as soon as agreement had been reached on the locations for automatic stations in the US, USSR, and other nuclear powers and on the quota of 3 on-site inspections. The Soviet Union had no prepared

recipe for these parameters. However, it was clear that there was no need for 10 automatic stations either on Soviet or on US territory.

Tsarapkin then said that the previous comments and questions of Mr. Foster had been sent to Moscow and were under study there. The views of the Soviet Government on these matters would be given later but it would be premature to discuss these technical questions now since this would only make agreement more difficult.

The purpose of automatic stations was to give assurance that the tremendous network of national seismic stations had been operating correctly. To do this, 3 stations in areas named by the Soviet Union was enough, especially when stations around the USSR were considered.

*Sir David* said that the UK approach to automatic seismic stations was different from the Soviet approach. The UK and the US attitude was related to the scientific advice that the two governments were given. The UK and US were not in a position to ignore their scientific advice. The UK knew of no Western or Soviet seismologist who would say that all seismic events could be identified by national networks. He wondered what the Soviet Government's objection was to increasing the number of automatic stations since one advantage of such stations would be to increase the capability of the control system. The UK believed that 10 automatic seismic stations would cause no security problem for the Soviet Union and that these stations would help identify and locate seismic events.

*Tsarapkin* answered that automatic seismic stations had been suggested not for the purpose of detecting and identifying seismic events but rather to check on national networks of seismic stations. The Soviet side was sure that 3 automatic stations was enough, taking into account the peripheral stations.

*Mr. Foster* noted Tsarapkin was placing too great an emphasis on just one aspect of automatic stations, whereas such stations could also help in locating events and reducing somewhat the number of unidentified events. Also, they might help reduce to a certain extent the area which would have to be inspected. He then said that he felt there were four important elements to consider in the verification system we were talking about. These were: 1) number of on-site inspections; 2) character and procedures for carrying out on-site inspections; 3) the number of automatic recording stations and national seismic stations; 4) the location and quality of all such stations.

The Soviet side had said that one of the important things to discuss was the number and location of automatic stations. The US therefore felt the Soviet Union should consider whether an adequate number of automatic seismic stations was not in the interest of both sides.

The verification system was an integrated structure in which any ineffective element would have an effect on the whole system. There

was a scientific, as well as political, necessity for on-site inspections and, as President Kennedy had stated in his letter to Premier Khrushchev, 2 or 3 on-site inspections would not be acceptable. The number should be such that all parties to the agreement would have confidence in it. The US must know the general parameters of the inspection system since only by knowing what the general approaches of the two sides were could joint recommendations be made to the principals.

The US hoped for a quick agreement but it would be unhelpful if in these talks agreement was reached on a quota of on-site inspections which we later found out could not take place. The Soviet Union's 2, 3 or 4 on-site inspections and the US's 10, 9 or 8 on-site inspections left a narrow gap. Perhaps this question should be put aside so that we could see if the other matters could be worked out. The US needed to understand the general outline of the entire verification system so that on-site inspection numbers could be talked about within a more specific range.

*Fedorenko* repeated the Soviet position that national detection systems were entirely adequate, noting that the US had been able to register all tests on the territory of the Soviet Union. This proved that national systems of control were enough. There was no need for any scientific meeting to prove this.

The data from national stations could be sent in a uniform manner to an international center. The Soviet side, incidentally, agreed with its US colleagues that there was no need to send data from all national detection stations. As for the automatic seismic stations, this was a Western idea which the Soviet Union accepted not of necessity but to meet the desires of the US and to overcome difficulties in the way of agreement.

The Soviet Union had adopted a political approach in meeting the desires of the West and it had also taken a scientific approach in that these automatic stations would be a means of checking national systems. If the task of the automatic seismic stations were taken as one of duplicating the work of the national systems, it would be impossible to determine the number which should be located on the territories of the nuclear powers. Three automatic stations were completely sufficient to serve as a check on national networks, taking into account the fact that there would also be stations on the periphery of the US and of the USSR.

Finally, on the question of on-site inspections, *Fedorenko* stressed that the USSR had taken a political approach in solving this problem since until recently the Soviet Union had not accepted on-site inspections. Soviet agreement to 2 or 3 inspections a year on Soviet territory was exclusively for the purpose of removing the difficulty in the way of ending all nuclear tests. *Fedorenko* thought the Soviet side was

entitled to hope that this move by the Soviet Government would be properly appreciated.

Fedorenko noted that Mr. Foster had earlier referred to the statement of Mr. Gromyko who had said that technical details should not be the task of this meeting. The task was to come to an understanding on the basic questions of the locations of automatic seismic stations and the quota of on-site inspections. This task corresponded to the understandings reached in the exchange of letters between the President and Chairman Khrushchev.

Fedorenko then asked whether Mr. Foster had talked to the President and whether he could say what the results of any such talks had been. Specifically, how did Mr. Foster view the prospects for the work here in Washington?

*Mr. Foster* replied that he had seen the President and that the President believed there had been some progress made in clarifying the situation with respect to a nuclear test ban agreement. Mr. Foster said the President had recalled that in his letter of December 28th he had said that two or three on-site inspections would be unacceptable and had inquired whether the Soviet Union had given a response to the questions Mr. Foster had put to Mr. Fedorenko. The President felt that the conditions under which on-site inspections would be carried out were very important and constituted a requirement with respect to the acceptance of any quota. Mr. Foster said the President had suggested that in view of the small difference between the two sides on the on-site inspection quota, this question might be put aside in order to see if the other conditions of an agreement could be generally determined. Mr. Foster emphasized that the US was not attempting to determine all the technical details but rather was interested in knowing more about the general conditions of the verification system. The President continued to hope that the negotiations could be further advanced, particularly as a result of the Soviet acceptance of the principle of on-site inspection.

Mr. Foster said that because of the deep desire of the US to move forward toward an agreement, the US government had considered how automatic seismic stations could be helpful in a test ban agreement. The US believed it had made a significant finding in its determination that a combination of national seismic stations and automatic recording stations could be helpful.

*Sir David* then commented that the fact that a Soviet underground explosion had been detected did not prove much since the yield of that explosion, it was understood, was about 50 kilotons. As far back as 1958, it was known that events of that size could be detected. The magnitude of the events being talked about was something under 5 or even 2 kilotons yield. Even above seismic magnitude 4.0, UK scien-



tists could not positively identify all events as either earthquakes or explosions. For its part, the UK had to take these facts into account in its approach to these problems.

*Fedorenko* repeated his assertion that national means of detection and identification were quite sufficient.

He then asked whether Mr. Foster could say more specifically about the work of the meetings in the near future.

*Mr. Foster* replied that since the US had still not heard Soviet views on procedure and arrangements for carrying out on-site inspections, this should be one of the matters discussed in the near future. He reiterated that the gap with respect to the inspection quota should be left aside for the moment. Since the US had also mentioned something today about automatic recording stations and their noise levels at various locations in the US, perhaps the Soviet side might wish to comment on this and also on the locations suggested for the Soviet Union.

*Tsarapkin* replied that the Soviet Union was not opposed to a discussion of questions of the kind raised by Mr. Foster previously. The Soviet Government, however, did wish to come to an agreement and this was why it proposed the order for the discussions that it had already suggested. The procedure suggested by Mr. Foster would lead to an impasse. As soon as the two sides had agreement on these questions in their pockets, they could immediately proceed to a discussion of the things mentioned by Mr. Foster and resolve them without any difficulty. The Soviet Government thought it would help progress toward an agreement, if agreement could first be reached on the basic questions of the on-site inspection quota and the numbers and locations of automatic seismic stations. If the two sides could agree on these two questions, the remaining technical questions would be the cause for frustrating agreement.

Frankly speaking, *Tsarapkin* said, the reason the US insisted on the priority it did was that it hoped to increase the number of on-site inspections and the number of automatic seismic stations. The Soviet Union, however, would not go further than the number of on-site inspections and the number of automatic seismic stations which it had stated. If the US wanted agreement, both sides should record agreement on 2–3 inspections and 2–3 automatic stations. Technical discussions had frustrated an agreement for almost 5 years and now the talks seemed to be back in the old rut.

*Tsarapkin* stressed that the Soviet proposal for 2 or 3 on-site inspections were made purely to facilitate an agreement. If this fact were not appreciated properly, hope for an agreement would fade away. He repeated that the Soviet Union would not go beyond the proposals it had made.



If the Western powers were trying to avoid a discussion and decision on the basic issues, the question arose whether there was any sense in carrying these negotiations further. Perhaps it would be better to transfer the talks to the Committee of Eighteen right now. Today's meeting had shown once again that nothing was being accomplished and so the question of returning to Geneva inevitably arose.

*Mr. Foster* replied that the Soviet Government had known from the beginning that 2 or 3 on-site inspections was not acceptable to the US Government. The questions the US side had been asking were not purely technical but were also political in nature. The questions had been asked because it was necessary that the US know a dependable agreement could be reached. *Mr. Foster* added that he had been surprised that *Tsarapkin* appeared to be issuing an ultimatum. The US was prepared to go to Geneva at any time, although we had hoped that we could move here more expeditiously.

*Sir David* added that he was amazed at *Tsarapkin's* statement. The UK agreed that two "basic questions" cited by the Soviet side were two of the most important questions to be settled. It was not a negotiation, however, to say that the West had to agree to the Soviet figures. There was no need for *Tsarapkin* to come to the US to talk about figures which had already been rejected by the President of the United States.

*Sir David* repeated that the West had to pay attention to its scientific advice. The Soviet Union had to take this fact into account if it really wanted an agreement.

*Tsarapkin*, speaking in English, said that what he had previously stated was that if the US avoided a decision on the basic questions, which were the subject of the letters between President Kennedy and Premier Khrushchev, in such a case the question arose whether it would not be better even now to transfer the discussions to the Committee of Eighteen.

*Mr. Foster* replied that there was a number "x" which the two sides might agree upon. However, was "x" of any value if the political conditions were such that the on-site inspection could not be carried out? So far, in 5 meetings, the US side had asked whether the general procedures as outlined by it were such as to cause any problems for the Soviet Government. There had been no answer to this question, and therefore it was impossible to say what the "x" should be. *Mr. Foster* felt that the discussions had moved the two sides closer to an understanding on the numbers and locations of automatic seismic stations; he hoped the same sort of understanding could be reached on the number of on-site inspections, which was the more important issue of the two, although both were integrated parts. *Mr. Foster* reiterated that, as the President had told *Mr. Khrushchev*, 2–3 on-site inspections were unacceptable.

*Tsarapkin*, again speaking in English, said he wished to stress that the difference between the two sides was that the US had an "x" for automatic seismic stations and for on-site inspections. For the Soviet side there was no "x" at all, the numbers acceptable to the Soviet Government were the ones mentioned by it. Now the US was trying to draw the talks into a technical jungle and it appeared that the hope of reaching agreement was fading away.

*Mr. Foster* replied that the "x" he was talking about was a very small unknown and that before one decided that the meetings were of no value one should have a response from the USSR on the various parameters mentioned previously, and these were not technical details. He hoped the two "x's" could be placed in the context of other things generally understood, and observed that the various heads of state might be better able to determine what the "x" should be than this group.

It was agreed that the next meeting would be held at three o'clock Wednesday, January 23, 1963, in Mr. Foster's office. The meeting adjourned at 7:00 p.m.

### **Attachment**

#### Proposed Locations for Automatic Recording Seismic Stations in the USSR

Northern Kamchatka  
Southern Kamchatka  
Amur River Mouth Area  
Susuman Area  
East of Lake Baikal  
West of Lake Baikal  
Tadzhik Area  
Western Tadzhik Area  
Turkmen Area  
Northern Caucasus

**Attachment**NOISE LEVELS AT SITES SUGGESTED BY US AS POSSIBLE  
LOCATIONS FOR AUTOMATIC SEISMIC STATIONS IN US

<u>Site</u>	<u>Noise, Millimicrons</u>
Western Aleutians	perhaps 50
Eastern Aleutians	perhaps 50
College, Alaska	3 to 4
Baker, Oregon	1–2
Southern California	5 or higher
Tonto Forest, Arizona	1–2
Vernal, Utah	2–4
McMinville, Tennessee	8–10
Palisades, New York	about 25
Weston, Massachusetts	10–20

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**164. Memorandum of Conversation, January 31, among U.S.S.R.,  
U.K. and U.S. Interlocutors<sup>1</sup>**

January 31, 1963

## SUBJECT

Nuclear Testing

## PARTICIPANTS

*USSR*

Nikolai T. Fedorenko, Soviet Permanent Representative to the UN

S.K. Tsarapkin, Soviet Representative to ENDC

Y. Vorontsov, USSR Foreign Ministry

Vladimir N. Zherebtsov, Interpreter

*UK*

Sir David Ormsby-Gore, British Ambassador

Peter Wilkinson, First Secretary, British Embassy

*US*

William C. Foster, Director, ACDA

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<sup>1</sup> Continuing discussion of on-site inspections and automatic seismic stations. An attachment provides data on noise levels in locations proposed by Soviets for installation of automatic seismic stations. Secret. 8 pp. Department of State, Central Files, 700.5611/1–3163.

Charles C. Stelle, Deputy US Representative, ENDC  
James E. Goodby, ACDA/IR  
Alexander Akalovsky, ACDA/IR

As the first order of business, *Tsarapkin* handed Mr. Foster and Sir David copies of a paper specifying the noise level at the three locations proposed by the Soviet Union as sites for automatic seismic stations in Soviet territory. *Tsarapkin* mentioned that the three areas were relatively quiet and therefore suitable for the emplacement of automatic seismic stations. He then suggested that agreement be recorded immediately on the number and location of automatic stations.

Mr. *Foster* replied that this information was helpful and that the U.S. side was happy to have it. It did appear that the sites would be the kind of quiet locations which would be helpful for operation of automatic seismic stations. This was a good start but the U.S. had mentioned ten or perhaps as few as seven locations in Soviet territory which would be desirable for the installation of automatic seismic stations. Moreover, the U.S. would need data concerning the capabilities of the Soviet national seismic detection network. With this kind of information it would perhaps be possible to reduce the U.S. requirements to seven automatic stations in Soviet territory.

Mr. *Foster* also mentioned press reports to the effect that Soviet scientists had designed an automatic seismic station. Such designs would be of help to the U.S. and would help further the negotiations. For its part, the U.S. would be glad to tell the Soviet Union about its work on automatic seismic stations.

*Tsarapkin* said that the U.S.S.R. had furnished data on the locations of automatic stations and the noise levels at these locations not just to satisfy the technical curiosity of the United States but to promote agreement on the main questions, i.e., the quota of on-site inspection and the number and locations of automatic stations. The U.S.S.R. saw no obstacle to agreement now and it had stated its position to the Western side.

Despite the great concession which the Soviet Government had made to meet the West, the discussions were just where they began, *Tsarapkin* asserted, and the Soviet side was entitled to hear an answer from the U.S. on the cardinal problems of these negotiations.

Mr. *Foster* reviewed the moves that the U.S. had made with respect to on-site inspections and automatic seismic stations. He emphasized that it was not U.S. intent to dwell on technical points but it was a fact that the U.S. approach must be based on what the best scientists said was necessary for adequate verification. He stressed that the Soviet proposals concerning the number of on-site inspections and automatic stations were not adequate. Mr. *Foster* regretted that *Tsarapkin* had again said that all that could be discussed was what had already

appeared in the correspondence from Chairman Khrushchev to President Kennedy. The U.S. did not consider this position to be in the interests of developing a mutually acceptable agreement.

*Tsarapkin* inquired whether this was all Mr. Foster could tell the Soviet side. Mr. *Foster* replied that he thought that this was a good deal. He then reviewed what the Soviet side had produced in the negotiations. This consisted of a list of 73 seismic stations, change in the location of one automatic seismic station in the U.S. and noise levels for three automatic stations in the U.S.S.R. at locations proposed by the Soviet Union.

*Fedorenko* then launched into a lengthy prepared statement. He said that Mr. Foster seemed to forget the great concession on inspection which the Soviet Government had made. He went on to recall that these meetings had been made possible by an exchange of letters between Chairman Khrushchev and President Kennedy. There were very specific tasks before the negotiations, in which connection the initiative of the Soviet Union and the head of the Soviet Government personally was to be taken into account. That initiative could hardly be overestimated and should not be submerged in technical discussions. Evidently, there were reasons why the U.S. was unable to reach agreement with the U.S.S.R. now. Perhaps this had something to do with the nuclear weapon test which Mr. Foster had said had been postponed.

Prior to these discussions, it had not been possible to make progress towards a test ban agreement since there was a fundamental difference between the U.S. and the U.S.S.R. on the question of detecting and identifying underground nuclear weapon tests, for which the Soviet Union saw no need for on-site inspection. This view was shared by the majority of UN members. Fedorenko claimed that the Soviet Government had been told by the U.S. that if only the Soviet Union accepted the principle of on-site inspection, all difficulties in the way of agreement would be removed. He then referred to a press conference held by President Kennedy on August 1, 1962 and said that President Kennedy had stated that what the U.S. needed was acceptance by the U.S.S.R. of the principle of on-site inspection.

The Soviet Government, Fedorenko continued, had taken such statements into consideration and had done everything to find a way out of deadlock and into quick agreement. The latest new effort by the Soviet Government resulted in the decision to meet the position of the United States on the question of on-site inspections, even though the Soviet Government believed there was no need for such inspections. Moreover, the Soviet Government agreed to the establishment of automatic seismic stations on the territories of the nuclear powers and neighboring states. All this was reflected in Chairman Khrushchev's letters to the President.

When President Kennedy had proposed these informal meetings in New York, the Soviet Government had agreed and had assumed that the U.S. Government was ready to reach agreement, taking into account the fact that the Soviet Government had met the U.S. position. In this connection, Fedorenko said that the agreement of the Soviet Union to postpone the resumption of the Eighteen Nation Disarmament Committee sessions from January 15 to February 12 should be viewed in the light of that situation.

Fedorenko continued that in these talks the U.S.S.R. had done everything to reach speedy agreement. The Soviet Union had taken into account American desires concerning the location of automatic seismic stations on Soviet territory. In Central Asia, the Soviet Union had agreed that a station could be placed in the vicinity of Samarkand instead of at Kokchetav. In the Far East, the Soviet Union had agreed to Seymchan instead of Yakutsk. Data on noise levels at these places had also been furnished the United States. The Soviet Union had also suggested locations within the United States for emplacement of automatic seismic stations. Fedorenko went on to say that the Soviet Government had found it possible to satisfy the position of the U.S. Government on the key question of on-site inspections. The Soviet Government had agreed that such inspections could be conducted, within a certain quota, not only in the seismic zones but also in the aseismic zones as requested by the United States.

Fedorenko said that regretfully these meetings had led the U.S.S.R. to believe that the U.S. had no desire to put an end to tests. If there was such a desire on the part of the United States, there must be a desire to get agreement on basic questions. Unfortunately, however, the U.S. wanted to put these questions aside and talk about details.

Fedorenko said that the U.S. argued that the quota of on-site inspections was interrelated with other issues. The U.S., however, had failed to say what this interdependence was. As for the Soviet Union, it did not see any interdependence. To be sure, the U.S. position had changed in some respects but not for the better. On some questions, the U.S. was receding from earlier positions. Ambassador Dean had said that two to four on-site inspections annually would be sufficient for the U.S. Now the U.S. said it had to have 8 to 10. Previously, the U.S. had said that 200 to 500 square kilometers would be the size of the area eligible for inspection. Now the U.S. demanded 700 to 800 square kilometers.

In the course of these negotiations Mr. Foster and, to a certain extent, Sir David, had placed before the Soviet side demands that either the U.S.-U.K. views on these points be accepted or the U.S. and the U.K. would not discuss what the U.S. itself had called cardinal questions. The Soviet Government and its head personally regretted that these

negotiations had taken such a turn. Achievement of a test ban agreement would be of great importance in stopping the nuclear arms race, in safeguarding the health and lives of the present and future generations, in improving the international atmosphere, and in helping to solve other world problems, including general and complete disarmament.

In accepting the idea of bilateral talks the Soviet Government had hoped that it would be possible to solve the basic problems before February 12 and report to the Eighteen-Nation Disarmament Committee that the way to a test ban was open. Evidently, this would not be possible. The Soviet Union, therefore, was compelled to interrupt these discussions and transfer them to the Eighteen-Nation Disarmament Committee, which would reconvene on February 12.

Noting that he had to leave soon, *Sir David* pointed out that the Soviet statement only confirmed what Mr. Foster had said concerning the moves made by the Soviet Union in these negotiations. Fedorenko had returned to the substance of Chairman Khrushchev's letters and had confirmed that the only new things mentioned by the Soviet side had been a list of manned Soviet seismic stations, noise levels at three locations in the Soviet Union, and modification in the location of one of the three automatic stations the Soviet Union wanted to have in the U.S.S.R. It was clear that Mr. Tsarapkin had no authority to negotiate in a way which would permit the two sides to come together on the main points. Under these conditions, it was very difficult to make any progress.

*Fedorenko* rejoined that *Sir David* had only repeated what Mr. Foster had said previously. As to the authority of Mr. Tsarapkin, this was within the competence of the Soviet Government and the Soviet side knew better what his authority was than did *Sir David*. Tsarapkin added that this was merely a fantasy of *Sir David's*.

Mr. *Foster* said that he would not attempt to respond to everything in the lengthy statement just read by Fedorenko. Obviously the U.S. disagreed with it sharply on a number of points. As one example, he quoted what President Kennedy had said in the August 1 Press Conference:

"We first have to have an acceptance of the principle [of on-site inspection]. Then, as the scientific information is made available, a conclusion could be reached as to what would be the appropriate number of on-site inspections."

Mr. Foster thought this was exactly what, among other things, would be negotiated in these discussions.

The U.S. was eager to get an agreement to end nuclear tests. This could not be achieved, however, by the method of making statements of "this far and no further." Mr. Foster regretted that the Soviet Government had concluded that these talks were no longer useful and had decided to transfer the discussions to Geneva without further exploration of the integrated parts of a verification system.

Concerning the point about interdependence of elements in a verification system, Mr. Foster said he thought it was obvious that unless the inspection could take place under acceptable conditions any on-site inspection quota would be meaningless.

As to the size of the area eligible for inspection, Mr. Foster recalled that the 200 to 500 square-kilometer area had been made possible by hypothesizing the existence of a fairly elaborate international control system. While the U.S. was prepared to return to that kind of a system, it had attempted to meet the Soviet position on the form of a verification system. The larger area eligible for inspection was one result of this attempt to approach the overall Soviet position.

Mr. Foster stated that the U.S. looked forward to continuing the discussions in Geneva and was, of course, quite prepared to do so. The Soviet decision to terminate the current discussions would of course be a disappointment to the President since he had hoped that progress could be made in these private talks.

Mr. Foster then asked Fedorenko what he thought the press could be told about the termination of the discussions.

*Fedorenko* suggested that if the U.S. considered it necessary it could say that the meetings had been suspended, that no agreement had been possible, and that negotiations would continue within the framework of the Eighteen-Nation Disarmament Committee.

It was agreed in the end that each side would reserve the right to explain its own position as it found necessary.

The meeting adjourned at 5:15 p.m.

As agreed previously, the participants in the talks will attend a luncheon to be given by Amb. Fedorenko tomorrow, February 1, 1963.

### Attachment

#### *DATA ON NOISE LEVELS IN LOCATIONS PROPOSED BY THE U.S.S.R. FOR THE INSTALLATION OF AUTOMATIC SEISMIC STATIONS IN U.S.S.R. TERRITORY*

Bodaibo	1 to 2 millimicrons
Samarkand	1 to 2 millimicrons
Seymchan	About 5 millimicrons



February 1963

**165. Memorandum of Conversation, February 9, among Rusk, Alphand, and Greenhill<sup>1</sup>**

February 9, 1963

SUBJECT

Non-proliferation of Nuclear Weapons

PARTICIPANTS

*U.S.*

The Secretary

William R. Tyler, Assistant Secretary, EUR

John C. Guthrie, Director, SOV

*France*

Herve Alphand, French Ambassador

Bruno de Leusse, French Minister

*U.K.*

Dennis Greenhill, British Chargé

The Secretary said he wished to report on the conversation he had had with Soviet Ambassador Dobrynin February 7. Dobrynin had given him Russian language texts of the notes handed the German and French Ambassadors in Moscow on the Franco-German Treaty. There was no discussion of these notes, Dobrynin taking the position that they spoke for themselves.

Dobrynin then turned to the subject of the non-proliferation of nuclear weapons, and the Secretary handed Messrs. Alphand and Greenhill copies of notes made on Dobrynin's oral demarche on this subject. (Copy attached). The Secretary asked that these notes be treated as confidential. The Secretary then said he had made the following informal remarks to Dobrynin. The third paragraph of the attached notes represents the current situation insofar as U.S. weapons are concerned. We do not yet know how the multilateral force will be set up, however, and the U.S. cannot speak for the U.K. and France, both of which possess nuclear weapons. With regard to the third paragraph on page 2 of the attached notes, the Secretary had told Soviet Foreign Minister Gromyko at Geneva that we drew a distinction between the multilateral force and the proliferation of national nuclear capabilities. The President had spoken to the same point at his press conference on

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<sup>1</sup> Non-proliferation of nuclear weapons: readout of Rusk-Dobrynin discussions. Secret. 4 pp. Department of State, Central Files, DEF 18-6.

February 7. We reject the idea that there is any deception being practiced in our discussions of a multilateral force. With regard to the Soviet reference to Canada, our arrangements with Canada are similar to those we have with many other countries in NATO and have nothing to do with the proliferation of nuclear weapons. In the next to the last paragraph, we would not object should the Soviets make arrangements with their allies similar to those we contemplate making with ours.

On this point the Secretary commented that while he had not so stated to Dobrynin, he regarded this Soviet statement as the emptiest threat of all. The Secretary continued that since December he had seen Dobrynin socially as well as once or twice in the office where the subject of non-proliferation had been mentioned, and noted that Dobrynin had spoken to him most recently earlier in January.

The Secretary regarded his comments at that time as having been made without instructions.

He asked Alphand and Greenhill to report the foregoing to their governments to see what conclusions they may have. He said that he had no idea as yet whether the Soviets would reach an agreement with us on the basis of our own clarification concerning non-proliferation but believed it would be helpful for the three of us to concert our views on this subject. The Secretary opined that the result will turn on whether we can make arrangements whereby it would be impossible for a nonpossessor of nuclear weapons in NATO to give a national order to fire such a weapon. He told Ambassador Alphand that he would like to have Paris' views on the two papers he had handed the French Foreign Minister in Paris in December. If the French Government thinks we should proceed with the Soviets on this subject, then we could discuss the question of methods. The French Ambassador noted that he had asked his government for comments on the Secretary's papers three times already. Mr. Greenhill said that he had nothing recent from London on the subject but that he knew Lord Home accepted the papers handed him by the Secretary in December and would have only minor amendments to offer.

The Secretary concluded by pointing out the President's concern over the probable acquisition of a nuclear capability, however rudimentary, by the Chinese Communists and said that Chinese adherence to an agreement was a *sine qua non*. If the Chinese would adhere, he felt that the West Germans could do likewise. Ambassador Alphand remarked that the type of agreement the U.S. was seeking would not prevent the Chinese Communists from acquiring a nuclear capability. The Secretary replied that even if the Chinese Communists refused to adhere to the agreement, this would still mean that the Soviets could not then seek any special arrangements over Germany.

**166. Memorandum from Wiesner to Fisher, February 12<sup>1</sup>**

February 12, 1963

While the principal issue in the present test ban negotiation is the number of on-site inspections in the Soviet Union, we all agree that there are a substantial number of unresolved additional issues which would determine the effectiveness and manner of operation of the treaty. During the course of our recent discussions, however, I have become increasingly concerned that we do not in fact have a clear position on many of these important issues. I believe that it is essential that we develop specific positions on all of the elements of treaty as soon as possible in order to avoid any impression that we are not seriously interested in obtaining a treaty. I hope, therefore, that the paper you are preparing for Thursday will cover all of the elements of the treaty in sufficient detail to permit actual preparation of a treaty. Furthermore, since some of these issues cannot be finally resolved until they are cast in treaty language, I would urge you to prepare a new treaty draft in keeping with the present position as soon as possible.

Among the issues that we must resolve immediately, if we expect to pin the Soviets down as to the form of treaty within which we are negotiating a quota of on-site inspections are the following:

(1) *Automatic Unmanned Stations (black boxes)*. Should automatic unmanned stations in the Soviet Union be included as an element in the treaty? If it is decided that automatic unmanned stations in the Soviet Union will be a part of this treaty, the following points will have to be covered in the treaty:

- a. Number of stations;
- b. General location of stations;
- c. Criteria for precise location of stations;
- d. Nature of seismic equipment in stations;
- e. Provisions for maintenance of security of the stations;
- f. Access rights for installation and maintenance of station and retrieval of data.
- g. Rights and procedures for telecommunication links, if any, at stations; and
- h. The mechanism by which information from the “black boxes” would be employed in the decision process to undertake an inspection.

(2) *Selection of Events for Inspection*. Will the U.S.–U.K. and Soviet Union select locations for on-site inspection on the basis of any seismic information they claim is adequate to determine a location or must

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<sup>1</sup> Resolving problems in the test ban negotiations. Confidential. 3 pp. Kennedy Library, National Security Files, Subjects Series, Nuclear Testing 3, 12/62–8/63.

this determination be subject to certain seismic criteria as has been the case in the past? Will the seismic evidence on which selections are made be subject to any sort of review by the Commission or its scientific staff?

(3) *Procedures for On-Site Inspection in Countries Other than U.S.-U.K. and USSR.* If the U.S.-U.K. and USSR pick the locations to be inspected in each others territory on the basis of information from their own national systems, what procedures will govern inspections in other countries that may become parties to the treaty (NATO-Warsaw Pact and neutral countries)?

(4) *Conduct of On-Site Inspections.* The following points on on-site inspections must be covered either in the treaty or its annexes:

- a. The specific sequence of events by which an inspection will be carried out including the time limits on each phase of the operation;
- b. The specific size of the area to be subject to inspection;
- c. The nationality of the inspection team;
- d. Size of the inspection team;
- e. Mechanism by which inspection team will be provided photographic coverage of the area in question, (i.e., will it be supplied by host country or by the inspection team itself)?

(5) *Excluded Areas.* What specific provisions, if any, are proposed to permit exclusion of on-site inspection of installations which are claimed to be of a sensitive nature? Among the possible points are:

- a. Limitations on size of excluded areas (can an entire on-site inspection be denied);
- b. Notification procedure (timing relative to on-site inspection procedures);
- c. Effect on quota.

(6) *Functions of the Commission.* In view of the reliance on national systems rather than on international systems, what are the specific functions intended for the international Commission and international staff?

(7) *Atmospheric, Underwater and Space Testing.* Will information on possible atmospheric, underwater, and space testing be handled by national systems in a manner analogous to seismic data and what function, if any, will the Commission and international staff have on these problems?

(8) *Peaceful Uses.* What procedure will govern the certification of nuclear detonation for peaceful purposes?

(9) *Definitions.* What will be the definition of a nuclear explosion or nuclear test for the purpose of the treaty?

(10) *Withdrawal.* What provisions for withdrawal will the treaty contain in the event that non-signatory powers test nuclear weapons? (The most recent tabled treaty draft would permit either side to withdraw if either France or China test).

Jerome B. Wiesner

**167. Memorandum from Gen. Taylor to McNamara, February 16<sup>1</sup>**

JCSM-136-63

February 16, 1963

**SUBJECT**

US Position Regarding a Nuclear Test Ban Treaty (U)

1. This memorandum responds to a request by the Assistant Secretary of Defense (ISA), I-21111/63, dated 14 February 1963, to provide comments on the Arms Control and Disarmament Agency (ACDA) position paper, dated 14 February 1963, subject as above. It is understood that the Committee of Principals will meet with the President on 16 February 1963 to discuss this matter.

2. In the opinion of the Joint Chiefs of Staff, there are certain cardinal principles which must govern any nuclear test ban treaty. These are:

a. That the treaty should incorporate a detection, identification, and inspection system adequate to insure the highest feasible probability of discovering treaty violations.

b. Testing which could not be detected by the control system should not be prohibited by the treaty.

c. Withdrawal procedures should be simple.

3. The ACDA position paper recommends that the United States be prepared to negotiate a precise (though unspecified) quota of on-site inspections which would constitute a "reasonable deterrent." As ACDA has correctly noted, the effectiveness of the deterrent, and hence the degree of assurance of Soviet compliance, is a function of more than the number of on-site inspections. However, under the ACDA proposal the US detection and verification capabilities would be further circumscribed from previously held US positions by the following:

a. Reduced capability to distinguish seismic events because of a less sensitive detection system than previously proposed.

b. A higher threshold than formerly, below which explosions could not be detected.

c. An unspecified number of on-site inspections, presumably lower than any number in previous US proposals.

4. ACDA has also proposed US positions which would make on-site inspection unnecessarily difficult by requiring a seismic epicenter to justify each inspection, by unduly delimiting inspection areas and

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<sup>1</sup> JCS concerns regarding ACDA's paper on the "U.S. Position on the Nuclear Test Ban Treaty." An attached appendix provides an item-by-item comment on the ACDA paper. Also attached is a table showing nuclear weapon capabilities of particular countries. Top Secret. 10 pp. Kennedy Library, National Security Files, Departments and Agencies Series, ACDA, Disarmament, General, 2/15/63-2/28/63.

duration and by leaving major logistics arrangements for the inspecting team to the inspected country. The combined effect of these limitations would so reduce the deterrent value of the treaty as to create a serious risk of Soviet evasion.

5. ACDA contemplates a seismic system having a threshold of about magnitude 4.0. Below that figure there would be what amounts to an unpoliced moratorium. Much significant technical and military progress can be made by low-yield testing below the threshold of this system (paragraph 1 to the Appendix hereto). The Joint Chiefs of Staff reaffirm their view that any test ban agreement should authorize testing below the detection threshold.

6. In conclusion, from a national security viewpoint, the Joint Chiefs of Staff are gravely concerned by proposed departures from principles which should govern any nuclear test ban treaty (paragraph 2, above). First, it has not been demonstrated that the system provides a reasonable chance for detecting evasion.<sup>2</sup> Second, in effect an unpoliced moratorium would exist below the threshold of detection. And third, prohibition from withdrawal from the treaty for three years would be counter to our interest if we found the implementation of the treaty unsatisfactory.

7. The Joint Chiefs of Staff believe that the current ACDA proposal should be modified to align it with the principles considered essential for an adequate nuclear test ban treaty.

For the Joint Chiefs of Staff:

**Maxwell D. Taylor**  
*Chairman*  
*Joint Chiefs of Staff*

## **Appendix**

### *JCS COMMENTS ON ACDA RECOMMENDATIONS FOR US POSITION REGARDING A NUCLEAR TEST BAN TREATY*

#### *Detection Systems*

1. ACDA recommends basic reliance for detection and, where possible, identification to be placed on a national detection system (US & UK) which could begin operation immediately after any treaty was signed. It is highly desirable that this be unclassified.

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<sup>2</sup> See page 6, Appendix hereto, and Annex B to the attachment to ISA memorandum, I-21111/63, dated 14 February 1963, subject as above.

*Comment*

a. *Detection System.* The US Air Force Technical Applications Center estimated in its study dated 11 February 1963 that it would be possible to establish an unclassified system with seismic detection capability comparable to the AEDS (about 4.0 seismic magnitude) in 30 months. In six months an interim system having a detection capability of about 4.2 seismic magnitude could become operable. The number 4.0 on the seismic scale represents a detection threshold of about 11–22 KT in alluvium, 2 KT in tuff, 1 KT in granite, and perhaps 50–100 KT decoupled. A 4.2 detection threshold would permit undetected tests of several times those magnitudes.

For the final unclassified system comparable to the AEDS, AFTAC estimates an average of 170 shallow events can be anticipated in the USSR yearly, of which 20 can be identified as earthquakes by first motion. There will be about 150 events AEDS cannot reliably identify as earthquakes, of which 75 will be found to have depth indications of varying reliability. There will be no indicators of natural origin of the event for the remaining 75. All 150 events will be suspicious. In determining which of these events should be investigated by means of on-site inspection, criteria such as geography, nearness to population [illegible in the original] remoteness, [illegible in the original].

It would not, however, be justifiable to eliminate any events on the basis of these criteria from consideration for inspection or from consideration in determining the number of inspections required. The reason is that these events remain inherently suspicious and that these criteria would be of substantial value in determining the likelihood of an event being a nuclear explosion only if the unrealistic assumption were made that the Soviets were not attempting to evade. If the United States, for example, were to consider events in the Arctic above suspicion because testing there would present unusual difficulties, this fact would constitute an invitation to the Soviets to test in the Arctic without fear of detection. The Joint Chiefs of Staff cannot concur in the use of subjective criteria to reduce the number of events considered to be suspicious.

b. *Threshold.* Recently little consideration has been accorded underground testing below the capabilities of detection systems to detect. Tests beneath the threshold can provide significant technological advances beneficial to the nation that tests.

The AEDS detection capability is approximately 4.0 seismic magnitude. It is probable that, under a test ban agreement much more stringent than ACDA envisages, tests could be conducted in the low KT range without fear of detection.

The importance of low yield testing has been pointed out by DOD and AEC in July, 1962, and again more recently. The consensus was

that most of the important scientific principles involved in weapons can be studied effectively below 3 KT. These include:

- (1) Development of primaries for low-weight, two-stage systems (such as Minuteman);
- (2) Development of low-yield tactical systems;
- (3) Tests of integrated primary, bomb case, and sparkplugs for two-stage devices;
- (4) Development of very cheap, relatively clean weapons requiring only [illegible in the original];
- (5) Possible development of all-fusion weapons requiring no fissionable material and having many military applications;
- (6) Tests of hardened primaries as well as measurements of their vulnerability to prompt radiations;
- (7) Some important weapons effects experiments which can be performed underground.

With a limitation of 10 KT, development can be carried considerably further. For example, tests under 10 KT can lead to specific weapons such as low yield weapons for either tactical, air defense or anti-submarine warfare use; most primaries could be completely developed underground; mock-up larger weapons tests, utilizing these primaries and secondary "sparkplugs," could lead to major advance in thermonuclear weapon technology.

c. *Use of Classified Data.* ACDA would require establishment of epicenters by means of seismic data submitted to an international commission. This would preclude use of supplementary data derived from the AEDS unless the AEDS were declassified and would preclude the use of unilateral intelligence information in selecting precise areas to be inspected. In the 30 months before an unclassified detection system could attain the seismic capability of the AEDS, the United States would be particularly hampered. It is considered essential that the United States be able to demand inspection of a suspicious event without being obliged to prove an epicentric location on the basis of unclassified, inherently less accurate, criteria. Declassification of AEDS remains distinctly undesirable because it would not only create political problems and compromise intelligence collection facilities but also permit the Soviets to have precise knowledge of US [illegible in the original] that [illegible in the original].

*Summary.* The national system described above has never been fully coordinated with the JCS or DOD. It would offer less comprehensive coverage than would be provided by the "national stations internationally supervised" proposed by the United States in August 1962 and less than the internationally manned stations on Soviet soil. The Joint Chiefs of Staff reaffirm their view that any test ban treaty proscribe only those tests which the detection system is capable of detecting.



*On-site Inspection Quota**2. On-site Inspection Quota*

a. ACDA recommends: The United States should be prepared to negotiate a precise (though unspecified) quota of on-site inspections. ACDA asserts that national detection systems supplemented by unmanned seismic stations, considerations of geographical factors, and unilateral intelligence would reduce the number of suspicious seismic events to the point where “a quota of on-site inspections within the number range now being considered by the US will constitute a substantial deterrence to clandestine underground testing.” In support of this view, ACDA claims there would be “a good probability of detecting at least one of a series of tests interspersed among a group of natural events.”

b. Comment: The JCS have never approved a reduction below 12–20 inspections. This number was based on a ratio of 20% of suspicious events. The United States has already committed itself publicly to acceptance of 8–10 on-site inspections, and it is understood ACDA is prepared to fall back to 5 or 6 inspections. These figures are inconsistent with the ACDA concept of a “reasonable deterrent” which requires that there be a fair expectation of detecting violations. AFTAC probability calculations indicate there would be small likelihood of selecting for inspection even one of a series of detectable clandestine tests. Any number of inspections [illegible in the original] which the [illegible in the original].

Moreover, for on-site inspections to be of any use it is necessary to have workable terms and conditions for their conduct. Any control commission must not have authority to limit or prevent inspection. A party must be able to request inspection without seismic evidence of a specific epicenter in order that national intelligence may be used as a basis of decision to request inspection. An inspection team must be logistically self-sufficient, permitted to persist in inspection for a period possibly as long as six months, and so manned and equipped that it could have at least a fair probability of finding evidence of a well concealed clandestine test. The ACDA position shows little appreciation of the physical and technical difficulties involved in making on-site inspection an effective procedure.

*Exclusion of Sensitive Defense Installations**3. Exclusion of Sensitive Defense Installations*

a. ACDA recommends: A party could exclude from inspection especially sensitive defense installations located within the area to be inspected.

b. Comment: A denial of inspection on security grounds is tantamount to a veto and would vitiate any inspection provisions if the

desired area is of appreciable size. When coupled with other limitations on our detection and verification capabilities, e.g., limited capability to distinguish between earthquakes and nuclear explosions, inability to detect below seismic threshold and limited inspection quota, this provision would so degrade the deterrent value of the treaty as to create an unacceptable risk of Soviet evasion. However, if exclusion from access is limited to very small areas, the restriction would not affect inspection. For instance, access to an installation could be denied if [illegible in the original] permitted. [illegible in the original] sufficiently close to ascertain whether or not a nuclear test has been conducted. Even if complete inspection were permitted, one side might not take undue advantage of the right because of fear of retaliation in kind.

#### *Size of Inspection Area*

##### *4. Size of Inspection Area*

a. ACDA recommends the outward limits of the size of the area to be inspected would be 500 square kilometers where the number of reliable reporting stations do not make good travel time calculations available, and where available the area would be 300 square kilometers.

b. Comment: AFTAC estimates a two-thirds probability of an epicenter falling within a 700 square kilometer area if the epicenter is located by well distributed stations. Consequently, the area proposed by ACDA would by itself commit more than half of any inspections undertaken of the sites of actual nuclear explosions to failure.

#### *Countries Not Party To Treaty*

5. a. ACDA Recommendation: The US should not insist France and China be initial parties to the treaty but withdrawal procedures should be included.

b. Comment: It is probable that certain states not now negotiating in Geneva nor intending to negotiate must eventually be parties to the treaty if there is to be an effective test world-wide test ban. This includes both France and Communist China. Any treaty must incorporate simple, uncomplicated withdrawal procedures for termination in the event a state, not a party to the treaty, is found to have conducted a nuclear test. The treaty should also contain a provision which recognizes that timely inclusion of certain states is an essential condition of a test ban treaty. It is noted that ACDA suggests we explore with the Soviets a nonwithdrawal clause effective for three years from the [illegible in the original].

Annex D

COUNTRY NUCLEAR WEAPONS CAPABILITIES

xxx Major			xx Moderate		x Small	P Potential		—No Estimate	
Country	Domestic Availability of Uranium	Nuclear Research Program	Nuclear Power Program	Industrial Resources Capability	Time Required to First Test	Aircraft Operational Capability	IRBM		Motivation To Make Decision
							Missile Operational Capability		
France	xx	xxx	xxx	xxx	done	1964	'69		High
West Germany	—	xxx	xx	xxx	4–5 yrs	6 yrs	7 yrs		Moderate
Italy	x	xx	xx	xx	5–6 yrs	7 yrs	8 yrs		Low
Belgium	—	xx	P	xx	—	—	—		Low
Netherlands	—	xx	P	xx	—	—	—		Low
Canada	xxx	xxx	xx	xxx	1–2 yrs	6 yrs	7 yrs		Very Low
Sweden	xx	xxx	xx	xxx	2–3 yrs	5 yrs	8 yrs		Evaluating
Switzerland	—	x	P	xx	—	—	—		Low
Japan	x	xx	x	xxx	5–6 yrs	6 yrs	8 yrs		Very low but depends on China
India	xx	xx	x	xx	4–5 yrs	5 yrs	8 yrs		Low but depends on China
Israel	x	xx	P	xx	2–3 yrs	1968	1968		Moderate to High

## COUNTRY NUCLEAR WEAPONS CAPABILITIES (Continued)

Country	xxx Major Domestic Availability of Uranium	xx Moderate		x Small		P Potential		—No Estimate	
		Nuclear Research Program	Nuclear Power Program	Industrial Resources Capability	Time Re- quired to First Test	Aircraft Operational Capability	IRBM Missile Operational Capability	Motivation To Make Decision	
UAR	—	x	P	x	Over 10	Over 10	Over 10	Moderate to High	
Brazil	x	x	P	x	Over 10	Over 10	Over 10	Low	
Australia	xx	x	P	xx	—	—	—	Low	
Norway	—	xx	x	xx	—	—	—	Low	
[illegible in the original]	xx	xx	P	xx	1963 (Possible)	1970	1972	High	
East Germany	xxx	xx	xx	xx	USSR Prohibits	USSR Prohibits		—	
Czechoslovakia	xxx	x	xx	xx	USSR Prohibits	USSR Prohibits		—	
Poland	x	x	P	x	USSR Prohibits	USSR Prohibits		—	

**168. Memorandum from Col. Smith to Gen. Taylor, February 18<sup>1</sup>**

February 18, 1963

**SUBJECT**

Probabilities and a Nuclear Test Ban

1. During the discussions of the last week on a nuclear test ban treaty, the statistical experts at ACDA began playing down the importance of developing a thorough detection system by pointing out what was to them an acceptable probability of discovering a violation by random selection of seismic events. Once the probability train had been let out of the station, however, everyone got on board. The result is that it now seems, from a statistical viewpoint, that our proposed overall detection and inspection system is unsound. Before explaining some implications of this conclusion, let me explain briefly how the conclusion was reached.

2. In the discussion Friday with the technicians, Secretary McNamara said that there are four probabilities that must be considered before we can determine our ability to detect tests. They were defined as:

- a. P1 is the probability of detection of the event.
- b. P2 is the probability that the test will be selected from other events.
- c. P3 is the probability that the area selected for the on-site inspection includes the test site.
- d. P4 is the probability that the nuclear test will be detected if it falls within the inspected area.

3. Subsequent to the meeting, Mr. Barber of ISA drafted a paper presenting his views on the test ban. He began by setting out the four probabilities and promising to look at them in turn. He did not carry through on his planned approach, primarily because he said P4 depended not only on inspection procedures but also on Russian willingness to help us in our inspections. His overall conclusions were that 6–8 inspections annually were satisfactory, because “we want a few good inspections, not a lot of clumsy ones.”

4. At TAB A, I have used the data in Mr. Barber’s paper to show that for 5 inspections annually under fairly conservative assumptions we would have 1 in 100 chances of discovering a violation, and that for 6 inspections under fairly liberal assumptions, we would have only

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<sup>1</sup> “Probabilities and a Nuclear Test Ban.” Secret. 2 pp. National Defense University, Taylor Papers, WYS Chron, January–March, 1963.

3 in 100. It seems to be that neither case would be very convincing to the US public. Either our data or our inspection criteria must be changed.

*5. Implications*

The low probabilities of actually proving a violation have in part been foreseen by some. Thus we hear the technical argument that even if the Russians cheated by testing underground, they could not alter the military balance. If this assertion is true (and I am not certain by any means that it is), then it vitiates the need for any inspection system and, in turn, substantiates the Soviet argument that inspections are needed more for political than technical reasons.

6. Our main objective in pressing for an inspection system has been that it would establish the "principle of inspection". If with this objective we set up a poor system, we will have set a poor precedent. It would be preferable to consider an unpoliced moratorium with a high readiness to test than a poorly inspected test ban and a high level of complacency.

W.Y.S.

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**169. Todis 806 to Geneva, February 18<sup>1</sup>**

February 18, 1963

Following instructions cleared as result of meeting of interested principals with President February 18.

You should indicate to Kuznetsov in private meeting that US has several specific points to make on substance of a test ban treaty.

1. US proposes that on-site inspections be carried out within an agreed upon time sequence and under an agreed procedure with inspections in USSR of seismic events designated by US and UK, with US-UK selection of events, and conducted by 70 percent US/UK nationals and 30 percent nationals from non-NATO and non-Warsaw Pact nations with provision for an equal number of USSR observers. (FYI: Present thinking is that the Inspection Team should include fourteen US-UK technical experts plus the number needed for support and drilling operations, if the latter are required. The drilling operations will require an additional number of people depending upon the area,

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<sup>1</sup> Negotiating instructions on substance of a test ban treaty. Confidential. 6 pp. Department of State, Central Files, DEF 18-3 SWITZ (GE).

etc. END FYI.) Chief of team would be US or UK national. In designating seismic events for inspection in USSR, the US–UK would submit seismic data from four seismic stations to establish location of event, which it may want to inspect together with a statement that it could not identify the event as natural in origin under criteria contained in para 3 of Article VIII of August 27, 1962 comprehensive treaty draft. USSR would be responsible for supplying all heavy transportation equipment, e.g., helicopters, trucks, for inspection in USSR. Reverse procedures would apply for inspections in US or UK.

2. Review of scientific problems in determination of locating epicenter indicates area can be reduced to an area of 500 square kilometers specified as an ellipse with a semi-major axis of a maximum of 15 kilometers.

3. In USSR the US would supply sealed recorders and certain sealed instruments for the automatic recording stations which would be built according to specifications agreed to by US, UK and USSR and for which USSR would have certain responsibilities for maintenance. Sealed recorder would be picked up and checked by non-Soviet personnel maximum of eight times a year. Data from these stations would also be recorded outside the station by a recording device identical to the one within and this data obtained outside would be picked up and transmitted regularly, e.g., once a week by Soviet personnel to International Commission for use there and for transmission to other side. Reverse situation pertains for such stations in US. US proposes seven such stations be located in US and USSR.

4. US, after further study of question of on-site inspection quota, believes that if the procedures for on-site inspection, along the lines indicated, are acceptable to Soviet Union and can be agreed on in more detail the US would accept a quota of seven on-site inspections annually on the territories of the US and the USSR.

5. US in making these proposals hopes they will be acceptable to Soviet Union and negotiations for drafting treaty can proceed without delay.

We have notified foregoing to British Embassy to inform UK FONOFF. Subject to FONOFF approval, these proposals can be notified to USSR at your meeting on Tuesday, 10 am as joint US/UK views, such approval to be notified to you by your UK colleague in Geneva. In absence of such notification these proposals should be put forward as US proposals.

You should emphasize that the US does not intend to confirm its proposals publicly until there are indications of moving toward an agreement.

Following are additional instructions on the conduct of on-site inspections for use as appropriate.

Discussion is in terms of US-UK requesting an inspection in Soviet Union; obviously same procedure would apply in reverse case.

1. US-UK would submit seismic data to International Commission regarding unidentified seismic event no later than 60 days after event had occurred. Data must be sufficient to locate event, i.e., must include clearly measurable arrival times from four stations, and must include a statement from US-UK that the data do not indicate the event has been identified as natural in origin using criteria specified in treaty.

2. Soviet Union would have seven days in which to present any supplementary information regarding event. Any other data not previously available, such as data from automatic recording seismic stations, must also be submitted within seven days; longer time may be permitted by mutual agreement, due to emergency situations.

3. US-UK would decide within seven days from the receipt of the extra data whether to designate the event for an on-site inspection. The designation would include the location and a description of the area to be inspected as well as the manner in which the inspection team planned to arrive at the port of entry.

4. Soviet Union would have five days in which to notify the Commission of its arrangements for receiving the inspection. Soviet transportation would be used to take the team to the site of the inspection team's headquarters.

5. The Soviet Union could exclude from inspection a building located within the area to be inspected, which the Soviet Union explained, in a report, must be excluded on the grounds it was a sensitive defense installation. An abuse of the exclusion provision would be considered a violation of the terms of the treaty.

6. The maximum size of the area to be inspected would be 500 square kilometers specified as an ellipse with a semi-major axis of a maximum of 15 kilometers.

7. Composition of surface inspection teams for Soviet Union would be 20 persons, including 14 US-UK nationals as technicians and 6 nationals from non-NATO and non-Warsaw Pact countries selected by Commission on recommendation of administrative officer. Chief of team would be US or UK national. Soviet Union would have number of observers equal to total number of inspection team.

8. Inspection team would have maximum of six weeks to complete its surface inspection including low level helicopter flights; this could be delayed by mutual agreement. If drilling was considered necessary, notification of this need would be given within five weeks from start of inspection, would include provision for additional persons, to be agreed upon, and must be completed within a specified time period (FYI: Time period under consideration for drilling is 3-6 months. END



FYI) from the time of arrival of the drilling equipment; such equipment must arrive by end of sixth week from start of surface inspection.

9. Report of inspection team would be made no later than 30 days after team had completed its inspection.

**Rusk**

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## **170. Memorandum for the Record, February 19<sup>1</sup>**

February 19, 1963

### **SUBJECT**

Meeting of the Principals Re Nuclear Testing, 10:30 a.m., February 18, 1963

### **PRESENT**

The President, Secretary McNamara, Secretary Gilpatric, General Taylor, Mr. Nitze, Mr. Bundy, The Vice President, Mr. Fisher, Mr. McCone, Mr. Wiesner, Secretary Rusk, Secretary Ball, Mr. Hayworth

(From hand-written notes prepared by DCI)

Rusk opened discussion of paper. McNamara agreed about 60 suspicious events a year—6 or 8 to 10 provide sufficiently high probability to foreclose a significant test.

McCone—Report on intelligence.

Fisher—Explained Annex B. McNamara says table not good.

Taylor—Four areas of doubts—i.e. signals area, find spot, reach conclusion.

President—How big a test can be run—Fisher 4.2 at outset, later 4.0 and possibly 3.8. Indicated 30 KT—McNamara and Wiesner 10/20 KT. Columns on Page 10 about agreed position and treaty should be defended on basis of the lower limit of system.

Thompson thought numbers serious. Sovs. never go above 5—areas important—Rusk does not wish to open up numbers.

Fisher—area problem—500 circular/300 elliptical.

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<sup>1</sup> Readout of Principals meeting on nuclear testing. Attached is a February 18 McCone-drafted rebuttal paper on ACDA's paper on the U.S. and the test ban treaty. Also attached is a February 17 memorandum from Fisher to the Committee of Principals' members transmitting a copy of the revised ACDA paper (not attached). Secret. 4 pp. CIA Files, Job 80B01285A, McCone Files, Meetings with President, 1/1/63–3/31/63.

President—Rusk—Fisher—Wiesner—on question of black box—  
Wiesner says 0, AEC—0. Rusk—stay with?

Withdrawal clause.

Taylor—under threshold—firing weapons—training reliability.

### **Attachment**

With respect to the proposed test ban treaty, the U.S. position as outlined in the ACDA dated February 17 represents a departure in many respects from positions taken previously by interested parties in the Administration and in the Congress, including myself.

Paper accepts principle adopted about a year ago of total suspension, thus eliminating the threshold. The rationale is that testing over the threshold would be too risky because a series of tests would be detected and anything less than a series would not be meaningful. Secondly, there is a connotation that such testing would not affect the balance of power from a nuclear standpoint.

I feel the Soviets could conduct a series of underground tests by careful planning by the use of a number of geographic locations and if they choose to do so, results obtained would be meaningful with respect to their nuclear weapon know-how. I believe this can be done without danger of detection from the system proposed or from other sources including Attaché reports or clandestine resources.

With respect to the value of such tests to the USSR and to ourselves, it is difficult for me to reach a conclusion that some benefits of a military nature are not possible, or further improvement in weapon technology. The National Laboratories

In other areas our position seems to lack realism. De Gaulle has announced a program and will not, in my opinion, be deterred and our estimate of the time required for him to develop satisfactory war-heads for ballistic missiles would be at least 1970 or later, not 1965.

The Chinese Communists, likewise, have informed Sir Harold Caccia they are pursuing a program, that they will not be deterred and therefore we can expect tests from that country at some time in the future.

## Attachment

### SUBJECT

U.S. Position for a Test Ban Treaty

Attached is a revised paper containing recommended U.S. Position in the Geneva test ban negotiations for discussion at a meeting of the Committee of Principals with the President at The White House on Monday, February 18, 1963, at 10:30 a.m. The paper contains annexes A, B, C, D. Annex C, entitled "An Elaboration of the Procedure for Conducting an On-Site Inspection," is not attached. It is not needed for the February 18 meeting. It will be circulated later.

**Adrian S. Fisher**  
*Acting Director*

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### 171. Telegram 3127 from New York, February 25<sup>1</sup>

New York, February 25, 1963

To Disarmament Del for Foster from Dean. RE: Arms Control. Fol is letter you requested with non-essential words eliminated:

#### QUOTE

Oyster Bay, N.Y.

February 23, 1963

Dear Mr. Foster:

You advised me by telephone on Saturday morning February 23, 1963 that at a recent plenary meeting of the 18 Nation Disarmament Conference at Geneva, Deputy Foreign Minister Kuznetsov of the USSR had stated in substance, that at a meeting between himself and myself in the fall of 1962 in New York, when we were both representing our respective governments at the United Nations (where I was Chairman of the US delegation to the 18 Nation Disarmament Conference and a member of the US delegation at the 17th UN General Assembly) I had stated that the US was willing to accept three automatic stations on

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<sup>1</sup> Transmits text of February 23 letter from Dean to Foster regarding Dean's conversation with Soviet Deputy Foreign Minister Kuznetsov in New York on number of automatic stations on Soviet territory. Confidential. 9 pp. Department of State, Central Files, DEF 18-3 SWITZ (GE).

the territory of the Soviet Union and three on-site inspections of unidentified events by the International Commission to be set up under the proposed draft treaty to supervise the cessation of nuclear weapon tests.

Deputy Foreign Minister Kuznetsov is mistaken. I never at any time agreed or suggested three automatic stations or three on-site inspections on USSR territory.

In all of the plenary meetings and meetings of the Subcommittee on the Cessation of Nuclear Testing and meetings between myself as Co-Chairman of the conference and Deputy Foreign Minister Kuznetsov, Deputy Foreign Minister Zorin or Ambassador Tsarapkin and in the First Committee of the General Assembly I carefully and painstakingly referred to the fundamental necessity of the USSR accepting the principle of on-site inspection (which the USSR had flatly rejected on November 28, 1961 after previous acceptance) and the US-UK requirements for (a) an appropriate number of internationally supervised, nationally manned and instrumented detection stations on the territory of the USSR and (b) an equally appropriate number of obligatory on-site inspections by teams appointed by the executive officer of the International Commission after certification of an unidentified event by the executive officer under the treaty pursuant to Article VIII of the draft treaty banning all nuclear weapons tests (ENDC/58) and that there was to be the unquestioned and unmistakable right to make an appropriate number of on-site inspections of otherwise unidentified events as set forth in Article VIII, subdivisions 6 and 11.

Under instructions of the Department of State I never at any time in Geneva or New York or elsewhere except as hereafter specified, made any mention of the number of detection stations or the number of on-site inspections of unidentified events we would accept under the treaty we proposed on August 27, 1962. We were doing our level best, by adducing objective scientific information, to get the USSR to accept the principles of nationally manned detection stations under appropriate international supervision and of objective on-site inspection.

Until they did that there was no point in discussing numbers and we did not.

Sometime late in October, 1962—I can supply the exact date if that is important—I had a short conversation in New York with Deputy Foreign Minister Kuznetsov in which I emphasized the extreme importance of the non-poliferation of nuclear weapons and of working out an adequate, workable and effective nuclear test ban treaty.

He asked, if we could accept two or three detection stations and two or three invitational on-site inspections on their territory, and I replied “*emphatically no*”, but that if they would accept the theory of

properly instrumented, internationally supervised detection stations and obligatory on-site inspection they would find us reasonable.

The day after our election day he asked me for an appointment. Alex Akalovsky of the State Department and I went to see him and Mr. Timerbaev at their headquarters on 62nd Street, New York.

Based on the July 7, 1962 announcement of the US Department of Defense, I stated to Deputy Foreign Minister Kuznetsov that with improved instrumentation and trained personnel, and with a system of internationally supervised but nationally manned detection stations, there would be fewer unidentified earthquakes in each year. But I said that we still could not identify a nuclear event positively by distant instrumentation alone, that we ought to be able to solve to our mutual satisfaction the problem of so-called espionage occurring on “on-site inspection trips” by the international commission personnel, that there would have to be a reasonable scientific relationship between the number of unidentified events and the number of annual on-site inspections in any one year and that this would have to be reviewed on the basis of scientific evidence.

I referred specifically to our proposal at the 23rd subcommittee meeting on August 9, 1962, and to our proposed treaty of August 27, 1962 (ENDC/58) and to my statements in plenary in Geneva on September 4, 1962 that the number of control posts would be substantially fewer than the 21 or 19 control posts we had proposed in the past.

I then repeated what I had said there, that if we can work out the question on obligatory on-site inspection to our mutual satisfaction there should be no difficulty in reaching agreement on the number of nationally manned, internationally supervised detection posts to be accepted by each of the nuclear powers, parties to the treaty. And that these two features, nationally manned, internationally supervised detection stations and reduced number of detection or control stations represented, in our August 27, 1962 draft, significant changes from the United Kingdom-United States 18 April 1961 draft treaty.

Mr. Kuznetsov rejected the scientific relationship between the number of annual on-site inspections and said national detection systems were entirely sufficient both to detect, locate and identify all nuclear events and that no international supervision of detection posts or on-site inspections were necessary.

I explained that “appropriate international supervision” meant the physical presence of international supervision personnel at each of the detection stations on the territory of the Soviet Union.

He read out loud to me, in English, a memorandum from Chairman Khrushchev demanding a maximum of two or three automatic stations on their territory and not over two or three invitational on-site inspec-

tions. Or at least the language sounded so hedged it wasn't clear, as he read it, whether the inspection teams to be appointed by the executive officer under the treaty (Article VIII, subdivisions 6 and 11) would have the unquestioned right to make an inspection of an unidentified event or not.

I told him this was unacceptable to us.

He said that I had, in an earlier conversation, said a "small" number of nationally manned but internationally supervised stations and a small number of on-site inspections.

Even though they had not accepted the principle of obligatory on-site inspection, I decided the time had come to be specific about what "small" meant. I reminded him that their scientists had earlier claimed there were not over 60 unidentified events per annum in the Soviet Union whereas ours had said there were many more than that, but on the basis of one inspection for five unidentified events, if their scientists were correct, we had said we would take twelve on-site inspections but that if ours were right, we would want a maximum of twenty on-site inspections with one more than twelve for each five additional unidentified events above sixty and up to one hundred.

I said we could reduce the figure of twelve, previously mentioned, somewhat because of our Vela Research Programme and the Scientific criteria set forth in the draft treaty but nearer to the vicinity of eight to ten than to two or three, the figure he mentioned.

I said further I had no authority whatsoever to accept three automatic stations or indeed any automatic stations, as to the efficiency of which I was not advised, and that we wanted nearer ten nationally manned but internationally supervised detection stations with a reasonable amount of international supervision.

He said this was out of the question. I then said and repeated that the two or three stations or two or three on-site inspections he mentioned was equally out of the question. I asked him to adduce objective supporting scientific evidence as to the ability of national detection stations to identify nuclear events which he said would only prolong the discussions and was not necessary.

He again urged me to accept two or three stations and two or three inspections and I told him frankly we could not accept this and he said he wanted to be equally frank and they would never agree to anything like eight to ten detection stations or on-site inspections.

There can't possibly be any misunderstanding about this because the discussion as to numbers was very clear and explicit.

I then entered into a discussion of where earthquakes, according to Soviet statistics, occurred in the Soviet Union.

I said, according to their statistics, most of the earthquakes took place under the ocean south of the Kamchatka Peninsula and on that

peninsula, in the Pamir region, west of Outer Mongolia and in the region of the USSR northeast of Turkey, with the rest of the earthquakes being scattered.

I said we would be glad to have our scientists consider with their scientists the possibility of dividing, on the basis of accepted scientific evidence, the USSR into seismic and non-seismic areas and the placing of most of the detection stations in quiet areas calculated to produce the best detection, location and identification results, and that I thought our scientists and theirs could prorate the detection stations in their territory so that only a few would be in the heartland of the USSR. And if they conducted no nuclear events we could probably also prorate the number of on-site inspections in like manner.

He again indicated very clearly they would only accept two or three automatic stations for the entire USSR territory, so the question of prorating was uninteresting.

I again said we were willing to explore all aspects of the problem scientifically but his statement as to numbers was quite unacceptable. I was very clear on this.

He said “then there can be no agreement.”

I said, if there were only two or three on-site inspections with twelve months in the year, there would really only be one—as we could never be without any—and if we used one, there would always be a great debate whether we could really use the remaining two, and then I stated the number of on-site inspections would have to bear a reasonable relationship to the number of unidentified events in any year and that it would probably have to be a minimum of around eight to ten and that the number of two or three was completely unrealistic and not in accordance with the scientific criteria set out in the draft treaty (ENDC/58).

I also make it quite clear that I had no instructions about automatic stations and that I was highly skeptical of the so called Pugwash reports with respect to such stations as there were no trained US seismologists at this conference.

He then asked for an earthquake map of the USSR on the basis of the Soviet earthquake statistics I had mentioned.

I reported the conversation to the Department of State and stated clearly that I had urged him to accept a number of internationally supervised and properly instrumented and located detection stations nearer to eight to ten than the two or three which he had demanded.

Subsequently on instructions from the Department of State, I sent to him a map of the Soviet Union, divided up into earthquake and non earthquake areas, based on official Soviet statistics, but we had no further conversation in New York and other than the debate in the

First Committee which resulted in Resolution XVII 1732 A and B, the subject was not taken up again.

Upon my return to Geneva on November 20, 1962 to December 21, 1962 I continued to expound the American position, all of which is reflected in the verbatim records.

On January 20, 1963, I told Ambassador Tsarapkin and Mr. Voronshov we would have to have a minimum of eight to ten internationally supervised detection stations and an equal number of obligatory on-site inspections.

I have never at any time or at any place reduced these figures.

I would hope that you can place this letter in the record of the Geneva Conference.

Respectfully yours,

Arthur H. Dean

UNQUOTE

Plimpton

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**172. Addendum to December 20 Report of NSAM 205 Committee,  
February 27<sup>1</sup>**

February 27, 1963

**ADDENDUM TO THE 20 DECEMBER 1962 REPORT OF THE  
NSAM 205 COMMITTEE**

**CONCLUSIONS**

On 14 and 15 February 1963, the Foreign Weapons Evaluation Group (Bethe Panel) reported on the analysis of Soviet 1962 tests in the 100 to approximately 1,000 KT range and of the two high-yield devices tested in December 1962. After review of this information, the NSAM 205 Committee has concluded that while the Soviets have somewhat extended their capabilities in the sub-megaton yield range, the advances made are not of major significance in terms of their

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<sup>1</sup> Concludes that Soviet advances in sub-megaton yield range are not of major military capability significance. Two attached tables provide a listing of additional December Soviet tests and yield-to-weight ratios on the sub-megaton yield tests. Top Secret. 4 pp. Kennedy Library, National Security Files, Meetings and Memoranda Series, NSAM 205, Box 339.



military capabilities. The analyses on the whole do not appear to alter the basic conclusions in the 20 December 1962 report of the NSAM 205 Committee.

DISCUSSION

*I. The 1962 Soviet Test Series*

From 20 December to 25 December 1962, the Soviets conducted 9 additional tests at the Novaya Zemlya site (see Table I). Five of these tests had yields of less than 100 KT, two were between 1 and 2 MT, one was about 6 MT and one was 26 MT. The very low yield events previously reported as JOEs 121, 122 and 123 (27, 28 and 31 July 1962) are now no longer considered by the Joint Atomic Energy Intelligence Committee to have been definitely of nuclear origin.<sup>2</sup> The totals of confirmed nuclear tests for the Soviet 1962 series from 1 August to 25 December 1962 are: 66 tests of which 35 were less than 100 KT, 11 were between 100 and 1,000 KT, 14 were between 1,000 and 10,000 KT and 6 larger than 10,000 KT. (This may be compared with the Soviet test series of 1961 which consisted of 44 tests: 24 small-yield tests, 6 thermo-nuclear tests between 100 and 1,000 KT, 12 between 1,000 and 10,000 KT and 2 larger than 10,000 KT.)

TABLE I  
1962 SOVIET NUCLEAR TESTS  
20 December–25 December 1962

DATE	NAME	YIELD (KT)	ENVIRONMENT	LOCATION
20 Dec.	JOE 178 <sup>3</sup>	10	Atmosphere	Novaya Zemlya
22 Dec.	JOE 179	30	Atmosphere	Novaya Zemlya
23 Dec.	JOE 180	—	Atmosphere	Novaya Zemlya
23 Dec.	JOE 181	—	Atmosphere	Novaya Zemlya
23 Dec.	JOE 182	1,200	Atmosphere	Novaya Zemlya
24 Dec.	JOE 183	1,900	5,000 ft.	Novaya Zemlya
24 Dec.	JOE 184	26,000	11,500 ft.	Novaya Zemlya
25 Dec.	JOE 185	Prob. <40	Atmosphere	Novaya Zemlya
25 Dec.	JOE 186	5,800	5,000–10,000 ft.	Novaya Zemlya

<sup>2</sup> As the result of dropping these three events, JOE numbers listed in the 20 December report (from JOE 124 on) should be re-numbered; JOE 124 becomes JOE 121, JOE 125 becomes JOE 122, etc.

<sup>3</sup> Revised JOE numbers which resulted from dropping of events on 27, 28 and 31 July 1962 as nuclear tests.

## II. Soviet 1962 Tests in the Sub-megaton Yield Range

Evaluation of Soviet tests in the 400 to 1,200 KT range indicates considerable progress in thermonuclear technology. In JOE 163 the Soviets, for the first time, tested a device [*text not declassified*] previous Soviet devices in this weight class. However, analysis of all the sub-megaton tests points to a reluctance on the part of the Soviets [*text not declassified*].

In tests around 200 KT the Soviets still show no evidence of attempts [*text not declassified*] though these 200 KT devices may have had slightly lower weights than were seen in previous Soviet thermonuclear tests [*text not declassified*] they do not appear to represent important technological advances.

Yield-to-weight ratios for the sub-megaton yield tests are shown in Table II.

## III. High-Yield Tests on 24 and 25 December 1962

The two high-yield tests which have been carried out since previous analyses appear to be somewhat different in design than previous devices in the same yield classes. The analysis of the 26 MT device is particularly difficult since it contained appreciable amounts of unburned themonuclear fuel and does not permit any precise reconstruction of the design of the device. However, neither it nor the 6 MT device appear to involve any radical advances in weapon technology.

TABLE II  
YIELD-TO-WEIGHT RATIOS DEMONSTRATED IN SOVIET  
1962 LOW-YIELD THERMONUCLEAR TESTS

JOB NUMBER	YIELD (KT)	WEIGHT (lb)	YIELD/WEIGHT (KT/lb)
139 167 176 177	150-220	[ <i>text not declassified</i> ]	[ <i>text not declassified</i> ]
126 150 159	400-500	[ <i>text not declassified</i> ]	[ <i>text not declassified</i> ]
163	Alt. A. 750 Alt. B. 650	[ <i>text not declassified</i> ] [ <i>text not declassified</i> ]	[ <i>text not declassified</i> ] [ <i>text not declassified</i> ]
169	1,100	[ <i>text not declassified</i> ]	[ <i>text not declassified</i> ]
182	Alt. A. 1,200 Alt. B. 1,200	[ <i>text not declassified</i> ] [ <i>text not declassified</i> ]	[ <i>text not declassified</i> ] [ <i>text not declassified</i> ]

## March 1963

### 173. Disto 1129 from Geneva, March 1<sup>1</sup>

Geneva, March 1, 1963

RE Fisher-Foster telcon March 1. Following is text of portion of statement made today by Foster in plenary dealing with Dean-Kuznetsov conversations in NY:

"The Soviet delegation has alleged in presenting its position on on-site inspection that Ambassador Arthur H. Dean suggested as acceptable two to four on-site inspections annually at some point during informal discussions with Minister Kuznetsov in New York last autumn. This is not the case. Here is the record.

"On October 30, Ambassador Dean, accompanied by Mr Akalovsky of the US delegation, called on Minister Kuznetsov in New York. The conversation centered primarily on current General Assembly matters, and the test ban problem was discussed briefly and only in general terms. Minister Kuznetsov reaffirmed the position held by the Soviet Union at that time, denying the need for on-site inspection and stating that such inspection was unacceptable to the Soviet Union. Ambassador Dean stressed the US desire to engage in serious negotiations on a test ban. He further expressed the view that some mutually satisfactory arrangement to cover cessation of testing in all environments, while providing assurances against clandestine tests underground, should be possible. In this connection he said that the United States had in mind a small number of on-site inspections but did not mention any specific figure. Thus, the Soviet claim that Ambassador Dean offered two to four inspections on October 30 is inaccurate.

"They met next on November 7, at Minister Kuznetsov's initiative at the Soviet mission in New York. Again Ambassador Dean was accompanied by Mr. Akalovsky. Reading from a prepared text and stating that he was acting on instructions, Minister Kuznetsov reviewed the Soviet position on the test ban—a position which still excluded any on-site inspection on USSR territory.

"Ambassador Dean re-emphasized the US position that on-site inspections were necessary and that their number was related to the number of unidentified events. He also said that because of the progress achieved under the Vela Research program, the United States might

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<sup>1</sup> Partial text of Foster statement on Dean-Kuznetsov conversations. Official Use Only. 3 pp. Department of State, Central Files, DEF 18-3 SWITZ (GE).

be prepared to accept something like eight to ten on-site inspections, and eight to ten nationally manned control posts under international supervision. Ambassador Dean observed that ninety percent of the territory of the Soviet Union was aseismic and suggested the possibility of subdividing Soviet territory into seismic and aseismic areas. He remarked that U.S. scientists believed that if two control posts were located in the aseismic portion of the heartland of the Soviet Union, and eight in the seismic areas, only very few inspections might be required in the aseismic areas.

"After the meeting Mr. Timerbaev, a member of the Soviet mission who also attended the meeting, approached Mr. Akalovsky to check Ambassador Dean's remarks about the number of nationally manned stations and on-site inspections. Mr. Akalovsky referred Mr. Timerbaev to what Ambassador Dean had said, with Mr. Timerbaev repeating the number eight to ten on-site inspections and Mr. Akalovsky confirming the accuracy of his account.

"Consequently, there are no grounds for doubt as to the numbers mentioned by Ambassador Dean, and this makes subsequent claims by Soviet representatives that, on the 30th of October Ambassador Dean had in fact mentioned the two to four figure, quite surprising. Both United States participants in these meetings confirm the facts which I have just given you.

"Nevertheless, it is of course possible that there might have been some misunderstanding, if this was the case we deeply regret it. But from the text of President Kennedy's letter to Chairman Khrushchev of December 28, 1962, there could have been no misunderstanding that eight to ten on-site inspections was the US position."

**Tubby**

**174. Letter from Macmillan to President Kennedy, March 16<sup>1</sup>**

March 16, 1963

Dear Friend—

I was very glad to get your message about the whole problem of the nuclear forces.

The more I think of it, the more constructive I believe our Nassau declaration was. In whatever form our plans ultimately emerge, the spirit in which they were launched has undoubtedly been more and more understood as the weeks have passed. I was very glad too to have a chance of seeing an old friend, Livvy Merchant, and to hear from him some account of his journeys. I left Alec Home to discuss some of the problems with him in detail.

With the signature of the technical agreement between our countries arising from Nassau, the foundation of one part of our work will be well and truly laid. Nor do I think it will ever be abandoned by any Government here. After long experience I have found that we are all of us apt to say things when we are not in authority which we do not feel either willing or able to carry out when we succeed to responsibility.

But thinking so much about all these matters has led me, and I expect you, to turn back to another part of this nuclear problem, far more constructive in reality; for it might open the path to something better for the world than merely building vast forces which if not used are wildly expensive, if used are wholly destructive to mankind, and which at the best keep a kind of uneasy peace by a balance of horror. So, after much thought, I am impelled to write to you to give you my ideas about the question of nuclear tests and the possibility of an agreement to ban them.

You and I both remember well the background of our meeting at Bermuda. Then the agreement, which had seemed in our grasp two or three years before, when we had a moratorium—informal but nevertheless very welcome to the world—had been frustrated by the massive Russian tests in the previous autumn. How far Mr. Khrushchev made these for internal political reasons, or how far he wished to frighten and impress the neutral and unallied world with his power, is only a matter for speculation. But it was certainly a great shock to us all.

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<sup>1</sup> Securing a test ban agreement: past and present realities and suggestions for a satisfactory conclusion. Top Secret. 13 pp. Department of State, Presidential Correspondence: Lot 66 D 204, Macmillan–Kennedy Correspondence, Vol. IV.

When we met in Bermuda in December, 1961, I had the feeling that you were as anxious as I to avoid having to reply with another series of tests, American and British—yours of course on a far greater scale than ours. I remember well the discussions and the difficulty of getting any very clear picture from the experts. Incidentally, the more I discuss this problem, the more I find that we laymen talk about the technical aspect and the experts always tell us that it is a political problem. Perhaps there is some lesson to be drawn from this.

At Bermuda, we resisted the temptation to hold a new series on political grounds as an answer to the Russians, although we were, with some difficulty, persuaded that it was necessary to do so on military grounds in order to protect the vital interests of the Western Alliance. This was the theme of our announcement at Bermuda. It was on this basis that I was able to persuade my colleagues and Parliament to give their consent to the joint operation and to the use of Christmas Island.

All the same in the Christmas atmosphere of that year I felt impelled to write to you an inexcusably long letter to set out my thoughts and feelings.

After some exchange of messages, we decided to accompany our announcement of tests by a rather novel approach to the question, which made a considerable impression, in both our countries. We sent joint letters to Mr. Khrushchev on February 7, 1962, followed by two sets of letters in broadly similar terms a week and ten days later. The point, you will remember, was that although the Western tests had to be made, we hoped that this series would be regarded as the end of a definite round and that we should all try to concentrate on the Disarmament Conference about to open in Geneva—to this body the subject of the Test Ban had been transferred at the request of Russia. We both promised to take a personal interest in this and to try to bring matters to a head whenever the moment seemed right. The words that I used to Mr. Khrushchev on February 25 were:—

“As I told you in my letter of February 14, I am also very ready to take part personally in these negotiations, when it seems that the presence of Heads of Government can be of positive value. Two situations might arise in which this method might be fruitful. The first is if the Conference is making satisfactory and definite progress. In such a case a meeting of the Heads of Government might well serve to consolidate what had been achieved and to take a further step towards an actual agreement.

The second situation is one in which certain major and clear points of disagreement have emerged which threaten to hold up further progress. In that case the Heads of Government should perhaps meet in order to try to break the deadlock.”

On February 24 you sent a message to Khrushchev in which you said:—

“The Heads of Government should meet to resolve explicit points of disagreement which might remain after the issues have been carefully explored and the largest possible measure of agreement has been worked out at the diplomatic level.”

The fact that both Dean Rusk and Alec Home went to Geneva for the opening Conference to start it off was intended to underline the importance which you and I attached to the meeting.

During recent months the negotiations have made considerable progress. The Russians have now publicly accepted the principle of inspection. It is true that they seemed to accept this three years ago; but they had afterwards very definitely rejected it. They have now accepted it definitely, and have also accepted three annual inspections. The West has moved down from twenty inspections to seven. So, from the man in the street's point of view, the two sides have come a great deal nearer. Indeed, to the layman, we would seem so near that it would be almost inconceivable that the gulf could not be bridged. There are, of course, a number of other points to be settled in connection with these inspections, so as to ensure that they are a reality and not a farce. But I do not feel that the Russian refusal to discuss them until the number is settled means that they will use these points as a way of bringing the negotiations to an end. If they were to do so, after an agreement on numbers had been reached, they would be in a very bad posture before the world.

I have wondered in my own mind and tried to find some answer to the question as to why Mr. Khrushchev suddenly moved forward on the inspection issue. So long as he stood upon the principle that any form of inspection involved espionage, he had at least a logical position. We may think it ridiculous; but it is in conformity with the well-known Russian sensitiveness to contacts with the outside world and with the almost Oriental xenophobia which has been traditional in Russia whether Tsarist or Communist. But, having abandoned this position, it is difficult to argue that three inspections do not endanger security while four, five, six or seven might. I wonder perhaps whether there was some real misunderstanding in his mind over this, and whether he somehow got it into his head that if he moved on the principle, you would accept a quota of two or three. Mr. Khrushchev, like an old elephant, has a very tenacious memory. For example, in conversation in Moscow in 1959 when this matter was first under discussion I casually mentioned various figures for annual inspections, from twelve down to three, as an illustration of my general argument in favour of a test agreement. Since then he has affected to regard this chance observation as a substantive proposal by the British Government. Of course he should know that it was not. But that is the way he has learned to think—or double think. Similarly, something must

have happened recently to explain Khrushchev's apparently genuine mood of exasperation and distrust. However, whatever may be the explanation, that is the position, and there now appears to be a deadlock based upon the question of number.

What, then, are we to do? Of course, there are very strong arguments for doing nothing. Strong logical arguments, strong political arguments. But this is not the spirit in which you, who carry the largest responsibility, before God and man, have faced your duty, nor that in which I have tried to do the same. I have a feeling that the test ban is the most important step that we can take towards unravelling this frightful tangle of fear and suspicion in East/West relations—important in itself and all the more important for what may flow from it. All the same, strictly it is the Russian turn to move. They have come from nothing to three; you have come from twenty to seven, and it is up to them to make a bid. If they want a Treaty they can get one—and, it will be argued if they do not want one, why negotiate at considerable risk? Why is it that the West always have to move? Why is it that all the concessions seem to come from us? And so on. Then of course there are quite strong groups of opinion who are really in favour of tests. Some scientists think it is a pity not to know all you can know. It seems almost restrictive and reactionary not to blow things up to find out what would happen when they go off. Others are very fearful as to whether in some way or another important lessons might be learned by the Russians from a clandestine series of disconnected tests. I assume that this is the old question of yield for weight, which may have some bearing upon the development of the anti-missile missile in its most sophisticated form. On the other hand, there are equally strong bodies of opinion that feel that from a purely scientific point of view on the figures we are discussing there is not very much more danger in the smaller number of inspections than in the larger one.

I have just been reading a short account of this whole story from the beginning, and I am impressed by the fact that whenever we seem to get near a solution somebody finds out a new scientific theory. The big hole was itself a good example of this, and in that hole are likely—unless we are careful—to be buried the hopes of mankind. All the same, the arguments against moving can be powerfully put forward, and I have no doubt are very strong politically with you. To those that I have mentioned can be added that if we do sign a Test Ban the French and the Chinese will stand out and so in the end we may not be so very much further on. Finally, it is alleged that there is not very much pressure on either side to start a new series of tests.

However, since it seems to take a couple of years or more to evaluate one set of tests and to make the necessary preparation for the next, this lull may prove very deceptive. We may within a year or



two be faced with the same situation which confronted us in 1961 in Bermuda. Apart from avoiding the practical difficulty that hangs over us in the near future, I am sure you will agree that we would gain enormously if this Treaty could be made. First, it would stop the contamination of the atmosphere. We have been thinking so much about the underground tests that we tend to forget the injury done by atmospheric testing. While it might not stop the Chinese and the French tests altogether, it would certainly drive them both underground, which is a good thing from this angle. Secondly, I am quite sure that it would have a very considerable effect upon some countries which may be hesitating about what to do. For instance, Sweden, India and Israel, and other countries which will be almost bound to enter the nuclear race unless they can find an excuse not to do so. Thirdly, the effect on the world of an agreement solemnly entered into by our two countries with Russia would be enormous. It would give a tremendous new sense of hope. We could probably succeed in giving a new impetus to the Disarmament Conference and might also give a lead on other fronts.

It would be a great gain, of course, if Sweden, India, Israel and the rest would undertake not to test; but I have a feeling that if we get the test ban agreement, there would be another prize just as important to be secured. We ought to be able simultaneously to get a non-dissemination agreement; an undertaking, that is, from non-nuclear countries not to accept nuclear power at the gift of others, for their sole use, and from nuclear powers not to give nuclear weapons or knowledge to non-nuclear countries. To me this seems the real key to the German problem; one which gives a good deal of anxiety both to the Russians and to us, and, to be fair, to many Germans; who are genuinely anxious lest in due course they or their successors will be forced to become a nuclear power. It is quite true that Germany is bound by all kinds of agreements and undertakings. But these could easily be represented by a bad German in the future as the modern counterpart of Versailles. We know—only too well—what might follow from all that way of thinking. Indeed, speaking frankly, the most attractive part of clause 8 of the Nassau Agreement is that it may give the Germans a sense of participation without incurring these dangers. But I feel that a test agreement accompanied by a non-dissemination agreement would serve to underline clause 8 if we are able to bring clause 8 into operation, and anyway would be effective in itself. No German could then say that Germany had been forced into this abnegation in a period of weakness just after the war, when the present treaties or agreements were made.

On the contrary the Germans could claim with pride that, with other great States, Germany had entered into this undertaking as a contribution to the solution of one of the gravest problems which

confronts the world. At the same time, this is a prospect which must appeal equally to the Russians. The countries of the West have, thank God for it, decided to rebuild their bridges with Germany. We have tried to forget about the two wars and the Hitler persecutions and all the rest. This is true of your country and mine, and to be fair, of the French. All this is good. But then, without being cynical, we all have an interest, because the Germans are our Allies against the Communists. The Russians both hate and fear the Germans. They hate them, inspired by the cruel memories which we have decided to blot out; they fear them as an efficient, hard-working, brave and determined people. Nor can they fail to be conscious of the pressure which they put continually upon German patience by the obstinacy with which they enforce to the division of Germany. For all these reasons, then, I think the tests ban, followed by adherence of other countries not to test, accompanied by a non-dissemination agreement which was reasonably well supported, would have a profound effect in removing the present state of tension in the world.

Of course whatever agreement is made, the Russians might be able to evade it and we might not be able to catch them. From our point of view, if there are some twenty-five unidentified events of Magnitude 4 or over annually in Russia then of course with seven inspections we have nearly a one in four chance of catching them out; with five we have a one in five chance, and with only three we have one in nine. Naturally, if they make a definite series, we have a better chance of finding them out. There is also the possibility that they might so arrange the tests at the end of the year that we would have exhausted our right of inspection. However, this and other difficulties might be got over in negotiation, not merely by splitting the difference between seven and three but by some arrangement to carry over unused inspections to an agreed extent, from one year to another. Since our machines, whether operated overtly or covertly, will continue to improve we are likely to need fewer annual inspections as time goes on, and an arrangement of this kind for carry-over of inspections might be one way of allowing ourselves enough inspections at first without over-ensuring for the future.

So much for the chances of our catching them if they cheated. However I am bound to say that I think they would be at great risk if they did cheat after signing the Treaty. Although they might have no moral inhibitions in breaking their word, I think they would be abashed at being publicly shown up before the world; and, what is more important, they would lose the great benefits of a non-dissemination agreement, with all that this implies in Central Europe.

So we come to the problem of how we are to renew the negotiations with a view to bringing them to a satisfactory conclusion. Looking

back to our declaration in 1962 I am bound to say that I feel myself under an obligation to act in accordance with what I then said. Certainly in my statement, which perhaps went further than yours, I undertook to do something about it in either of two situations, one of which is now approaching.

There are various possibilities;

(a) I can see the disadvantage in merely offering five inspections through the Geneva negotiators with no certainty that this would be accepted. A rejection would be very bad politically for you, although not so much for me.

(b) I can see the dangers involved, although I think the advantages might well outweigh them, in simply suggesting that we all three should meet and try to settle the matter. If the West then offered five and Khrushchev stood out, our position might not be very dignified, but it would not be ignoble.

(c) We could summon a Conference on the understanding that the conditions of the inspections were first brought near to a conclusion, so that we should only have to settle the final steps to be taken on these together with the question of numbers. But it would still be a risk.

(d) Or, if it was better for you, I could write to you and Khrushchev either privately or publicly or both, suggesting that we should all meet at Geneva. If he refused, it would be a great disappointment and we should not get the agreement, but again it would not be discreditable.

(e) Before suggesting either jointly or separately a conference of the Heads of Governments, we might make some further soundings.

In this connection, I still feel there is something queer about Khrushchev's move towards accepting the principle of inspection. There may have been some genuine misunderstanding in his mind, or perhaps some misunderstanding or misrepresentation by those Russians who reported to him what they picked up in Geneva. Possibly therefore you could send some personal message to Khrushchev on this matter or perhaps some emissary such as Averell or even your brother Bobby who would both clear up any misunderstanding and find out whether there was a chance of settling round about five or by some juggling with the numbers, including the conception of bisques and the limit for any one year, coupled of course with what I think could be made very attractive to Khrushchev, the non-dissemination aspect.

Some of my telegrams report that he is supposed to have lost interest in the nuclear test ban but if that is so, it may well be because he has not had the non-dissemination aspect sufficiently impressed upon him.

I am sorry to inflict so long a letter on you, but I feel this very deep personal obligation upon me and it is one which in some form

or another, I must discharge, before it is too late. I do not, as you know, want to trouble you on the telephone but I would be very glad to hear first from you either through David Gore or by teleprinter message, and then perhaps we could have a talk to clarify any outstanding points.

I am sending this letter to you through David who is fully conversant with all our ideas and whom I know you trust as much as I do.

Yours very sincerely

**Harold Macmillan**

April 1963

175. Memorandum for the Record, April 4<sup>1</sup>

April 4, 1963

SUBJECT

Meeting with the President—4:30 p.m.—4 April 1963

1. Reviewed with the President the Far East missions. Sought his approval of the 5412 recommendation of April 4 to which he agreed.

2. The President asked me my estimate of when the Chinese might explode a nuclear device. I told him that we had had a group of consultants study all possible intelligence and we were inclined to believe it might take place somewhat earlier than we had heretofore thought and, indeed, it was possible a device might be exploded late this year or some time early next year.

3. I reviewed all items in the three attached memoranda covering various discussions and observations on my Western trip. The President asked that I give him a statement on the cost of the supersonic plane and submit any ideas that I might have as to a proper and reasonable contracting procedure which would be fair and equitable and would get the job done before the British-French plane comes into being. He specifically asked that I give him a copy of paragraph 5 of my memorandum on discussions with others on my Western trip.

4. There followed a long, informal discussion on a number of matters including nuclear test ban. I told the President that Eisenhower had expressed opposition to the present treaty as he understood it because of inadequate verification, the threshold, etc. I told the President that I, too, was concerned about the treaty for these reasons and furthermore it did not accomplish the President's own objectives as outlined in his recent press conference because the Russians could no longer handle the Chinese situation and we and the British could no longer handle the de Gaulle situation, and hence the proliferation problem. The President seemed to agree, and restated that he did not think we were going to get a treaty anyway.

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<sup>1</sup> Readout of meeting with President: Chinese nuclear capability, supersonic plane issues, nuclear test ban concerns, French bilateral relations, economic issues, European security issues, and U-2 shoot down contingency plans. Secret. 2 pp. CIA Files, Job 80B01285A, McCone Files, Meetings with President, 4/1/63-6/30/63.

5. We discussed in some detail the de Gaulle relationships. I reiterated my previous position, urging that we try to find a solution to the impasse with the French. The President read with considerable interest the debriefing report on Archduke Otto.

6. I showed the President photographs of the A-12.

7. Informally discussed problems of economic growth, tax reductions, Federal deficits and the debt structure. I told the President I had not gone into these matters in depth; however, I noted that our debt stood at about \$260 billion 15 years ago when our Gross National Product was on the order of \$250 billion to \$350 billion and personal savings were at a minimum, whereas at the present time our debt is on the order of \$300 billion against a Gross National Product of \$375 billion and savings are \$1.5 trillion, therefore the debt did not worry me but the constant deficit did, and the outflow of gold also worried me.

8. With respect to the outflow of gold, I indicated the opinion that the largest single item was in support of our overseas forces and their families which total a million Americans in Europe alone, and added to that were probably ½ million travelers annually who went to Europe primarily to see their sons and families who were deployed overseas. I then urged consideration of a more drastic plan than the Merchant plan and suggested placing total responsibility for the defense of Europe on the shoulders of Europeans through a Western European Alliance, and that we sell this Alliance missiles, nuclear warheads, etc., and concurrently withdraw from Europe. The President did not indicate approval of such a plan but did indicate that we might reduce our forces to two Divisions. I told the President that I felt the gold problem was our most serious one and that steps must be taken to curtail it. I said that I felt the non-competitive position of our labor in a great many industries was a contributing factor. I pointed out the frequency of situations where American manufacturers, contractors or those involved in service such as contractors, shippers, etc., were losing out to Europeans because of wage and salary differentials unfavorable to the United States.

9. The President mentioned a contingency plan for Cuba in the event a U-2 was shot down. I told him McNamara and I had discussed this and were to meet within a week with Secretary Rusk.

**176. Notes on Telephone Conversation between Rusk and Bundy,  
April 11<sup>1</sup>**

April 11, 1963

The Sec said he was getting ready to call the President and Bundy said he hoped he would. The Sec. said if the Soviets would accept our piece of paper on non-transfer as a basis for negotiation it looked as though the French would play. This would seriously change the situation and the Sec. said he thought he might try this on Dobrynin tomorrow. Bundy asked the Sec. if he had seen the outgoing and the Sec. said he had. Bundy said the answer must be cleared at the Presidential level.

The Sec. asked how things were back here and Bundy said they looked pretty good, the general effect was healthy. The Sec. said the French were laying themselves out. They discussed what had appeared in the press. Bundy said he had discussed with Tyler the Berlin thing. The Sec said he had just talked to Ball on this. Sec. said he hated to see us turn back on something, adding he wanted to see the state of the commitment. Bundy said Gilpatric thinks it is clear. The Sec. said it was cleared with him and Bundy said it was cleared with Anderson. Bundy said we ought to have a look at it next week.

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<sup>1</sup> Test ban negotiations: Soviet and French concerns. No classification marking. 1 p. Department of State, Rusk Files: Lot 72 D 192, Telephone Conversations.

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**177. Notes on Telephone Conversation between Rusk and Bundy,  
April 11<sup>1</sup>**

April 11, 1963

The Sec said the President wondered whether we should change the letter to Macmillan in view of the small amount of progress on the non-transfer point, adding he had had a discussion with Home in Paris. The Sec asked if the letter had gone to Macmillan. Mr. Bundy said it

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<sup>1</sup> Discussion of response to Macmillan on non-diffusion issue with the Soviets. No classification marking. 1 p. Department of State, Rusk Files: Lot 72 D 192, Telephone Conversations.

hadn't but they had sent to Macmillan the President's comments. They might offer another reservation on the language. His own feeling is that the letter in current form says they are both important. There is nothing in the letter that says we couldn't make progress with the Soviets on non-diffusion. Mr. Bundy said the letter to the PM had not been sent; the Pres and the PM had talked on the phone instead. The Pres said he didn't mind the draft letter to Khrushchev. The PM they could educate any time. The Sec said he didn't see that the non-transfer point was involved in the Khrushchev letter and he read from it. Mr. Bundy said the Dept came in with a draft to Macmillan & the President hadn't had a chance to see it. They discussed the Thompson letter and Bundy said that had gone. They mentioned then that Mr. Foster had all the papers and it was left that they would turn their hand to this in the morning.

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**178. Memorandum of Conversation, April 12, between Rusk and Dobrynin<sup>1</sup>**

April 12, 1963

SUBJECT

Nuclear Non-proliferation

PARTICIPANTS

*US*

The Secretary  
Ambassador Thompson  
Mr. Hillenbrand

*USSR*

Anatoly F. Dobrynin, Ambassador of  
USSR  
Georgi M. Kornienko, Counselor,  
Embassy

After discussing several aspects of the Berlin question with Ambassador Dobrynin (covered in separate memorandum of conversation), the Secretary said he would like to turn specifically to the question of nuclear non-proliferation. Here was a point in which a genuine common interest existed between the Soviet Union and the United States and indeed the United Kingdom and France. On purely theoretical grounds no nuclear power could be interested in any other power's

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<sup>1</sup> Nuclear non-proliferation issues. Secret. An attached copy of the draft non-transfer declaration with an appended minute provides additional information on the declaration. Confidential. 10 pp. Department of State, Secretary's Memoranda of Conversation: Lot 65 D 330.



becoming a nuclear power. On purely practical grounds, looking ahead fifteen to twenty years and seeing the prospect of as many as ten to fifteen countries coming into possession of nuclear weapons, the prospect for peace was not good. An element of unpredictability would be added. We therefore have a common interest in avoiding nuclear proliferation.

It was against this background, the Secretary continued, that he had talked with Gromyko at Geneva and urged that the Soviet Union and the United States concentrate specifically on the question of non-diffusion of nuclear weapons on a national basis, that is concentrate on governments which could develop national capacities on their own. We believe that we should concentrate on this central point and not try to solve all related matters. If agreement were reached on this point, it would make further steps possible in the disarmament field. With reference to the Western Alliance, the Secretary said that he had pointed out to Gromyko that we did not have in mind the transfer of nuclear weapons directly or indirectly through this Alliance. But he had also pointed out to Gromyko that the expression “directly or indirectly through a military alliance” might lead to misunderstanding and would require further discussion. With this in mind we had drafted a declaration on nuclear non-transfer of two paragraphs and had also appended a clarifying minute to explain what would or would not be covered. Our language is illustrative but serious and does not necessarily cover all of the points we would like to discuss at the time of the declaration. However, there are enough points in the minute to show that our stress is on the extension of national capabilities. We believe this to be not just another piece of paper but an arrangement that would actually prevent the proliferation of weapons on a national basis.

Ambassador Dobrynin asked whether the Secretary had discussed the declaration with the French and the British and whether they had agreed to it. The Secretary said we had given them copies but that he was not acting as their agent today. He did want to say, with a full sense of responsibility, that if the Soviets felt that our paper provided a basis of negotiations, the Allies would take this as a very serious step and we could take up the subject with them. We could not commit them today, the Secretary added, but he was encouraged to find out if the Soviets did consider the paper as a basis for negotiations.

After Dobrynin had carefully read the paper which the Secretary had handed him (text attached), the Secretary observed that some of the discussion in the West over the past few years on nuclear matters, and the increase in consultation among the Western powers on this subject, was due to the change brought about in the nuclear situation when in 1956–57 the USSR had made clear that it was targeting a considerable number of nuclear weapons on Western Europe to be

delivered either by bombers or by missiles. This brought the question to the forefront in the thinking of Western European governments. The Soviets had stressed the point either to visitors in Moscow or during visits of Soviet leaders to the West, emphasizing that one or more countries would be destroyed. It was only natural for the countries threatened by nuclear weapons to want to know something more about them. Thus the increase in the discussion of nuclear problems in the West was the direct result of the developments which he had mentioned in the nuclear field.

Furthermore, the Secretary went on, he sincerely asked the Soviet government to believe that we ourselves are opposed to placing nuclear weapons in the hands of national governments and national forces. This is a matter of our interest. We have pursued this policy even though some of our Allies have disagreed with it. There is nothing in the background which cuts across this most elementary policy of the US government. Although the Soviets may have expressed concern from time to time with regard to something which has not yet come into being, this is US government policy. What he was saying today, the Secretary pointed out, was not our answer to the recent Soviet note on the multilateral force. We would deal with this in due course, but Ambassador Dobrynin would not be surprised to hear that we disagree with many points in the Soviet note. The Secretary said he did have one immediate comment. The note mentioned the multinational as well as multilateral force. The former was mainly the British V-bombers and US Polaris submarines. These were the principal elements along with the coordination with other elements which might have related missions. The multinational force does not change the existing situation as far as the spread of weapons is concerned. Our view is that this is also true of the multilateral force. The key point about the latter is that national governments will not be able to employ it on a national basis by their own decision or that of their armed forces. The main objective is to prevent the spread of national nuclear capabilities. We are not interested solely in one, two or three countries but on a world wide basis. After all, countries not allied either with the US or the USSR may be planning to acquire nuclear capacities. Hence we think that a four-power agreement along the lines of the declaration would be great progress.

After some discussion of Berlin at this point (covered in separate memorandum of conversation), Dobrynin commented that the main point about the non-transfer declaration proposed by the US is that to which Gromyko had objected previously. Dobrynin said he had also made the same point in an earlier conversation and his government had likewise had done so in a note some months ago as well as in its recent note. This was not purely a matter of propaganda but the way

the Soviet government felt. The US was actually beginning the proliferation of nuclear weapons. Chairman Khrushchev had welcomed President Kennedy's remarks regarding US policy on non-proliferation, but what has been going on since last summer is the actual proliferation of nuclear weapons. Without even speaking of Germany, a country like Italy which has not had nuclear weapons will now have them in the so-called multilateral units. The policy of the USSR is to have no nuclear weapons except in national units of the USSR. The US has had the same within the NATO framework. This the Soviet Union could accept. But when the US speaks of so-called multilateral teams made up of countries who do not now possess nuclear weapons, this is a new and dangerous step. It marks a real difference in quality. In a year or two the situation will further change and then there will be proliferation. Dobrynin repeated that the multilateral force would put the control of nuclear weapons in the hands of other countries which did not have them now. He recalled that before the Paris Agreements in 1954, the Western countries had claimed that they were going to prohibit the Germans from having all sorts of weapons, even heavy conventional armaments, but in a few years this was pushed aside. The Germans had complained that they were not being given equal treatment. Now they have the biggest army in NATO, and where were the Paris Agreements? Now the first step in satisfying West German nuclear demands was to be the multilateral force. This was only the beginning, the Soviets felt. The US was on a dangerous path on which it could not stop. The Germans would always try to bring about changes. The first step would be to change the rule of unanimity to decision by majority and thus eliminate the US veto. The only solution would be for the USSR and the US to keep their monopoly. This was the basic position of the Soviet government. The US-proposed declaration, Ambassador Dobrynin continued, dealt with everything except the multilateral force or the multinational force. He could only note the reservations in the minute, and felt that the US was really proposing nuclear proliferation both quantitatively and qualitatively.

The Secretary said he would try to distinguish the two things. From the quantitative aspect, the question of disarmament applied to both sides. The USSR had built up a substantial nuclear force requiring a substantial nuclear force on our side. It appeared from a recent Khrushchev speech that important decisions had been made to allocate a considerable amount of new resources to military purposes. The question of quantity should be grappled with in the disarmament context. In this sense, quantitative proliferation needs serious attention.

On the qualitative side, we were opposed to putting other governments in a position, not merely on paper, to hold and employ nuclear weapons. We have no arrangements in mind towards this end. This

was an important point which the Soviets should remember. Dobrynin commented that this was where the US and the USSR differed. The Soviets could not see how a development could be prevented over the years which would lead to real control of nuclear weapons in the hands of the members of the multilateral force. The Secretary said we were sure that this would not happen with respect to the NATO countries. But there were also other countries which would move towards possession of nuclear weapons in the next ten years or so unless there were some such agreement as we had proposed. Dobrynin said he was not so sure about the NATO countries. Unless, the Secretary continued, we can combine a NATO arrangement with a larger agreement, the question will get out of control. Dobrynin observed that the multilateral force was a process of proliferation. The Secretary responded that we were quite certain that this was not so as far as NATO was concerned.

Dobrynin said that when he looked at the post-war history of West Germany, recalling for example statements made by Mr. Dulles in 1954 and how the Germans now had the strongest army in NATO, he could only wonder where we would be in five years. The Secretary commented that he did not want to go over the whole history of the post-war period, but it was a fact that the West Germans had not begun to arm until after the East Germans had started. The East Germans had been permitted to begin arming one year before the West Germans over the protests of the Western powers. Dobrynin injected that he could produce a list. The Secretary observed that if the Soviets maintained twenty divisions in East Germany, we could not maintain that many in the Federal Republic. Dobrynin said the Soviets were prepared to withdraw from East Germany anytime the US was prepared to withdraw from the Federal Republic.

The Secretary stated that we would have no objections if the Soviets were to make arrangements within the Warsaw Pact similar to those we were proposing to make within NATO. Dobrynin responded that the Soviets did not want this. The Secretary said he wanted to ask the Soviet government to study the draft declaration against the background of his statement to Ambassador Dobrynin. The latter said he would of course refer the text to his government, but he was sure that it would be found unsatisfactory. He inquired as to what we understood by the term "minute" to be attached to the declaration. Ambassador Thompson said it was a document intended for purposes of explanation. Referring to the text of the draft non-transfer declaration, the Secretary noted that Gromyko had raised the point about using the device of an Alliance to achieve something indirectly. The Secretary recalled that he had told him that it was not our intention to transfer nuclear weapons through a military alliance to national control. But since the expression "indirectly through a military alliance" does not

carry a full explanation on its face we must be clear what it means. It would therefore be important to append a minute to avoid misunderstanding. Dobrynin said he could recall what Gromyko had said about indirect transfer. He had been against precisely what was going on in connection with the multinational and multilateral force, although what the US proposed to do had not been very clear at the time. The Secretary said the issue was the ability of national governments to use their own national forces to launch nuclear weapons. He recognized that there might be political reasons why the Soviet Union did not want other NATO countries to consider themselves part of an Alliance which has nuclear weapons at its disposal. However this question of national nuclear capacity was so important that it was worth taking hold of the particular point and stopping that at least. We were prepared to enter into an agreement on this. Dobrynin said there were no specific political reasons for the Soviet position. The USSR was against proliferation in any Alliance.

The Secretary observed that President Kennedy had already clarified the point that these arrangements would be in no way separated from the responsibility of the United States. Dobrynin injected that the fact was that other countries would possess nuclear weapons. The Secretary responded that no other country would come into their possession. Dobrynin repeated that they would have possession. The US might not be in a position to be fully responsible. The USSR already felt that the West Germans were exercising a strong influence on US policy, for example in the negotiations on Berlin and German problems. This influence would increase in years to come. One read that the Germans would be paying one-third of the cost of the multilateral force. They would try to acquire a decisive voice. The Secretary said that if he really believed this he would sign the agreement today so that in five or ten years from now the governments would be bound. What the Soviets fear would then not be possible. Dobrynin said that the fact was that through a rather complicated scheme the US was going to give other countries nuclear weapons. Who was proliferating? You or we?

The Secretary observed that the Soviets should look at the alternative. It was either this arrangement or no arrangement. The security of the Soviet Union and of the US demanded the arrangement. Dobrynin merely repeated that the Germans would be tempted to acquire nuclear weapons. The Secretary pointed out that they would sign paragraph two of the declaration. Dobrynin said that he did not know whether they would sign. The Secretary responded that he thought that they would sign. He thought that a lot of countries should sign, for example the Chinese. Dobrynin commented that the Soviet Union had no multilateral force with the Chinese. The Secretary asked whether the Chinese

would sign. Dobrynin said he did not know, but the Soviets were not proposing a multilateral force to them. However the US was inviting the USSR to do this. If the US continued, the Soviet Union would have no alternative but to do the same for its friends.

The Secretary said he wanted to suggest that this subject was one of importance both to the US and the USSR. It should be discussed seriously on this kind of basis and not get caught up in public exchanges of notes. Dobrynin observed that the Soviet note dealt with the general subject and contained some of the same ideas that he had expressed, but the Soviets had not published their previous discussions. However, the whole subject was out in the open and was being discussed in the Western press. The Secretary observed that a curious thing about the multilateral force was that those who criticized it in the West were those who wanted national nuclear forces. Dobrynin said this merely illustrated that those who wanted this would press for more tomorrow. The Secretary noted that the Soviet criticism of the multilateral force was for opposite reasons. The fact was that those who want national nuclear capacities tomorrow should be pinned down by a signed agreement today. The multinational force was not really involved in the issue, the Secretary added, despite the rude comments on it in the Soviet note.

After a brief discussion of Berlin at this point, the Secretary said he did hope that Ambassador Dobrynin would urge that his government give serious attention to the draft declaration against the background of the Secretary's statement. We are seriously interested in avoiding proliferation of nuclear weapons into national hands. There is no question about President Kennedy's central purpose on this question.

### **Attachment**

#### *DRAFT NON-TRANSFER DECLARATION*

Desiring to promote international peace and security,

Desiring, in particular, to refrain from taking steps which will extend and intensify the arms race,

Believing that the creation of nuclear weapons forces by additional states will jeopardize these ends,

Recalling that General Assembly Resolution 1665 (XVI) urges all states to cooperate for these purposes,

Reaffirming their determination to achieve agreement on general and complete disarmament under effective international control,

1. The Governments of France, the United Kingdom of Great Britain and Northern Ireland, the United States of America, and the Union of Soviet Socialist Republics solemnly declare that they will not transfer any nuclear weapons directly, or indirectly through a military alliance, into the national control of individual states not now possessing such weapons, and that they will not assist such other states in the manufacture of such weapons;

2. The other signatory Governments solemnly declare that they will not manufacture nuclear weapons and that they will refrain from acquiring directly, or indirectly through military alliances, national control of any nuclear weapons, and that they will not seek or receive assistance from other states in the manufacture of any such weapons;

3. This declaration, which shall be deposited with the Government of \_\_\_\_\_, shall be open to signature by all Governments. It shall remain in effect indefinitely, subject to the right of any signatory to be relieved of its terms if another signatory fails to observe them or if any other Government takes action which signatories have declared they will not take;

IN WITNESS WHEREOF the undersigned, duly authorized, have signed this declaration.

DONE AT \_\_\_\_\_, this \_\_\_\_\_ day of \_\_\_\_\_, one thousand nine hundred and sixty-\_\_\_\_\_.

### **Attachment**

#### *MINUTE FOR POSSIBLE USE IN DISCUSSION WITH DRAFT NON-TRANSFER DECLARATION*

The United States is proposing for consideration a declaration dealing with the non-diffusion of nuclear weapons. The principal operative sentence of this declaration, insofar as the nuclear powers are concerned, reads as follows:

“The Governments of France, the United Kingdom of Great Britain and Northern Ireland, the United States of America, and the Union of Soviet Socialist Republics solemnly declare that they will not transfer any nuclear weapons directly, or indirectly through a military alliance, into the national control of individual states not now possessing such weapons, and that they will not assist such other states in the manufacture of such weapons.”

This language is meant to make more precise the third point in the message from the Foreign Minister of the USSR which states that: “There should also be excluded the transfer of nuclear weapons through military alliances to those states which do not possess them, i.e., the transfer of such weapons in an indirect manner, irrespective of whether or not the national armed forces of these states are component parts of the armed forces of any military alliance.”



The US draft declaration applies the following test to actions respecting the disposition of a nuclear weapon in connection with a regional arrangement: Such actions are prohibited if they would give to any state which is a member of the regional arrangement and which does not possess nuclear weapons the ability to make a determination to use these weapons on the basis of its national decision alone. A few illustrations may suffice:

1. The declaration proposed by the U.S. would prohibit the U.S. or the Soviet Union from placing nuclear weapons under the control of units of national forces of nations in the NATO or Warsaw Pact which do not now possess nuclear weapons even though those units are assigned to the NATO or Warsaw Pact command structure.

2. The declaration proposed by the United States would not prevent the United States or the Soviet Union from deploying nuclear weapons in support of the forces of member nations which are assigned to the forces of the NATO and Warsaw Pact, respectively, even though these members do not themselves have such weapons. The arrangements would be such that the U.S. and USSR, respectively, retain control over the weapons so that they could not be deployed or used solely on the basis of the national decision of any government not now possessing them.

3. The declaration proposed by the United States would not prevent the U.S. or the USSR from placing nuclear weapons in the custody of units of a multinational defense force within the framework of NATO, or Warsaw Pact defense forces, respectively, if weapons could not be deployed or used on the basis of the national decision of any government not now possessing them.

4. The declaration proposed by the U.S. would not prevent the U.S. or the Soviet Union from entering into multinational consultative procedures with respect to the deployment and use of nuclear weapons with countries not now possessing such weapons.

5. The declaration proposed by the U.S. assumes adherence to the declaration by all potential nuclear states or authorities. It would not become operative until both the United States and the USSR were satisfied that such adherences had been obtained, and until both had ratified it pursuant to their constitutional processes.



**179. Note from Smith to Rusk, April 13<sup>1</sup>**

April 13, 1963

Mr. Secretary:

The attached message from the Prime Minister is now being transmitted to Palm Beach.

When you have read this, would you call me so that we can work out an expeditious way of getting your views to the President today?

**Bromley**

**Attachment**

TEXT OF MESSAGE

Dear Friend,

Thank you very much for your message of April 11 sent after our telephone conversation. It seems to me that we are now very close on wording. I accept the substance of your change to my paragraph 6 but I think that the order of this paragraph ought to be changed a little in consequence. I attach for your consideration a suggested redraft which incorporates your new wording.

I also entirely accept the idea of including the reference to a quota in paragraph 5 of my draft which would now read as you suggested.

I hope, therefore, that we can now agree the text of the joint letter on the above basis. There remains the question of delivery. On the whole I think that the draft as it now appears is sufficiently arresting in tone to make Khrushchev realise that it is a genuine attempt to break the deadlock and not just a propaganda move. I therefore doubt if we need send emissaries at all at this stage; the Ambassadors could deliver the letters (I suppose acting jointly). When they do this I suggest that they might indicate that the “very senior representatives” mentioned in paragraph 6 of our letters could be special envoys or could be our Foreign Ministers. Thus we should be offering Khrushchev a number of options; he would have little procedural excuse for not accepting one of them.

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<sup>1</sup> Transmits copy of April 13 message from Macmillan to Kennedy conveying Macmillan’s suggested changes in proposed letters to Khrushchev. Appended to Macmillan’s message is the redraft of paragraph 6. Top Secret. 5 pp. Department of State, Presidential Correspondence: Lot 66 D 204, Macmillan–Kennedy, 1963.

If we can agree the texts and the instructions in time I would hope that we might get our Ambassadors in Moscow to deliver these messages on April 15 or 16. As you know, the Geneva meeting reconvenes on April 17 and with the Neutrals in their present mood I would like to get our message to Khrushchev before then. If we look like having to think a bit more about the precise instructions to the Ambassadors I would hope that we might at least be able to instruct Kohler and Trevelyan in the next two days to warn the Russians that they expected important messages and would like to know if they could see Khrushchev personally next week.

With warm regard,

**Harold Macmillan**

### **Attachment**

#### *PROPOSED REDRAFT OF PARAGRAPH 6*

We should be interested to hear your suggestions as to how we are to break out of this. For our part we should be quite prepared now to arrange private tripartite discussions in whatever seemed the most practical way. It would be our hope that these discussions would bring the matter close enough to a final decision so that it might then be proper to think in terms of a meeting of the three of us at which a definite agreement on a test ban could be reached. We are very ready to discuss the best method of reaching this position. For example, our chief representatives at Geneva could conduct discussions on the questions which remain to be settled. Alternatively, or at a later stage, President Kennedy/Mr. Macmillan and I would be ready to send in due course very senior representatives who would be empowered to speak for us and talk in Moscow directly with you. We would hope that by one method or another we would get to a point at which we, who bear the ultimate responsibility for decisions on this matter, would have clearly before us the major problems which might remain to be settled. It is of course obvious that a meeting of the three of us which resulted in a test ban treaty would open a new chapter in our relations as well as providing an opportunity for wider discussions.

**180. Memorandum of Conversation, April 17, among members of Committee of Principals<sup>1</sup>**

April 17, 1963

SUBJECT

Nuclear Test Ban Treaty Meeting of Committee of Principals

PARTICIPANTS

*Department of State*

The Secretary of State, Chairman  
Mr. Raymond A. Garthoff

*ACDA*

Mr. William C. Foster, Director  
Mr. George Bunn, General Counsel  
Mr. James E. Goodby, Reporting Officer

*White House*

Mr. McGeorge Bundy, Special Assistant to the President for National Security Affairs  
Dr. Jerome Wiesner, Special Assistant to the President for Science and Technology  
Mr. Carl Kaysen, Deputy Special Assistant to the President for National Security Affairs  
Mr. Spurgeon Keeny, Office of the Special Assistant to the President for Science and Technology

*Department of Defense*

Mr. Robert S. McNamara, Secretary  
Mr. Paul H. Nitze, Assistant Secretary of Defense for International Security Affairs  
Mr. Arthur Barber, Deputy Assistant Secretary of Defense for International Security Affairs (Arms Control)  
General Maxwell Taylor, U.S.A., Chairman, Joint Chiefs of Staff  
Captain J. Ryan, U.S.N., Office of the Special Assistant for Arms Control, Joint Chiefs of Staff  
Captain Elmo Zumwalt, U.S.N., Office of the Deputy Assistant Secretary of Defense for International Security Affairs (Arms Control)

*Atomic Energy Commission*

Dr. Glenn Seaborg, Chairman  
Dr. Leland J. Haworth, Commissioner  
Dr. George M. Kavanagh, Assistant to the General Manager for Disarmament  
Mr. John S. Kelly, Director, Division of Peaceful Nuclear Explosions

*Central Intelligence Agency*

Mr. John McCone, Director

*USIA*

Mr. Edward R. Murrow, Director

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<sup>1</sup> Nuclear test ban treaty issues. Secret. 9 pp. Kennedy Library, National Security Files, Departments and Agencies Series, ACDA, Disarmament, Committee of Principals, 3/61–11/63.

*Mr. Foster* commented that he had circulated a list of amendments to the draft test ban treaty of March 23 and he gathered that these changes had been generally accepted. There had been one further amendment suggested by Dr. Wiesner to make it clear that additions to the list of manned seismic stations could be made without the unanimous consent of the permanent members. This was acceptable in principle to ACDA and treaty language would be drafted to take care of this point. The only remaining unresolved issue related to the conditions under which nuclear explosions for peaceful uses would be carried out.

*Secretary Rusk* then remarked that the present discussion, he assumed, was based on a continuation of the policy attitude that a test ban treaty was in the interest of the United States. He felt that from time to time the Principals should pause and ask themselves whether there was any change in that underlying premise. The Secretary observed that there was no reason to think that the Soviet Government was trying very hard to get a test ban treaty at the present time. There were perhaps two reasons for this. The first might be related to the recent Soviet decision to step up its nuclear rearmament; the second might relate to Soviet attitudes towards Communist China. Despite this apparent lack of Soviet interest the Secretary presumed that the US should continue to work at getting a satisfactory test ban treaty.

*Secretary McNamara* replied that while the Joint Chiefs of Staff had always had questions about the test ban treaty, especially over the absence of a threshold and the possibility of undetected tests by the Soviet Union, he knew of no evidence which had turned up in the last 90 days which would change the basic US attitude towards a test ban treaty. He continued to think that the risk to the United States without a test ban treaty was greater than with a test ban treaty. The present situation called more for a reassessment of tactics, especially regarding public statements. It was questionable whether it was in the national interest to do as much public talking as we do about the test ban question. The result, he felt, was that Congressional opposition to a test ban treaty was mounting.

*General Taylor* said that the Joint Chiefs of Staff believed that a treaty without a seismic threshold would be unsatisfactory and would not be conducive to the promotion of the national interest. He was not certain whether the President had taken a final decision on these matters and, of course, did not intend to take issue with decisions already made.

Referring to Secretary McNamara's comment about public statements *Mr. Foster* said that he believed that criticism of the Administration's position on a test ban certainly could not go unanswered. As people understood our position better, they were more ready to stand up and be counted in favor of the Administration's efforts to secure a treaty. Referring to General Taylor's mention of the threshold, Mr.

Foster said the advantage of the present treaty was that the Soviets could not know just what the threshold was and would consequently have to be extremely cautious. At the same time, the treaty gave the United States the right of inspecting events of any seismic magnitude. These two factors constituted a powerful deterrent against cheating in the low yield ranges.

*Secretary Rusk* commented that the extent of the public discussion of the test ban issue so far had succeeded in identifying the range of issues which were up for debate. The fight should be made, however, for an agreement which was concrete and not hypothetical. *Mr. McCone* agreed; adding that the number of influential people against a treaty would be fewer if there were a completed instrument before the Senate.

*Secretary Rusk* went on to say that while we should not stop talking about the test ban question, we should stay within the present position we have and not get into the field of conjecture. In some degree, those who were currently opposed to the efforts to secure a test ban treaty took this position because they felt the US had been trying too hard. This was more a criticism of technique than of substance.

*Mr. Foster* then raised the problem of presenting a common Administration viewpoint to the Congress. *Secretary McNamara* agreed that we should not let the record get distorted. *Dr. Wiesner* added that what was needed was testimony from people who could speak from the broad perspective. *Secretary Rusk* agreed with this and noted that the staff level witnesses before Congress were simply not competent to pass judgment on the basic questions of national security which were involved in the test ban issue. He suggested that there was a need for better organization in presenting the Administration's viewpoint. *Mr. Bundy* agreed and said that he would like to meet with a principal counselor from each of the agencies to discuss this problem. This was agreed.

*Dr. Kaysen* noted that part of the problem of presenting the case for a test ban was that there was so much uninformed comment about it. He wondered if it would be possible to get into the public domain a comparison of where the US and USSR stood in their respective nuclear weapons programs. *Mr. McCone* said that this was being examined but that this was naturally an extremely sensitive subject. *Secretary Rusk* also cautioned against the hazard of being dragged into divulging more information than was really necessary or desirable. He concluded that what was really involved in the present discussion was what the President says to Congress about a major problem of policy. Any Executive Branch witness before Congress must in all honesty describe what the problems are and how they are being taken into account. There is an obligation to explain why the course that is being taken is the course of wisdom. But the President could not speak to Congress

through the medium of a debate among people who worked for him. Responsible people would have to go to Congress to present a balanced picture.

Turning to the question of the annex on explosions for peaceful purposes, *Mr. Foster* noted that AEC felt the present provisions of that annex would inhibit the Plowshare program in a very serious way. *Mr. Foster* also noted that the purpose of discussing this subject in the Committee of Principals was not related to any desire to have a draft treaty tabled in the immediate future but was rather related to the need to have an agreed draft which could be used as necessary. The feeling in ACDA, which he understood was shared by Secretary Rusk, was that this was not the time to table a test ban treaty. ACDA felt that the treaty should not be put forward until there was some sign that this would do some good in the negotiations.

*Chairman Seaborg* then reviewed the Plowshare program. He stated that there were two reasons for bringing this matter to the attention of the Principals. First, there were many very useful projects which could be accomplished by the use of nuclear explosions and which could not be accomplished in any other way or only at a much greater expense. There were literally dozens of projects of this nature which had come up in the past few years. The potential of this program had expanded beyond what he had earlier envisaged. Second, it had to be recognized that not very much could be accomplished in the Plowshare program under the present draft treaty annex. The revelation of the designs of nuclear explosive devices would mean that only very obsolete gun-type devices could be used in the program. Consequently, the AEC, on the assumption that the US would want to make progress in the Plowshare program, had examined various possibilities for safeguarding this program from misuse. The idea which appealed most to the AEC was that of an agreement on a limit, say 50 kilotons, on the yield of any Plowshare explosion and on a limit, say five or six or perhaps even three or four, explosions which could be carried out in any one year. The AEC could accept all of the present Annex II except for one sentence which called for both internal and external inspection of devices used in the Plowshare program. In order to conduct a successful Plowshare program it would be necessary to use the most advanced clean devices and these could not be shown to the Soviet Union. We now were within reach of devices which would be suitable for carrying out the wide variety of projects contemplated under the Plowshare program. *Chairman Seaborg* added that he was fully aware of the difficulties inherent in this suggestion; the Soviets obviously could use this as a means of conducting weapons experiments. *Dr. Wiesner* stated that experiments of the kind contemplated almost certainly would contribute to weapons development. Concerning the attitude of Con-

gress towards the AEC plan, *Chairman Seaborg* felt that it would be difficult to obtain a law to permit revelation even of designs of obsolete devices. On the other hand there were many people in Congress who strongly supported the Plowshare program.

As an instance of one of the important projects which the present annex would eliminate, *Chairman Seaborg* mentioned that he had just learned within the hour that a Soviet scientist now visiting on the West Coast had stated that the Soviet Union had conducted an underground nuclear explosion for the purpose of discovering transuranic elements. The chances were extremely high that this would be the means by which the next transuranic elements would be discovered. At the present time, however, our most advanced devices did not yield a high enough neutron flux. This was the kind of experiment which he hoped could be conducted under the Plowshare program. In response to *Secretary Rusk's* request for other examples of the type of projects which would be carried out under this program, *Chairman Seaborg* mentioned the following examples: excavations, extracting oil from oil shales, mining, scientific experiments, a canal through the Isthmus of Panama, a harbor at Point Barrow, a canal across the Aleutian chain, and deepening of the Bering Straits. To develop the devices necessary to do such projects would require some years.

*Mr. Foster* said that he did not wish to pass on the technical points but he wished to note that there would be a problem in selling this idea to Congress and in negotiating it with the Soviet Union. If this program was as good as we thought it was, presumably the Soviet Union would also want to do it and would accept the unanimity provision of the treaty.

*Mr. Nitze* pointed out that signatories other than the three permanent members would also have the right to conduct explosions under this annex. He wondered whether this was in our interest. After some discussion it was agreed that this point would be examined to see whether a barrier to weapons development by Nth countries could be built into the treaty.

*Dr. Wiesner* observed that there was an inconsistency in saying that we would not worry about a few 50 kiloton thermonuclear explosions by the Soviet Union under guise of peaceful uses but that we were concerned about the possibility of undetected small yield underground tests. Moreover, the area of clean devices was the very area where weaponeers would like to test.

In response to a further question by *Secretary Rusk*, *Chairman Seaborg* said that by the time the treaty was signed he was hopeful that there would be advanced devices which could be used in the Plowshare program.

*Dr. Wiesner* thought that despite the attractive program outlined by *Chairman Seaborg* it was probable that we would have to put off



this program in order to get a test ban treaty. *Mr. McCone* said that he felt that the elimination of the latitude we now have in conducting a Plowshare program could be a factor tending to inhibit Senate acceptance of a test ban treaty.

*Mr. Foster* recalled that the provisions in the present annex were essentially the same as those contained in the draft treaty that we had tabled on April 18, 1961. *Secretary Rusk* said that the first question that would be asked of us in an international forum was whether the Plowshare proposal was really a proposal for a weapons development program. *Chairman Seaborg* thought that with the type of safeguards the AEC had in mind this question could be satisfactorily answered. *Mr. McCone* felt that it was not possible to have both a treaty and a Plowshare program. *Secretary McNamara* agreed with this but *Chairman Seaborg* felt this assessment was an overstatement because the type of safeguards proposed by AEC would go some distance towards allaying concern that we were proposing a weapons development program.

*Mr. Nitze* wondered if we could not postpone a decision on this. Should it become necessary to circulate a treaty text at an early date we could include a provision saying that explosions for peaceful purposes could be carried out either (1) with unanimous agreement of permanent parties or (2) in accordance with an annex which could be left for later negotiation. There was a parallel for this in the August 27 draft test ban treaty.

*General Taylor* asked whether deleting the sentence concerning revelation of external and internal design was an obstacle. *Mr. McCone*, *Mr. Bundy*, and *Mr. Foster* agreed that this would be a fatal obstacle in negotiations. *Chairman Seaborg*, however, said that he could not accept the idea that there would be no treaty if we took the route which he was suggesting.

*Secretary Rusk* then inquired whether inspection of surrounding instrumentation would tend to limit weapons development. *Chairman Seaborg* replied that it would. *Secretary Rusk* suggested, then, that we should further examine ways of limiting weapons development by means other than design disclosure, for example, by prohibiting diagnostic instrumentation. *Mr. Foster* agreed to look into this but thought it was like trying to marry the unmarried.

*Secretary Rusk* then commented that while there was surely a risk in a continuation of nuclear testing, there would be even more risk in having no treaty but in lagging in our nuclear weapons development. He hoped that no one was being held back in planning and preparing for nuclear weapons tests by the fact that we were negotiating for a test ban treaty. *Secretary McNamara* thought that more could be done and *Chairman Seaborg* agreed but said that Defense and AEC people were, in his opinion, doing an effective planning job. *Secretary McNamara*



*mar*a thought that weapons effects tests were probably the most important type of test but that not enough energy was being put into this. *Chairman Seaborg* replied that in this connection he felt there might be some value in establishing a weapons effects laboratory.

*Mr. Foster* then noted that at one time we had said that it was impossible to keep weapons laboratories active in the absence of testing but that we were now saying that this could be done. He wondered what the present thinking was on this question. *Chairman Seaborg* thought that a great deal could be done and referred to a memorandum that he had written on this subject.

*Secretary Rusk* said that it should be borne in mind that the Soviet Union is building up its armaments. *Secretary McNamara* thought that this could be consistent with a desire for a test ban treaty. The United States had much more fissionable material than the Soviet Union and the Soviet Union might wish to narrow this gap which of course could be done even without further nuclear testing.

Concerning preparations for further nuclear testing, *Chairman Seaborg* and *Secretary McNamara* agreed that there ought to be a date and a budget set for another nuclear test series. As to the location of an atmospheric series, *Chairman Seaborg* said he wanted it known that the AEC felt Christmas Island was vastly superior to Johnston Island for this purpose. *Mr. Bundy* said it was his impression that the AEC did not want to accept the kind of conditions that we were likely to have to accept if we used Christmas Island. In conclusion *Mr. Foster* said he believed he had secured the information he wanted about keeping laboratories active during a ban on nuclear testing.

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## 181. Actions Taken at Committee of Principals Meeting, April 17<sup>1</sup>

April 17, 1963

### ACTIONS TAKEN ON AGENDA ITEMS

#### 1. *Explosions for Peaceful Uses*

The Committee decided that Annex II (Explosions for Peaceful Uses) of the draft nuclear test ban treaty of March 23, 1963, should be

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<sup>1</sup> Decisions made on explosions for peaceful uses and on tabling the draft treaty at Geneva. Secret. 2 pp. Kennedy Library, National Security Files, Departments and Agencies Series, ACDA, Disarmament, Committee of Principals, 3/61–11/63.

re-examined to determine whether any means could be found to avoid disclosure of the designs of nuclear devices used in the Plowshare Program. ACDA is undertaking this review in consultation with AEC and other interested agencies.

*2. General discussion of the adequacy of the text and the timing of the tabling of the test ban treaty at Geneva*

The consensus of the meeting was that the text was adequate and that a test ban treaty was still in the national interest of the United States. General Taylor entered a reservation concerning the absence of a seismic threshold in the test ban treaty. It was the consensus that there was no immediate need to table the draft treaty in Geneva in view of the current negotiating situation.

*ADDITIONAL POINTS OF INTEREST*

1. It was agreed that a principal counselor from each of the agencies would meet to discuss the problems concerning presentation of the Administration's position on a test ban before Congressional committees.

2. It was agreed that the treaty would be examined to see whether treaty language could be drafted which would exclude states not now possessing nuclear weapons from detonating nuclear weapons under the guise of a Plowshare program.

3. Secretary Rusk expressed the hope that the United States was not being held back in its planning and preparations for future nuclear weapons tests by the fact that negotiations for a nuclear test ban treaty were underway.

4. Secretary McNamara and Chairman Seaborg agreed that weapons effects tests required emphasis in planning for future nuclear test explosions; Chairman Seaborg thought there might be some value in establishing a weapons effects laboratory. Chairman Seaborg and Secretary McNamara agreed that it would be helpful to establish a budget and a date for a future atmospheric nuclear test series.

5. Chairman Seaborg stated that AEC felt that Christmas Island was vastly superior to Johnston Island as a site for nuclear test operations in the Pacific.

6. In response to Mr. Foster's question about keeping weapons laboratories active during a test ban, Chairman Seaborg thought that a great deal could be done and referred to a memorandum which he had written on this subject.

**182. Memorandum from Gould to the Assistant to the Secretary of Defense (Atomic Energy), April 19<sup>1</sup>**

TS-17, 364/P-2

April 19, 1963

SUBJECT

(U) Report of the Foreign Weapons Evaluation Group

1. Attached is copy number 32 of the 15 February 1963 Report of the Foreign Weapons Evaluation Group, also referred to as the Bethe Panel Report. Initial instructions on the handling of this type of report were issued by the White House in National Security Action Memorandum No. 193, dated 3 October 1962. This memorandum is attached and should remain an integral part of the Bethe Panel Report. Attached also is a copy of Memorandum for All Holders of the Foreign Weapons Evaluation Group Report of 14 and 15 February, dated 8 March 1963.

2. The sensitivity of the data contained herein is emphasized. Previous instructions pertaining to the handling of Bethe Panel Reports apply. Accordingly, it is requested that a record be maintained of all persons having access to the report, or the information therein, and that access be on a strict need-to-know basis.

FOR THE DIRECTOR:

**Karl T. Gould**

*Colonel, USA*

*Acting Assistant Director for Processing*

**Attachment**

**REPORT OF THE FOREIGN WEAPONS EVALUATION GROUP  
MEETING OF 14 & 15 FEBRUARY 1963**

**I. INTRODUCTION**

The present report is supplementary to that of 7 December on the USSR test series of 1962, and it has not yet been possible to give specific consideration to all the events of that series.

From 18 December to 25 December 1962 the Soviets conducted 11 additional experiments at their Novaya Zemlya site. On two occasions

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<sup>1</sup> Report of the Foreign Weapons Evaluation Group. Two attachments provide a copy of the February 15 report and an amendment to the report, dated March 8. Top Secret. 11 pp. Washington National Records Center, RG 330, OSD/OATSD (AE) Files: FRC 69 A 2243, 99 USP, USSR Weapons Evaluation (Bethe).

pairs of shots were conducted within a half-hour of each other. On the last day (25 December) two tests were conducted only 6 minutes apart, and on 23 December there were three in a half-hour period. The first two of these were only two minutes apart, and although some fresh debris was collected, it was impossible to separate the debris or the acoustic signals from these near simultaneous events so that of these, it is merely known that the total yield was probably not more than a few tens of KT. In addition, several of the tests of this late December group were less than 100 KT; that is to say, in the low yield group that the Soviets have usually conducted near their site at Semipalatinsk. One of the December tests, JOE 178, would appear to have been a dud; at least the yield was rather small and there is [text not declassified]. Some of the other small yield shots may be of this nature but they have not been examined as yet.

Altogether, the late series added 5 tests less than 100 KT, 2 between 100 and 1000 KT, 2 between 1 and 2 MT, 1 about 6 MT, and 1 at 26 MT. The totals for the 1962 series from August to December are consequently: 66 tests of which 35 were less than 100 KT, 11 between 100 and 1000 KT, 14 between 1000 and 10,000 KT, and 6 larger than 10,000 KT. (This may be compared with the Soviet series of 1961 which consisted of 44 tests, with 24 small yields, 6 thermonuclears between 100 and 1000 KT, 12 between 1000 and 10,000, and 2 larger than 10,000 KT.)

The report of 7 December was concerned only with the Soviet tests above a megaton. The present report is mainly concerned with the devices of intermediate yield (100 to ~1000 KT), although reference is made to the two larger devices of the December series. It has not yet been possible to complete the analysis of the large group (35 tests) of lower yield devices.

The devices considered here are, consequently, [text not declassified] suitable therefore for tactical or short-range applications or possibly for use with light missiles or conceivably multiple warheads. As discussed in earlier reports, nothing can be said on the basis of evidence available as to the specific nature of the applications the Soviets may have in mind for these devices. It may be noted that in 1962 the Soviets considerably increased their attention to devices in this intermediate range, although they have not yet given it the concentrated attention that we have directed to this class of device.

The report is divided into several sections: II. on the devices between 500 and 1200 KT, III. on those around 200 KT, IV. on the large yields fired in December, and V. on the general topic of developments

in the basis of analysis of the performance of Soviet thermonuclear devices.

## II. YIELDS FROM 400 TO 1200 KT

In this yield range considerable progress was observed. There was some progress in thermonuclear technology, and the Soviets tested [text not declassified].

[text not declassified]

[text not declassified]

## III. TESTS AROUND 200 KT

In the fall 1962 series four Soviet nuclear explosions were detected that had measured yields in the neighborhood of 200 KT. These were JOEs 139, 167, 176, and 177. The radiochemistry of these shots resembles most closely the earlier Soviet shots JOE 63 and JOE 72 (in 1958) and JOE 115 (in 1961), [text not declassified].

## IV. HIGH-YIELD DEVICES IN THE DECEMBER SERIES

### a. 26 MT, Possibly 13 MT (JOE 184)

1. This device is compared with other Soviet shots in the 13–30 MT range (JOEs 106, 144, 147, 148, and 156). [text not declassified]

2. [text not declassified]

3. [text not declassified]

### b. 6 MT Test (JOE 186)

This device appears as a follow-on to the Soviet tests JOEs 96, 97, 112, 136, and 137. [text not declassified]

## V. THERMONUCLEAR FUEL EFFICIENCY AND FISSION-FUSION SPLIT

In the past, estimates of thermonuclear fuel efficiencies have been based largely on the ratios of heavy element products. The amount of Be-7 (made by deuterons reacting with Li-6) has been used in conjunction with the estimated fuel efficiency to infer the fission-fusion split. [text not declassified] attention has been given recently to the amount of Li-6 found in the debris as a supplementary measure of efficiency.

In addition the relationship “Be-7 per thermonuclear reaction” vs. efficiency has been reviewed both theoretically and experimentally (based on data from US tests) and some changes have been made in the interpretation of this measurement. [text not declassified]

[text not declassified] The newly available Li-6 data constitute a useful additional criterion of thermonuclear fuel efficiency. A more thorough review of these changes is planned and the results will be incorporated in later evaluations.

VI. SENSITIVITY OF THE REPORT

We have been enjoined by a Presidential memorandum to caution each person having access to the report that it contains particularly sensitive information and is to be protected accordingly.

**H.A. Bethe**

*Chairman, Foreign Weapons  
Evaluation Group*

**Attachment**

MEMORANDUM FOR ALL HOLDERS OF THE  
FOREIGN WEAPONS EVALUATION GROUP REPORT OF  
14 AND 15 FEB 63

1. (SRD) The Foreign Weapons Evaluation Report of 14 and 15 Feb 63 is amended so that the second paragraph on page 4 is changed to read:

*[text not declassified]*

2. (S) This amendment does not change any of the principal findings of the Foreign Weapons Evaluation Group. The changes introduced by this amendment are relatively minor in nature and have been made for the sole purpose of bringing the yield-to-mass ratios into agreement with the weights quoted.

**J.F. Rodenhauser**

*Major General, USAF  
Chief, AF Technical Applications Center  
DCS/Plans and Operations*

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**183. Telegram 2720 from Moscow, April 24<sup>1</sup>**

Moscow, April 24, 1963

Khrushchev was not unfriendly, but relatively subdued throughout conversation, only infrequently displaying characteristic animation.

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<sup>1</sup> Meeting with Khrushchev: agriculture, Kennedy-Macmillan letters, issues related to securing a nuclear test ban agreement. Secret. 10 pp. Department of State, Central Files, POL UK-USSR.

We began with mention of his recent vacation, in response to which he embarked on disquisition about this being a good year for Soviet agriculture, although spring had come so late. Referring to “nonsense” written in Western press about “crisis” in Soviet agriculture, he said, among other things, that Soviets would develop their agriculture as they had their industry. He paid tribute in familiar terms to highly capitalized US agriculture and said Soviets were making large investments in livestock-raising, chemical-fertilizer and herbicide production.

When Kohler noted resemblances between rural Ohio of his boyhood and contemporary Soviet agriculture, particularly difficulty of getting farmers to use modern methods, Khrushchev said this was one of their principal difficulties, because they were trying to accomplish it on “democratic” basis and had to convince peasants. He added they were satisfied and that process was going well. He also referred to difficulties Soviets saw in prospect having to reduce sown area as productivity rises and to plans for increased livestock-raising in north-western USSR. Khrushchev then asked what there was to discuss other than agriculture.

Kohler replied that President and Prime Minister had given to Ambassadors identical instructions and identical letters which they wanted to have handed to Khrushchev personally in order to emphasize their personal interest in trying to find a way to enter into serious negotiations directed toward nuclear test-ban agreement.

Trevelyan added Prime Minister had asked him to say that this was not a propaganda effort, but a genuine attempt to find a way to break the deadlock at Geneva. PriMin thought this approach was the best way to emphasize his seriousness and to find a way to solve at least one important East-West problem. The letter contained practical proposals designed to accomplish this.

Khrushchev thanked the Ambassadors and said Soviets would study letter. However, he had lost hope of reaching agreement on this question. He had concluded that US and UK were playing with Soviets. When he sent President his letter agreeing to two to three inspections, he was sure that matter was solved. But then Soviets were given cold shower. In *Giorno* interview, he had said Soviets were thinking about withdrawing their offer of two to three inspections. It had turned out that this offer was not enough for Western partners, who insisted on enlarging upon it in such fashion as to give them opportunity for spying on Soviet territory. He could not permit this. Soviets are ready to sign agreement based on national means, which are sufficient.

Khrushchev then asked how many inspections we offered in letter, and whether we accepted Soviet offer of three. He demanded to know what sort of fool he should be if he were to permit espionage organizations to enter Soviet Union. Gromyko told him on side letter did not accept three, but mentioned seven.

Trevelyan said letter did not set out specific number, but rather represented attempt to find best possible procedure to solve problem.

Khrushchev said it was not a matter of procedure. When Soviets offered inspection, West wanted to expand upon this and deploy inspectors so as to encompass half the USSR. Soviets had offered three inspections as symbolic inspections and not ones of substance. Then West would want to fly around country, and go wherever it pleased. But Soviets are masters of their own land and these are things only they can do. There was a lack of seriousness in such an approach.

Trevelyan repeated this was a very serious approach.

Sukhodrev then began translating Macmillan-Khrushchev letter. When he reached words "than annual quota would permit", Khrushchev said, "we won't agree to that". Sukhodrev continued translating. When he reached words "disposed of", Khrushchev said, "then there will be no agreement".

When Sukhodrev had finished, Kohler explained that, by very senior envoys, President had in mind either special envoys or the Secretary and Lord Home.

Trevelyan said British were ready for either variant.

Khrushchev said he had stated more than once that Soviets wanted agreement very much. But on these conditions, there could be no agreement. Soviets could not agree to such conditions. They did not want to have their representatives on our territory and did not want Western representatives on their territory. He was cursing himself, because it had been his initiative to make offer of three inspections "and that had ruined everything". Initially, they had believed national means alone were enough. Then the scientists began to talk about two to three automatic stations. It was on this basis that he had approached President. "I made a fool of myself". Soviets could not agree. It had been a mistake to offer two to three inspections as symbols. West had then built upon this in such a way that McCone could have his representatives on Soviet territory. He could not make such proposals to USSR Government; let him make them to his wife if he liked (this clause was not translated). Soviets are masters of their country and will not let anyone crawl around in it. National means were sufficient. West knew whenever Soviets conducted tests whether they were in atmosphere, above ground, or underground. Underground testing was very expensive and Americans could do it if they wanted to. Soviets had only done one, to show Americans could detect it.

(During translation, Kohler interjected to say that this was one good reason for concluding agreement; tests were indeed very expensive.)

Khrushchev continued that, if their military and scientists proposed atmospheric tests, they would allow them to make them. Such tests



were cheaper. But Soviets were not now testing and would sign an agreement that they would not test. Why wouldn't West believe them? They were honest people. But Soviets would not agree under conditions we had set. He was ready enough to meet President and PriMin. There might be some use in that, but there would be no agreement on nuclear-testing on these terms.

Kohler said he hoped Khrushchev would give further consideration to proposal. He would see that a serious method of proceeding was proposed here. We wanted to find ways to do this privately in order to reach agreement on this subject. He and Trevelyan were not experts to discuss substantive issues here, but they hoped that people with a high degree of knowledge in these matters could discuss it.

Trevelyan said he wished to support Kohler's statement. These letters represented real, serious and honest attempts to find agreement. We must find a way out of the deadlock and consequently hoped that serious study would be given to this proposal.

Khrushchev said that he would carefully study the document and there would be a reply in due course, but he could not pretend that he had not understood the essence of it and he saw no possibility of giving the answer we expected. He had been negotiating with the West for nearly eleven years, ever since Stalin died. He had met with President Eisenhower, with Dr. Adenauer, with PriMin Macmillan, President Kennedy, and President DeGaulle. Where had it all led? The West did not want serious talks. It did not want to talk seriously about Europe. He asked, who was interested in maintaining the state of war with Germany, and answered, only the revanchists; the West was being led by the nose by West Germany. The real crux was not nuclear tests but the German question. The German question was the knot, which, if it could be cut, could improve everything. He asked what did the British, French or Americans want in West Berlin, and said that they were there in the interests of West Germany; not the German people, but Adenauer, who wanted to heighten tension. He said the Soviet Union would be patient but he did not know what it would lead to. The West must understand the danger.

Khrushchev said that this (i.e., nuclear tests) was not the important issue. It had no significance in reducing tension or limiting armaments. It was simply a humane or moral question. He said that the Soviet Union wanted an agreement on nuclear tests but the West wanted him to permit them to send their spies into his country. "We won't let you", he said that he had the impression that the West was not yet conscious of the need for agreement and did not really want one. He said that all this correspondence (indicating the messages) was motivated by some domestic reason. We had exchanged opinions thousands of times without result. Did they want him to bring out the old Soviet docu-

ments, write them out again and send them as his answer? He said there was nothing new in the documents. The only new thing was proposal for meeting of senior representatives or foreign ministers, but this was not new either; they had met before. He said he would not agree to inspections, he would not put agreement at the expense of his country's interests. There should be equal rights on both sides. No right of inspection for the Soviet Union in the West and no right of inspection for the West in the Soviet Union.

Kohler said that he did not want to deflect attention from the problem but wished to remind Chairman that President and Prime Minister had made this approach with serious intentions. It was true that problem had been discussed for many hundreds of hours but in that time, as President had said, considerable progress had been made. Positions had moved closer and were now very close. President believed that an agreement would have considerable effect as first step towards increasing trust and reducing tension. Also from a practical point of view, there were perhaps ten to twenty countries capable of developing in the near future their own nuclear capabilities and they would do so if they were not confronted with a nuclear test ban agreement. United States also approached the question of Germany with full seriousness. Both sides had same interest in peace and security in Europe; they differed on methods of achieving it. President's desire for agreement is genuine. He hoped Khrushchev would consider it seriously. Messages contained a number of new things: question of procedure and pooling of inspection quotas over a number of years. President and PriMin would like to have benefit of Khrushchev's views.

Khrushchev interjected to say that the quota proposal made it worse, it was going further away from a solution. "We reject it."

Kohler said that President proceeded from principle of full equality on both sides, as he had said to Mr. Khrushchev at Vienna.

President would not expect Soviet Union to do anything which he was not prepared for United States to do.

Trevelyan said that West was making serious attempt to reach an accord. Their proposals were made not because of domestic considerations but in hope of reaching accord and of proceeding subsequently to other accords.

Khrushchev said that he could only repeat that they would study document and give a reply. Soviet Union would like an agreement but not on these conditions; it could only agree on the basis of no inspections. It would be discussed in the government whether to renounce or retain the offer of two to three inspections, but if they did keep their word on this, they would not go a mite further. He asked that this be conveyed to the President and Prime Minister both of whom he held in high regard. He said that he saw no possibility of further concessions,

which would be concessions to Goldwater and the “madmen”. (During translation Kohler interjected, “I can assure you President is in charge”. Khrushchev replied, “I don’t doubt it”). Khrushchev said most Soviets could do would be to keep to the offer of two to three inspections; personally he thought they should take it back as the Americans had done. He said an agreement would not restrain other countries from making tests; perhaps it might be a very small restraining factor. It would not restrict the Soviet Union in the arms race. Disarmament was needed to do that. They no longer needed tests to develop nuclear weapons; Soviet scientists and military men were not putting forward any claims. As for other countries, they would say you tell us we must not make tests when you have already accumulated a supply of nuclear weapons, and Soviets would have no answer. A disarmament agreement on other hand would solve whole problem. It was probably time to stop the disarmament talks which had been going on for two years. Tsarapkin scratched about and there were no results; he was not justifying his expenses. If there was no basis for agreement, there was nothing to be done. They must submit to fate.

Kohler said that the Ambassadors appreciated time Chairman had given them. They would faithfully convey what Khrushchev had said to the President and Prime Minister. He had hoped Chairman’s response would be more positive and forthcoming. He hoped that after further consideration of the proposals, it still would be. Perhaps after a second look, a more encouraging answer could be made.

Trevelyan said he would still ask Khrushchev to approach proposal in a positive way.

Khrushchev said he could not give any encouragement. The document was politely phrased but contained nothing positive. He said he would reply after careful study of the document but unfortunately there was no basis for assuring Ambassadors anything could come out of it on these conditions. Perhaps Representatives or Foreign Ministers would meet, but if they had instructions based on these conditions there was no reason to believe they would reach agreement.

Kohler said US and UK had no intention of publishing the letters nor even of saying they had been delivered. He then presented a draft statement to be made to the press, simply indicating Khrushchev had received Ambassadors at their request, naming other participants, and saying: “Questions related to banning of nuclear weapons tests were discussed.”

Khrushchev agreed and said Soviets would follow the same line. Dept repeat as desired.

**Kohler**

**184. Telegram 2727 from Moscow, April 25<sup>1</sup>**

Moscow, April 25, 1963

Reftel represents record our conversation with Khrushchev as agreed between Davies and Murrell and approved by me.

Trevelyan, who was unable review record last night, has asked that following changes be made.

(1) Para eleven, last sentence to begin: "Well, Soviet Government could take back," etc.

(2) Para 18, sixth sentence, delete "initially" and "had," so sentence will read: "They believed national means alone were enough."

(3) Para 30, delete from second sentence: "It could only agree on the basis of no inspections."

I have accepted changes (1) and (2). Trevelyan is aware my intention inform Dept that he is making change (3), but that, since our notes show Khrushchev made this statement, I prefer let it stand in our version of record.

**Kohler**

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<sup>1</sup> Amendments to Moscow telegram 2720 on conversation with Khrushchev. Secret. 1 p. Department of State, Central Files, POL UK-USSR.

May 1963

185. Memorandum from Kaysen to President Kennedy, May 20<sup>1</sup>

May 20, 1963

Mr. President:

Attached is a background paper on the high yield nuclear weapon situation for your 11 o'clock meeting tomorrow. The DoD would like to go ahead with the development decision. AEC has so far been cool. Note that if developed for B-52 delivery, which is what the DoD recommends, the weapons would be available by about 1967.

C.K.

**Attachment**

*HIGH YIELD NUCLEAR WEAPONS (50–100 MT)*

*BACKGROUND PAPER*

The United States, both within the DOD and the AEC, has been considering large yield weapons for at least ten years, but because of the anticipated large size and weight the early delivery concepts were based on the use of ships for delivery to or near harbors, for detonation at sea in deep water to generate tidal waves or large areas of fall-out. With further development of nuclear warheads and improvement of understanding of relevant nuclear effects, other possible approaches have emerged.

During the Eisenhower administration plans for development of [text not declassified] were considered and the decision made not to pursue development of weapons with higher yields [text not declassified]. At that time the objective was to provide for a large yield bomb to be delivered from high altitude. Subsequently because of the improvements in Soviet defenses against high flying aircraft, it became necessary to develop [text not declassified]. The JCS quotes a penetration probability of the Soviet Union [text not declassified].

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<sup>1</sup> Provides background information on the high yield nuclear weapon situation and general Defense and ACDA views. The attached background paper discusses feasibility of U.S. developing large yield weapons based on new technology. Top Secret. 6 pp. Kennedy Library, National Security Files, Kaysen Series, High Yield.

The JCS, in reviewing the value of a large laydown bomb, have concluded that a valid military requirement exists for a limited number of very high yield weapons. The rationale being that the numbers and hardness of Soviet targets are increasing, that gains are to be made against imprecisely located targets, and finally that psychological and political advantages would accrue. As a consequence of these considerations, the JCS have recommended that we proceed immediately with the development of [text not declassified] compatible [text not declassified]. On 6 March 1963, the Deputy Secretary of Defense, in a letter to the Chairman of the AEC stated a DOD tentative decision (subject to Presidential approval) to proceed with the development of such a bomb and inquired as to maximum yield, time to stockpile, and costs of development and production under the assumption of no nuclear tests.

[text not declassified]

An improved bomb based on new concepts and atmospheric tests could be provided perhaps a year or two later. The costs would be greater perhaps by \$20–\$30 million than indicated above because of the additional costs of nuclear tests but the yield might be doubled.

The expected effects of [text not declassified] can be summarized as follows:

#### *Crater Dimensions*

Radius—[text not declassified]

Depth—[text not declassified]

#### *Expected Areas of Severe Damage*

Industrial Urban Complex (6 psi)—[text not declassified]

Hard Targets

300 psi—[text not declassified]

3500 psi—[text not declassified]

#### *Fallout Area*

Area to at least 2000 roentgens integrated dose (500 roentgens is median lethal dose) would be [text not declassified].

#### *Electromagnetic Effects*

Unknown.

In addition to the possible development of large yield bombs the relevance of very large yield warheads for missiles has been studied. In this case, the controlling factors are the available payloads in the present and projected military booster program. [text not declassified]

Because of the great problems posed for defensive systems to discriminate between decoys and the warhead at altitudes above the re-

entry altitude, thought has been devoted to the value of exploding sufficiently large warheads prior to re-entry. [text not declassified] Therefore, we have concluded that unless a larger booster is programmed, large warheads for missiles do not require development.

In the event it is decided to proceed with any very high yield development, with or without test, it must be recognized that a development program of this scope will not escape public attention. The development of [text not declassified] is likely to become known. Inherent in the preparations for testing very high yield devices are certain actions that are being taken now that might reveal our interest in very high yield weapons. For example, [text not declassified] These activities, either collectively or independently, may result in public disclosure of our development interest in very high yield weapons.

However, there is need for the AEC to develop the necessary high yield technology to provide the inputs required in the decision-making process with respect to booster characteristics. In addition, the effects of such large explosions require further evaluation. The AEC should be encouraged to continue the development of concepts appropriate to these objectives and, as nuclear testing policy permits, test them. In addition, the DOD will continue experimental and theoretical work on the effects.

SUMMARY

[text not declassified]	Without Nuclear Test	With Tests
Yield	[text not declassified]	[text not declassified]
Length/diameter	[text not declassified]	[text not declassified]
[text not declassified]		
Weight	[text not declassified]	[text not declassified]
Costs		
Research and Development	[text not declassified]	[text not declassified]
Test	[text not declassified]	[text not declassified]
Unit Production	[text not declassified]	[text not declassified]
Earliest Stockpile Entry	[text not declassified]	[text not declassified]
Missile Warhead		
Yield	[text not declassified]	[text not declassified]
Length/diameter	[text not declassified]	[text not declassified]
Weight	[text not declassified]	[text not declassified]
Costs		
Research and Development	[text not declassified]	[text not declassified]

Test	[text not declassified]	[text not declassified]
Unit Production	[text not declassified]	[text not declassified]
Earliest Stockpile Entry	[text not declassified]	[text not declassified]
[text not declassified]		



June 1963

**186. Notes on Telephone Conversation between Rusk and Kaysen, June 9<sup>1</sup>**

June 9, 1963

Sec. said text on page 10 is different from the quoted section in the telegram (draft of President's American University speech). K. said he noticed and can change it to make it conform exactly. Sec. said the language that went to Moscow leaves wide open these three might be doing it personally. K. thinks it better to send text to Kohler and use "representatives re high level discussions." Sec. said OK. Sec. said on matter re who does it—Harriman will be back in the morning, however, one or two of Sec's colleagues question whether Harriman is the one to do it especially in view of follow-up and we don't want to get ourselves pinned to a name at the moment. K. said Pres. was very eager to say somebody yet it is clear from text that they have come off from a name. The only problem might be in seeking Russian agreement we may be pressed for a name. Sec. said he doubts they will stick on that. Sec. said in sending message to Kohler remind him that no flat and final commitment can yet be made on name.

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<sup>1</sup> Comments on draft of President's speech at American University. No classification marking. 1 p. Department of State, Rusk Files: Lot 72 D 192, Telephone Conversations.

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**187. Memorandum of Decisions, June 19<sup>1</sup>**

June 19, 1963

MEMORANDUM OF DECISIONS AT THE MEETING ON TEST  
PREPARATIONS, ETC., ON JUNE 18, 1963

1. Discussed the President's wish, expressed to Chairman Seaborg, that he did not want any activities undertaken prior to, or during, the

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<sup>1</sup> Decisions made at test preparations meeting, June 18: yield size; Plowshare announcement; overseas atmospheric tests; improvements at Johnson Island; and site preparation for an upcoming nuclear test. Secret. 2 pp. Kennedy Library, National Security Files, Subjects Series, Nuclear Weapons Testing, 1/63-7/63.

forthcoming talks in Moscow in July, the disclosure of which would prejudice the possible success of those negotiations or adversely affect the posture of the United States. Agreed that the President's injunction extended to certain other activities in addition to the test preparations and that such activities should also be reviewed.

2. Noted that certain underground events now scheduled to take place before September 1 are of a size and type that would probably draw the attention of and probably cause a reaction by the Soviets.

3. Tentatively agreed that no event with an estimated yield of 50 KT or over should be scheduled prior to September 1. The Atomic Energy Commission will immediately review the impact of this decision on the laboratories and report to the White House what problems this decision would raise.

4. Agreed that the proposed pre-event and post-event PLOW-SHARE announcements now pending with the Press Secretary should not be issued. The regular routine short-form announcement will be issued by the AEC following the event.

5. Reviewed the memorandum for Chairman Seaborg, dated June 13, 1963, prepared by the AEC General Manager, on the subject of "Overseas Atmospheric Test Preparations," and agreed that, by careful management, the scheduled work as set forth in the memorandum can continue with only a small increase in the present low-noise level through July, and that no real problem is anticipated until late August.

6. Agreed that the naval airport improvement program provided an adequate cover story for the improvements at Johnston Island.

7. Agreed that the site preparation for the SCHOONER event could go ahead without causing any difficulty even though the SCHOONER event itself has not been authorized.

8. Noted that the major event tentatively planned to take place in Alaska is under restraint and that this matter is under review in the Department of Defense pending the development of a recommendation for the White House. Meanwhile, appropriate personnel of the AEC, the Interior Department and the Army Corps of Engineers should be notified that no approval exists for this event and there should be no public discussion of or field preparations for this event.

9. Discussed the problem of getting a tentative decision on the 1965 weapons stockpile and agreed that a meeting should be held this week in an effort to reach a procedural solution.

*PRESENT:*

McGeorge Bundy, Special Assistant to the President for National Security Affairs

Carl Kaysen, Deputy Special Assistant to the President for National Security Affairs

Glenn T. Seaborg, Chairman, Atomic Energy Commission  
Gen. A.P. Luedecke, General Manager, Atomic Energy Commission  
Gerald Johnson, Assistant to the Secretary of Defense (Atomic Energy)  
Spurgeon Keeny, Office of Science and Technology  
Charles E. Johnson, National Security Council

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**188. Message from President Kennedy to Macmillan, June 21<sup>1</sup>**

June 21, 1963

You will have heard that we have evidence of a second suspicious event in the Semipalatinsk area. While our people are still reviewing the evidence, it is hard to avoid the conclusion that we face an increasingly high probability that Khrushchev has ordered low-yield atmospheric tests. This probability faces us with a problem in preparing for the Hailsham-Harriman mission, and I would value your comments. If further studies or further evidence confirm the present probability, it will be hard for us to avoid a public statement, and indeed our hand may be forced at any time by leaks. Moreover, there is a question whether we should not say something to the Russians on this matter. We might look quite foolish if we should send Hailsham and Harriman without any public statement or private communication on these matters, in the light of these probabilities.

In a most tentative way, two possibilities have been suggested here: the first is that we might put out a quite low temperature statement in which we might tacitly accept possible tests at these low yields as parallel in a measure to our own underground testing. The second is that we might equally quietly suggest to Khrushchev that if he would agree to defer these events, we could make a similar arrangement with underground testing for a limited period. The first alternative has the disadvantage of seeming to sanction atmospheric testing. The disadvantage of the second is that it implies something like the old unpoliced moratorium, which is discredited here. I have not made up my own

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<sup>1</sup> Notes second suspicious event in Semipalatinsk area and invites Macmillan's comments on Hailsham-Harriman mission. Top Secret. 2 pp. Kennedy Library, National Security Files, Departments and Agencies Series, ACDA, Test Ban Correspondence, 3/63-6/63.

mind between these courses, and I am hoping that some better idea may emerge.

Meanwhile, we shall be discussing this question Saturday morning here before my departure, and if you have any suggestions I should be very grateful if I might have them before three o'clock your time.

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**189. Message from Macmillan to President Kennedy, June 22<sup>1</sup>**

June 22, 1963

Message begins

Thank you for your message about the further suspicious in the Semipalatinsk area. Our experts will not be able to complete their examination of the evidence till Monday, but we must clearly reckon with the possibility that the Russians may be conducting a series of low-yield atmospheric tests.

As you say, our hand may be forced by leaks. I doubt whether the Soviet Government will make a statement. I think it is unlikely that anything will slip out here and I trust you may be able to control what gets out with you, although I know the difficulties. If we fail to control the leaks we may then have to make a statement in advance of the Harriman-Hailsham mission. If so, I regard it as very important that it should be in the nature of a reaction to whatever leak there is, and should keep the temperature down. We might for example say that "signals had been registered consistent with the possibility of low-yield atmospheric tests. This possibility only increased the importance of a test ban agreement and of the Harriman-Hailsham talks."

I hope however that we can avoid even such a mild statement so near the Moscow meeting.

I am also not sure of the wisdom of a special private message to Khrushchev, in advance of the talks. If, as I sense, he is wavering it might push him in the wrong direction. If, however, we regard the evidence for low-yield atmospheric tests as absolutely certain, I would not object to a message telling Khrushchev that we know of these tests, that we are for the time being keeping our information to ourselves,

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<sup>1</sup> Provides comments on possible Soviet testing, damage control if suspicious events leaked, wisdom of a private message to Khrushchev, and Hailsham-Harriman mission. Top Secret. 3 p. Kennedy Library, National Security Files, Departments and Agencies Series, ACDA, Test Ban Correspondence, 3/63-6/63.

and that we regard it as important that, until the talks in Moscow have taken place, neither side should conduct any tests in any environment. If we are to do this, I think that we must be very sure indeed of our grounds.

Another possibility, which I am inclined to favour, would be for Harriman and Hailsham to bring up the subject themselves not necessarily at the beginning of their discussions but at a suitable later point. They would of course make it clear that a comprehensive or partial ban would have to cover low-yield atmospheric tests, and, if negotiations looked like resulting in an agreement on the present line, it would be as well for the Russians to know that we have picked up records of events that could be suspected of being small atmospheric explosions. If on the other hand there does not seem any chance of a full-scale agreement, which I would much deplore, and we have to concentrate on a partial arrangement it is just possible that we could try to bargain a limited moratorium on underground tests against a similar moratorium on minor atmospheric tests below a certain threshold. But this needs more thought and discussion before we get into such a complicated field.

It seems to me that the important thing now is to hold the position until the negotiation begins.

# 190. Memorandum of Conversation, June 24, between President Kennedy and German Chancellor Adenauer<sup>1</sup>

PET/MC/14

June 24, 1963

## PRESIDENT'S EUROPEAN TRIP, JUNE 1963

### PARTICIPANTS

#### *United States*

The President  
 The Secretary of State  
 Ambassador George C. McGhee  
 Assistant Secretary Tyler  
 Assistant Secretary Manning  
 Minister Martin Hillenbrand  
 Mr. Pierre Salinger  
 Mr. Robert Creel, EUR/GER  
 Mr. Lissance (interpreter)

#### *Germany*

Chancellor Konrad Adenauer  
 Vice Chancellor Ludwig Erhard  
 Foreign Minister Gerhard Schroeder  
 Defense Minister Kai-Uwo von Hassel  
 Ambassador Karl Heinrich Knappstein  
 State Secretary Carstons  
 State Secretary Globko  
 State Secretary von Hase  
 Counselor Weber (interpreter)

### SUBJECT

Forthcoming Test Ban Negotiations

The President said he would like to say a word or two about the test ban negotiations to be held in Moscow next month. He was not too optimistic that any great results would come from these talks. Recent discussions on the subject with the Soviets had been quite negative of results. This lack of optimism was shared by Governor Harriman and Lord Hailsham. Nevertheless, we wished to have the responsibility for a failure of these talks placed on the Soviets rather than on ourselves. As concerned the number of inspections, Kusnetsov had received the impression somehow from Arthur Dean that we would be prepared to accept a total of three inspections a year. This appeared to be some misunderstanding on the Soviets' part, possibly owing to language difficulties. In any case, Khrushchev was now offended and had apparently withdrawn his offer of three inspections. The President said that he felt the real problem for Khrushchev was the attitude of the Chinese Communists and the Soviet inability to bring them along on a test ban. We might be faced with a new situation if the Chinese exploded a nuclear bomb in the next year or so. Meanwhile, an effort must be made in this field and we would do our best.

<sup>1</sup> Forthcoming test ban negotiations in Moscow. Secret. 2 pp. Department of State, Central Files, POL 7 US/Kennedy.

The Chancellor said he considered the President's thinking on this to be correct.

The President added that there was a possibility the Soviets might be getting ready to test again; we had received some indications to this effect. But even if they did so, there were technical reasons why we would not wish to conduct further tests at this time. (After the translation, the Secretary said it should be made clear that from the technical standpoint we were perfectly capable of conducting further tests but there were "technical reasons" why we would not do so at this time.)

July 1963

**191. Memorandum of Conversation, July 8, among Meeting of  
Committee of Principals<sup>1</sup>**

July 8, 1963

SUBJECT

General Approach of US Policy in Disarmament Negotiations, Meeting of  
Committee of Principals

PARTICIPANTS

*Department of State*

The Secretary of State, Chairman

Mr. W. Averell Harriman

Mr. George Ball

Mr. Raymond A. Garthoff

*ACDA*

Mr. William C. Foster, Director

Mr. Adrian S. Fisher, Deputy Director

Dr. George Rathjens, Reporting Officer

*White House*

Mr. McGeorge Bundy, Special Assistant to the President for National Security  
Affairs

Mr. Carl Kaysen, Deputy Special Assistant to the President for National Security  
Affairs

Dr. Jerome Wiesner, Special Assistant to the President for Science and  
Technology

Mr. Spurgeon Keeny, Office of the Special Assistant to the President for Science  
and Technology

*Department of Defense*

Mr. Robert S. McNamara, Secretary

Mr. Paul H. Nitze, Assistant Secretary of Defense for International Security  
Affairs

Mr. Arthur Barber, Deputy Assistant Secretary of Defense for International  
Security Affairs (Arms Control)

Captain Elmo R. Zumwalt, USN, Office of the Deputy Assistant Secretary of  
Defense for International Security Affairs (Arms Control)

*Joint Chiefs of Staff*

General Maxwell Taylor, USA, Chairman

Colonel Philip A. Sykes, Office of the Special Assistant for Arms Control

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<sup>1</sup> General approach of U.S. policy in disarmament negotiations. Top Secret. 13 pp. Kennedy Library, National Security Files, Departments and Agencies Series, ACDA, Disarmament, Committee of Principals, 3/61-11/63.



*Atomic Energy Commission*

Dr. Glenn T. Seaborg, Chairman

Mr. John G. Palfrey, Commissioner

Dr. George M. Kavanagh, Assistant to the General Manager for Disarmament

*Central Intelligence Agency*

Mr. John A. McCone, Director

Mr. Louis Marengo, Assistant to the Deputy Director

*USIA*

Mr. Donald M. Wilson, Acting Director

*NASA*

Mr. John A. Johnson, General Counsel

*Secretary Rusk* opened the meeting by asking Mr. Foster to summarize the developments leading to the proposals under consideration and the content of the proposals. *Mr. Foster* began by pointing out first that the proposals were in response to NSAM 239. He reviewed the history of the Russian position on reductions in strategic delivery vehicles, pointing out that the Gromyko proposals of last fall did represent a substantial change and that we had been at every opportunity since attempting to get them to elaborate on the Gromyko proposal and that there had been some elaboration in a recent Co-chairmen's meeting in Geneva.

*Mr. Foster* then pointed out that the purpose of today's meeting was in his opinion not to get an agreement on either of the two proposals under consideration but rather to determine whether there was any virtue in pursuing either one of these further. In addition, he felt it appropriate that an attempt be made to decide what sort of guidance Mr. Harriman should have for the Moscow meeting with respect to the Gromyko proposals and the question of reductions in strategic delivery vehicles. *Mr. Foster* then outlined the main features of the Separable First-Stage proposal, and followed this with a brief outline of the Gradual Approach.

*Secretary Rusk* then asked Secretary McNamara if he had studied the proposals and if he had any comments. *Secretary McNamara* replied that they had had some consideration in the DOD but he had not had an opportunity personally to study them in great detail. He strongly favored the Gradual Approach. He felt that the proposal for 50 to 75% reductions had several disadvantages. First, it reduced the credibility of the West's nuclear deterrent and this would especially be the view of our NATO Allies. While he did not share their views regarding the role of strategic forces as a deterrent in all respects, he did agree that these proposals would be undesirable in that there would be a reduction in credibility. Secondly, Secretary McNamara felt that the proposals would result in a wasting of the West's superior nuclear power without our getting any substantial compensating reductions in Soviet superior

conventional strength. Thirdly, he felt that the inspection provisions, particularly those for a 50% reduction, were inadequate to give us the protection we require. Fourthly, he saw no advantage as compared with our presently tabled proposal. In particular, he did not see that there would be any reduction in risk of war as a result of the proposals, and suggested that in fact the risk might increase and that the slight reduction in damage that would result from implementing the proposals would not compensate for the increased risk. He reiterated that he leans strongly toward the Gradual Approach, and favored some confidence building measures such as the recently negotiated "hot-line" agreement.

*Secretary Rusk* then queried Mr. McCone on the reliability of our intelligence. *Mr. McCone* expressed concern about relying on intelligence as a substitute for agreed inspection. He was particularly concerned about the 50% reduction proposal. He then reviewed the intelligence techniques that might be relevant in the event of implementation of such proposals, and concluded by pointing out that they were inadequate to provide sufficiently accurate knowledge of retained levels of armaments. He added that we presently know nothing of Soviet missile reload capability and little about missile manufacturing facilities. He pointed out further that existing intelligence techniques may be perishable and that in addition they can be deceived. *Mr. McCone* then pointed out that there were certain to be differences in the Soviet declarations of their forces and in our estimates of them and that the resolution of these differences would require some compromise of our methods. He added that public and congressional pressure can also lead to an undesirable compromise of methods. Finally, he pointed out that we could certainly not do as well intelligence-wise as we had in Cuba and that we were uneasy about our knowledge of armaments there. In summary, he felt that we must have an acceptable means of verifying retained levels.

*Secretary Rusk* asked if Mr. McCone's remarks applied specifically to big missiles and *Mr. McCone* replied in the affirmative. *Secretary Rusk* then asked if there was any evidence of camouflage by the Soviets. *Mr. McCone* replied there was not, though he cited a conversation with Khrushchev in 1959 wherein Khrushchev claimed that we could not know the numbers of their missiles because they could successfully hide them in canyons. *Secretary Rusk* then asked Mr. McCone if there had been any hints from defectors and *Mr. McCone* replied in the negative.

*Secretary Rusk* then asked for General Taylor's comments regarding the proposals. *General Taylor* stated that he concurred with Secretary McNamara and had nothing to add. *Mr. McCone* said he also concurred with Secretary McNamara.

*Secretary Rusk* then asked for Dr. Wiesner's views. *Dr. Wiesner* said that he saw no reason for abandoning our present treaty and making drastic proposals without evidence of Soviet interests. He suggested, however, that our intelligence capabilities had changed and that he thought it might be possible for us to modify the inspection provisions of our present Treaty Outline. He also pointed out that we now felt that differences of plus or minus 15% in the number of missiles either side might have been not very significant. Regarding the question of verification of remainders, he agreed with Mr. McCone in the case of very deep reductions but felt that 30% and possibly 50% reductions might be safe relying only on inspection of factories and of the weapons destroyed. Because of uncertainties regarding the numbers of missiles, he indicated a preference for discussing reductions in terms of absolute numbers rather than percentages. He concluded by remarking that he thought it would be desirable if Mr. Harriman could explore with the Russians general disarmament measures in addition to a test ban.

*Secretary Rusk* then asked Dr. Seaborg for his views. *Dr. Seaborg* replied that he had nothing to add. *Secretary Rusk* then asked about the report he had read to the effect that we were considering cutting our fissionable material production program by \$1 billion. *Secretary McNamara* replied that the DOD had been examining their needs for fissionable materials, but that the examination was not completed and the news reports were premature. He believed that we are reaching a point where we can stabilize weapons' requirements, and that one of the plans they were considering would lead to a cut in the AEC production of materials for weapons by a factor of two. He said that he would like to discuss this with Dr. Seaborg, who agreed to do so. *Secretary McNamara* then said that it was likely there would be some kind of reduction, and that he had received a paper from the Chiefs on that subject.

*Secretary Rusk* then suggested the possibility of our continuing discussions with the Russians not on the basis of specific agreements, but rather on a basis of continuing consultation in which each side would report on the steps it was taking relevant to disarmament. He then raised as an example the question of what difference it would make to us if the Soviets were to announce to us that they were taking ten divisions out of East Germany. He also argued that it would be unfortunate if we received no reciprocal response from the Soviets to a reduction in fissionable material production.

There followed a discussion of our estimates regarding intelligence on Soviet missiles, in which Mr. McCone concluded by remarking that there was a possibility that a reduction by categories scheme could leave us in a situation in which the Soviets might have enormous destructive power concentrated in a relatively small number of missiles.

Returning to Secretary Rusk's remarks regarding a unilateral Soviet decision to reduce their strength in East Germany, *Secretary McNamara* suggested that we might respond not by reducing our forces but rather by seeking to take advantage of the Soviet reductions, in this instance by a buildup in NATO strength since with such reductions on the part of the Soviets the possibility of a conventional balance in Europe would seem more plausible to our Allies than under existing conditions.

*Secretary Rusk* pointed out that he felt that with such reductions on the part of the Soviets there would be no realistic chance of new buildup in NATO. *Mr. Foster* disagreed with Secretary McNamara on the question of the relationship of risks and reductions in forces, pointing out that he felt that reductions of the kind proposed would lead to both a reduction in the risk of war and in the destructive consequences if war should occur. He then indicated that he was under the impression that we had been making substantial progress in redressing the conventional imbalance. *Secretary McNamara* agreed that we had made substantial progress but that we were still clearly behind. He reiterated his objections to the proposals and indicated he felt we would be giving up a substantial part of our superiority in the strategic nuclear capability.

*Mr. Foster* then discussed the Gromyko proposal as being a possibly serious concession on their part, indicating that a move in that direction might well be appealing to the Soviet Union. *Secretary McNamara* wondered why the Soviets would not be willing to cut conventional forces. *Dr. Wiesner* then pointed out that the proposals under discussion were in response, he thought, to DOD views in which it was indicated that the DOD had a preference for not reducing conventional forces.

*Mr. Foster* pointed out that under the proposal calling for 75% reductions in armaments, there would be a considerable ability to check on retained levels by means other than intelligence, but that the 50% proposal was based on the assumption that our intelligence, coupled with inspection of production and quantities destroyed, would be adequate. He indicated that he was puzzled by Mr. McCone's lack of confidence in our intelligence regarding big missile launchers. He pointed out that in building our forces we relied on intelligence—he did not see why we could not rely on intelligence in going the other way. *Secretary McNamara* replied that in building forces we did so with a 100% safety factor. He then reviewed Soviet and US positions relating to reductions in strategic and conventional forces pointing out that the present proposals seemed to be a move toward Soviet desires to reduce strategic delivery capability before dealing with conventional armaments, and he could not see why the Soviets should not move from their position towards our's on this subject. *Mr. Foster* cited the Gromyko proposal of last fall as a move from their previous position and a move

towards our's. He also indicated the Soviets had expressed preference for reduction by categories. *Secretary McNamara* then asked the question, "Weren't the Soviets, in their position, simply asking to retain their advantages?" *Mr. Foster* agreed that this might be true but also suggested that they may have other motivations in making their proposals.

*Dr. Wiesner* pointed out that our present position had inspection provisions in it that appear to be unacceptable to the Soviet Union. *Secretary McNamara* again raised the question as to why we should be willing to accept the change in strategic balance which the Separable First-Stage would lead to without the conventional balance being affected.

*Mr. Fisher* then reviewed some of the discussion at the Deputies' level pointing out that it had appeared that the conventional imbalance was not as great as had previously been thought to be the case and that, accordingly, proposals of the kind under consideration had seemed acceptable. *Secretary McNamara* and *General Taylor* dissented, pointing out that they felt there had been no significant change in the estimate of Soviet conventional superiority. *Mr. Fisher* then pointed out that there appeared to have been no satisfaction with the idea of equal percentage cuts in conventional armaments in the light of the superiority on the part of the Soviets in reserve armaments. He indicated that it was not clear by what mechanism the DOD wanted to redress the conventional imbalance. *Secretary McNamara* said this could be done by applying the same percentage cuts to conventional armaments as would be applied to strategic armaments. *Mr. Fisher* indicated that he thought there has been no acceptance of that idea on the part of the DOD. *Secretary McNamara* again raised the question as to why we are considering disturbing the existing balance and indicated that the DOD would prefer to accept 30% reductions across-the-board and then greater reductions later.

*Dr. Wiesner* pointed out that he felt that the ACDA proposals were a response to DOD pressure and that *Fisher* was explaining how ACDA was trying to respond to what it thought were DOD views. *Mr. Nitze* reacted that his position has been that he felt that it was worthwhile to explore various alternatives.

*Mr. Fisher* pointed out that there had been a weakening in the Soviet position, and the question was whether we should disregard this and stick with our present position, or alternatively explore whether our interests could be served by a move in the direction of the Gromyko proposal. He reiterated that 30% reductions applied to conventional armaments might have a worse impact on us than on the Soviets because of their superiority in reserve armaments and that limitations on force levels might not be an effective way of dealing with this Soviet superiority.

*Secretary McNamara* replied that in that case we must come up with a more precise conventional plan. He reiterated his opposition to the Separable First-Stage proposal, making two arguments. First, the Soviets were ahead in conventional forces, and second, that the Soviets had proposed emphasizing reductions in strategic delivery vehicles and this automatically caused him to question whether it was in our interest. *Mr. Fisher* replied that the Separable First-Stage was in part based on the assumption by the staff that the conventional confrontation is not really in such imbalance, particularly as one looked at it, as one should, from a NATO-Warsaw Pact basis rather than on a purely bilateral basis, and that under such circumstances the response to the Gromyko proposals and the cuts suggested might be better than none at all.

*Secretary Rusk* pointed out that there seemed to be two major obstacles to any agreement. One was Soviet unwillingness, or perhaps inability, to do anything about areas of confrontation such as Laos, and two, Soviet unwillingness to accept significant inspection procedures. He felt that if the Soviets were really serious about disarmament they should respond affirmatively on these points. He then raised the question regarding the political considerations involved in a transition from Stages I to II, and in particular asked what would be the political prerequisites to collapsing both stages into one. He wondered if it was feasible to do this if the necessary political prerequisites could be made.

*Mr. Foster* suggested that the major problem was time required for building up the necessary international institutions. *Dr. Wiesner* suggested that it might be more reasonable to consider collapsing Stages II and III into one. *Mr. Nitze* said that these had been looked into right after the Cuban crisis.

*Secretary Rusk* expressed concern that Khrushchev holds in his hands the possibility of forcing unilateral disarmament by the US, in that such would probably be our response to any concerted relaxation of Communist pressure that might occur in Southeast Asia, Berlin and elsewhere. *Secretary McNamara* said he was concerned that Khrushchev had *not* arranged for any such relaxation, and then pointed out that the Separable First-Stage plan under consideration would allow the Communists to keep up the pressure in Southeast Asia, Berlin and elsewhere and at the same time to maintain superior conventional forces. *General Taylor* questioned how the plan would affect the confrontation between the two Alliances, particularly in Europe. *Mr. Foster* pointed out that, with respect to the question of participation, it was felt that a bilateral agreement might be more negotiable, but that the possibility of participation of other states was left open.

*Mr. Fisher* discussed the threat to Europe by Soviet IRBM's and the threat to the Soviet Union from NATO forces based in Europe and indicated that the development of the proposal was based on the



assumption that it would be necessary to consider its effect on the total confrontation. *General Taylor* raised the question as to whether there would be consultation with our Allies before surfacing any such proposals. *Mr. Kaysen* pointed out that with respect to the question of building up of our forces that the degree of consultation with our Allies was somewhat obscure. *Mr. Nitze* suggested that in his view the Germans and the French might be justified in looking to their own forces for security in the event such a plan were surfaced.

*Secretary Rusk* asked *Mr. Foster* to enumerate the issues on which there was authorization for discussion with the Soviets. *Mr. Foster* did so calling off the following: B-47/Badger deal; the cut-off of fissionable material production and transfer to peaceful purposes; exchange of military missions; announcement of maneuvers prior to their taking place; controls on expenditures; and a prohibition on the placing of weapons of mass destruction in orbit. *Mr. Fisher* added nuclear free zones, and *Mr. Foster* qualified this indicating in particular the question of a nuclear free zone in Latin America. *Mr. Harriman* raised the question of an African free zone.

*Secretary Rusk* observed that *Mr. Harriman* had a great deal to talk about with the Soviets. He indicated that if pressed by the Soviets on the question of the Gromyko proposal *Mr. Harriman* might indicate that the strategic delivery problem was under study but that we should seek to find out how the Soviets proposed to deal with conventional forces. *Secretary Rusk* then observed that conceivably we might go to 50% reductions in Stage I. *Secretary McNamara* agreed with this, but *Mr. Foster* raised the question of whether 50% reductions across-the-board would be acceptable with China not a party to the agreement. *General Taylor* raised the question as to why we could not deal with absolute numbers of armaments to be destroyed rather than with percentages. *Mr. Foster* observed that this had been tried before but unsuccessfully.

*Dr. Wiesner* suggested that we should look to see how much inspection would be necessary for reductions of 30 and 50%. He felt the requirements might be quite different from those in our present Treaty Outline. *Mr. McCone* asked him to elaborate. *Dr. Wiesner* said that at the 30% level and perhaps even at the 50% level, it might be possible for us to depend on inspection of plants and armaments destroyed only. He also questioned whether we could not change our position with respect to continued production of armaments during the First Stage. He felt that we should modify our presently tabled Treaty Outline to bring it into agreement with our present thinking on these subjects. He felt that in view of the discussion, the old Treaty Outline would be a more desirable basis for analysis and modification than a Separable First-Stage. *Mr. Nitze* argued that we should abandon the

present Separable First-Stage, as it currently is not acceptable, but that we should continue to look for a Separable First-Stage that might be acceptable.

*Secretary Rusk* again raised the question of a continuous spectrum of small increments of disarmament as contrasted with a proposal involving large discrete stages. *Mr. Kaysen* asked *Secretary McNamara* whether his views would be the same regarding a reduction scheme that might involve, say, 50% cuts in strategic systems coupled with 30% cuts in conventional armaments, as they would be with respect to schemes involving strategic delivery vehicles only. *Secretary McNamara* replied affirmatively. He added that he was concerned that we were spending a disproportionate amount of time on proposals that might be of propaganda value and not enough on smaller measures that might prove practicable. He felt that there was too much distrust between the US and the USSR at the present time to consider measures involving such drastic cuts as 75% and that we were wasting our time in such considerations. *Mr. Kaysen* suggested that we should raise the question as to what are the minimum stakes required to get into a serious disarmament game. He observed, if the minimum price involved 75% reductions that perhaps we were not prepared to pay that price at this time. He suggested perhaps it was part of *Mr. Harriman's* job to get a better feeling for what that minimum price might be.

*Secretary Rusk* observed that in the last two years we have added 25% to the DOD budget and wondered whether or not any of the factors that had influenced us in arriving at those increases had changed. *General Taylor* observed that there had been no change. *Secretary Rusk* wondered whether the increases in the US defense budget might have led to a greater interest on the part of the USSR in disarmament. *General Taylor* observed that he thought they had; that the increased economic burdens of high defense expenditures would be an added incentive for the Soviets to move towards disarmament.

*Mr. Nitze* observed that there had been some changes in the last couple of years. In particular, there had been at least a partially favorable resolution of the Cuban problem, some degree of relaxation in the Berlin crisis, and the growing split between the USSR and China, which might make it possible for us to do things now that could not have been done two years ago.

*Mr. McCone* expressed concern about the evidence of long term plans on the part of the Soviet Union to go ahead with the build up in military strength. In particular he expressed concern about indications that Soviets were going ahead to increase their fissionable material production capability while we were talking about cutting back on ours. *Dr. Wiesner* expressed the opinion that this was understandable considering our very great superiority.



*Secretary Rusk* asked if a look could be taken at the damage that might be done to the US by 15 to 20 Soviet missiles each with a 50 MT warhead. *General Taylor* indicated that this could be done. *Secretary McNamara* observed that as a first approximation one might expect two million deaths per weapon.

*Secretary Rusk* suggested that a draft be made of instructions for Mr. Harriman for response to any Soviet query regarding our reaction to the Gromyko proposals. He then adjourned the meeting.

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## 192. Paper, July 9<sup>1</sup>

July 9, 1963

### *POINTS TO BE EXPLORED WITH THE RUSSIANS*

1. An indication of the degree of Soviet concern over the Chinese Communist nuclear weapons program.
2. An exchange of estimates concerning the problem of the Chinese Communist ability to detonate a nuclear device.
3. Evidence of the Soviet concern over the ability of the Chinese Communists to use the racial issue to split the International Communist movement, especially in the underdeveloped countries.
4. Indications of the Soviet concern over the economic costs of their advanced weapons program, specifically those involved in the development of anti missile missiles.
5. Indications of the Soviet desire to shift additional resources into the agricultural sector.
6. By discussions of the virgin land program, an exploration of crop yields and deficiencies in the Soviet agricultural program.
7. The Soviet needs for short-term agricultural assistance in such fields as feed grains or chemical fertilizer, as against long range alleviation of the agricultural problem by the development of synthetic fibers, additional fertilizer plants, etc.
8. The Soviet attitude toward their future role in areas close to the Chinese Communist sphere of influence, such as Southeast Asia.

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<sup>1</sup> "Points to be Explored with the Russians." Attached is a list of points for discussion with the President. Secret. 2 pp. Library of Congress, Manuscript Division, Harriman Papers, Test Ban Background III.

9. The Soviet ability to restrain the North Vietnamese from accelerating their operations in Laos.

10. The Soviet willingness to use the leverage which they obtain by the presence of Prince Souphanouvong's family in Moscow.

### **Attachment**

#### *POINTS FOR DISCUSSION WITH THE PRESIDENT*

1. If a limited three-element test ban is obtainable, should it be signed, or should it be deferred for a summit signature? As a possible alternative, could it be initialed and held for signature later?

2. In discussing other matters, how far should the question of trade be explored?

3. The possibility of civil aviation links may arise. The PanAm New York-Moscow route is currently in abeyance. Can its activation be discussed?

4. During the war we offered to exchange with the Russians order of battle intelligence concerning the Germans. Could we make a similar suggestion with respect to nuclear and other advanced weapons intelligence concerning the Chinese?

5. Assuming that the Soviets are concerned by the cost factor in their advanced technology, would there be any value in offering US-USSR cooperation in outer space and specifically on the moon flight? The objective would be to reduce the expenditures on both sides.

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### **193. Telegram 233 from London, July 12<sup>1</sup>**

London, July 12, 1963

From Harriman. 1. Full US and UK teams met for one hour this morning. After some discussion of pace of business in Moscow during which Harriman made plain his desire to start as early as possible, group moved on to test ban treaty. It was agreed we should discuss comprehensive treaty with Soviets at least long enough to make plain it still our preferred goal. If Soviets are at all responsive we should

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<sup>1</sup> Harriman's discussions with Hailsham on negotiating tactics in Moscow. Secret. 1 p. Department of State, Central Files, POL 7 US/Harriman.

arrange for technical discussion on issues of identification and need for and nature of inspection.

2. Next considered three environment treaty. (A) Hailsham raised number of questions on Aug. 27 treaty. (B) In particular, he commented on articles on peaceful uses and withdrawal on Harriman's insistence that we present our already agreed text, Hailsham withdrew questions. It was recognized that Sovs might raise similar questions in which case we must be prepared to discuss them. After further discussion, Hailsham acknowledged that his instruction was to agree to whatever US and SU agreed on three element test ban.

3. Hailsham raised question of possible usefulness of upper threshold above which identification presumably easy. Harriman skeptical this approach, pointed out that only if Sovs raised unacceptable idea of moratorium was it desirable consider quota of underground tests. Hailsham again urged usefulness of identification threshold. It was agreed to explore this with UK on technical level. It was also agreed to work out draft paper on need for inspections and possibility of inspections without espionage, should it prove useful to hand to Soviets.

4. During course of discussion, Hailsham's positions were erratic and subject to correction from staff.

5. Afternoon meeting also held; reported separately.

**Bruce**

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#### 194. Telegram 234 from London, July 12<sup>1</sup>

London, July 12, 1963

Ban from Harriman. Accompanied by Bruce, I called on Home this morning. After going over understandings reached with Hailsham, Home made following points:

1. He suggested non-dissemination should be discussed if possible prior to non-aggression pact. I agreed.

2. When he raised MLF, I replied that we would strongly defend proposed MLF as conforming to non-dissemination.

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<sup>1</sup> Harriman's meeting with Home to review decisions reached with Hailsham. Secret. 1 p. Department of State, Central Files, POL 7 US/Harriman.

3. He considers non-aggression pact to be reasonable in that legally it would not necessarily represent formal recognition of East German regime. When I pointed out German sensitivity, he agreed that we should object to it with Soviets and explore other possible formulae which have been previously proposed, including manner in which status quo in and access rights to West Berlin could be protected.

4. He readily agreed that every effort should be made to obtain a test ban, untied to any non-aggression arrangement on which of course no commitment could be taken without consultation with NATO Allies.

**Bruce**

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#### 195. Telegram 236 from London, July 12<sup>1</sup>

London, July 12

Ban rpt Ban From Harriman. In afternoon meeting between US and UK teams discussion centered on matters to be raised in Moscow other than test ban.

Harriman referred to his conversations with Macmillan and Home, stating had been agreed make test ban first order of business, with nondissemination and NAP to follow in that sequence.

Re nondissemination, Hailsham asked for US views re form of and conditions for agreement this subject.

We said US attached no particular importance to form, but with respect contents of agreement that might affect MLF stressed importance consultation with FRG. Also indicated we would explain to Sovs that MLF would not, in our view, violate principle of nondissemination.

UK pointed out MLF still only a concept not yet agreed to by all concerned, and therefore was not an existing entity to be given up in return for nondissemination agreement.

It was agreed if Sovs made MLF an issue, US and UK should not change position in Moscow but go back to their capitals.

Re NAP US said we could explore and discuss matter with Sovs but make no commitments without discussions with our NATO partners, particularly Germany. In discussions with Soviets we should indicate

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<sup>1</sup> Harriman's continuing discussions with UK colleagues on Moscow agenda. Secret. 2 pp. Department of State, Central Files, POL 7 US/Harriman.

we cannot accept ratification of division of Germany or reduce in any way our position in Berlin. In fact we should attempt to improve latter. A nonaggression arrangement could take one of several forms but since we would be merely exploring, we need not discuss various mechanisms now. It should prove possible to avoid problem of recognition of East German regime.

We said in view of Berlin situation, where we might be compelled use force to protect our rights against Soviet encroachments, we must be careful re language on use of force.

UK said do not attach too much importance to recognition through form of arrangement but felt provision for consultation would pose substantial problems in this connection.

We hoped keep NAP separated from test ban. UK thought we should use argument any test ban agreement between US, UK and USSR should not be subject to veto by fourth parties, which would be case if connected with NAP.

We thought it important not to let Soviets conclude we so keen for test ban we would make concessions on NAP. UK pointed out US/UK not in position deliver NAP by selves.

It was agreed any NAP must include guarantee of Berlin access.

We concluded NAP discussion by saying we would explore and discuss problem with Soviets but make no commitment without consulting our Allies.

Referring to Spaak-Khrushchev conversation, we said we prepared explore surprise attack measures as far as Sovs prepared do so. Exploration would be in general terms along lines US working paper on this subject. It was agreed staff would prepare list of positions in this area and Soviet reactions to them in negotiations thus far.

Hailsham raised question duration Moscow talks, expressing fear lest discussion surprise attack measures unduly prolong them. Harriman thought we would stay in Moscow week or ten days. Surprise attack measures could be discussed and agreed upon in terms of general principles with specifics to be referred possibly to Geneva. UK agreed.

We said might wish also explore possibility of agreement not place bombs in orbit, to which UK observed they could only applaud.

As further measure which might come up in Moscow, we mentioned cut-off production fissionable materials for weapons purposes. UK agreed but stressed their agreement dependent on proviso US-UK barter arrangement would be taken into account.

If Soviets indicated desire reduce military expenditures, Harriman said we prepared look into possibility Separable First Stage involving reduction strategic delivery vehicles, but purely on exploratory basis since anything more would require specific authority from Washington.

**Bruce**

**196. Unsigned Memorandum to McNamara, July 16<sup>1</sup>**

JCSM-543-63

July 16, 1963

**SUBJECT**

Views of the Joint Chiefs of Staff on the Khrushchev Test Ban Proposal of  
2 July 1963 (U)

1. In connection with Under Secretary Harriman's visit to Moscow, and in view of Khrushchev's speech in East Berlin on 2 July 1963, the Joint Chiefs of Staff have considered the desirability of a nuclear test ban treaty which prohibits tests in all environments except underground.

2. The Joint Chiefs of Staff previously concluded in JCSM-463-63, dated 22 June 1963, that a comprehensive test ban proposal which did not permit testing to continue below specified detection and identification thresholds and which did not provide adequate means of on-site verification, would not be compatible with national security. In the case of a limited test ban which permits underground testing, the requirement for on-site verification is no longer applicable. While there are definite limitations on detection and identification possibilities in the atmosphere, underwater, and outer space, any attempt to incorporate thresholds in a limited test ban treaty under which testing would be permitted would probably so complicate it as to make it impractical. In particular, such provisions could give rise to endless argument with limited possibilities of objective determination, and to a situation in which the Soviets could possibly test above the threshold without our being able to prove that an infraction had occurred. Accordingly, it is believed that the specification of detection and identification thresholds for a limited test ban should not now be undertaken, despite the fact that clandestine testing would be possible under these circumstances.

3. With such a treaty, violations would have to be verified by national means without entry into the Soviet Union. Consequently, the obtaining of convincing evidence sufficient to prove that a violation had occurred could be difficult. Even if the evidence of violation proved to be conclusive in the opinion of the United States, a question of major importance would be how the United States could use such evidence to justify a decision to withdraw from the treaty. The recent US reaction to evidence of Soviet atmospheric tests in June 1963 illustrates the types of difficulties which can be expected in cases of suspected violations

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<sup>1</sup> JCS views on the Khrushchev test ban proposal. Top Secret. 6 pp. Kennedy Library, National Security Files, Departments and Agencies Series, ACDA, Disarmament, Test Ban, U.S. Military View.

of a limited test ban. Except in the event of a flagrant violation, a degree of ambiguity probably will always exist.

4. With these considerations in mind, the Joint Chiefs of Staff have developed the following criteria to evaluate from a military point of view a limited test ban which would prohibit testing in all environments except underground:

a. Abstention by the United States from all testing except underground must have no significantly adverse effect upon the relative military strength of the United States and the USSR. In this respect, the USSR must not possess an advantage of significant military importance in nuclear technology at the time of treaty ratification.

b. Progress which the USSR might make through clandestine testing in the atmosphere, underwater, and in outer space should have no significantly adverse effect upon the relative military strength of the United States and the USSR.

c. US underground testing must proceed at a rate which will insure continued progress in nuclear technology in order that the United States might maintain or improve its capability relative to the USSR.

d. US readiness to test in the atmosphere must be maintained in order that the United States might react quickly should the Soviets resume such testing or should the United States wish to withdraw from the treaty if its continued application should be judged contrary to the national interest.

e. Reasonable evidence available to the US Government of testing in the atmosphere, underwater, or in space will be accepted as prima-facie evidence of a treaty violation and the United States must be willing to withdraw from the treaty on the basis of such evidence.

f. Procedures for withdrawal from the treaty should be uncomplicated and capable of execution without undue delay.

5. Having established these criteria, the Joint Chiefs of Staff have applied them in the evaluation of a treaty of the type which Khrushchev appears to have proposed. They note first that the United States, under the proposed treaty, would be denied important testing in the following areas:

a. Very high-yield (10–100 MT) technology.

b. Certain nuclear effects phenomena, including electromagnetic (EM) pulse, related to the survivability of hardened dispersed fixed-based missiles.

c. The reliability of penetration systems.

d. The design criteria and reliability of highly effective and economical ballistic missile defense systems.

e. Tactical nuclear weapons effects.

The United States would also be deprived of the ability to use standardized tactical nuclear weapons for training exercises and development of effective tactics and techniques.

6. The USSR, on the other hand, even with no cheating, would incur fewer disadvantages than the United States under the proposed

limited test ban. Because of previous experience, the USSR may not need to test in these nuclear effects areas requiring atmospheric testing to the same degree as the United States. Specifically, in the fields of very high-yield (10–100 MT) technology, medium-yield ground and KM pulse effects, and ballistic missile penetration and defense systems, the Soviets probably possess knowledge not yet required by the United States.

7. In addition, the USSR could further effect possible disadvantages of the treaty by clandestine testing, although at same risk of detection. Specifically, it is estimated that the Soviets could conduct tests of the following kinds with a reasonable confidence that their violation would be unnoticed or, if suspected, could not be proved adequately to provide a basis for abrogation of the treaty:

- a. Occasional tests at altitudes between 10 to 50 KM at yields up to 20 KT over remote regions of the southern hemisphere.
- b. Low altitude atmospheric tests up to 5 MT up to 10 MT altitude.
- c. Underwater tests at kiloton yield.
- d. An occasional very high-yield test in outer space.

8. As a result, if the Soviets were to exploit to the fullest extent the opportunities for clandestine testing in all environments, they could make progress unmatched by the United States in the fields of:

- a. Very high-yield technology (10–100 MT).
- b. Ballistic missile defense and penetration effects.
- c. Subkiloton tactical weapons effects.
- d. ASW effects.
- e. Military training exercises with standardized small-yield weapons.
- f. Increased confidence that stockpiled weapons will meet expectations in the combat environment.

Accordingly, the judgment of the Joint Chiefs of Staff is that there is reasonable doubt that the proposed treaty would meet either criterion 4 a or 4 b, above.

9. Both the United States and the USSR could conduct much important testing underground. However, progress in nuclear weapons technology will probably become, in time, more dependent upon integrated tests in which the relationship between the weapon design and the effects in the combat environment is investigated. Consequently, the pressure to supplement underground testing with an occasional system test in the combat environment will probably increase. Unless the United States is able to select and use a test site where megaton yield devices could be detonated underground, under the proposed limited agreement, it would be restricted in achieving significant improvements in high-yield (up to 10 MT) weapons and in conducting critical effects tests bearing on survivability of hardened facilities.



10. In light of the foregoing, the Joint Chiefs of Staff conclude that:

a. The United States would have an initial advantage in underground testing because of more experience in this environment than the USSR. Continued underground testing at a sufficient rate could keep the weapons laboratories active, retain key scientific personnel, and provide progress in some areas of nuclear weapons technology.

b. A limited test ban treaty of the type considered has fewer objectional features and entails fewer risks than the comprehensive test ban treaty now under consideration upon which the Joint Chiefs of Staff last commented in JCSM-449-63, dated 13 June 1963.

c. Nevertheless, there are significant military disadvantages to the proposed treaty. To a degree difficult to establish, it could continue the USSR lead in very high-yield technology. In addition, there are significant opportunities for cheating which, if exploited, could provide military gains to the Soviets that would be denied to the United States. The test ban would deny the United States the opportunity to conduct important atmospheric effects tests and to eliminate some uncertainties in the survivability of our hardened, fixed-based second-strike force and to conduct training exercises with tactical nuclear weapons.

d. Unless the Soviets flagrantly violate the treaty, it is probable that withdrawal or abrogation would be made difficult by the need for the following:

(1) Sufficiently firm agreement among the US experts that a violation had occurred to warrant acceptance of the fact and further action.

(2) Sufficiently clear and usable evidence to establish proof of violation before world opinion.

(3) Sufficient proof of the security impact to warrant withdrawal from the treaty despite friendly and neutral pressure to overlook violations.

11. In summary, it is the judgment of the Joint Chiefs of Staff that:

a. A limited test ban treaty similar to the type proposed by Khrushchev would be militarily disadvantageous.

b. The precise extent of the military disadvantage is difficult to assess.

c. In view of the foregoing, there must be overriding nonmilitary considerations favoring such a treaty for it to be in the national interest.

For the Joint Chiefs of Staff:

**197. Telegram 154 from Moscow, July 16<sup>1</sup>**

Moscow, July 16, 1963

From Harriman. Harriman and Hailsham met with Khrushchev in latter's Kremlin office from 3:00 to 6:20 pm July 15. Harriman accompanied by Kohler, Fisher, Kaysen and Akalovsky. Hailsham accompanied by Trevelyan, Wilson, Zukerman and Weeler. In addition Khrushchev, Sov group included Gromyko, Zorin, Tsarapkin and Sukhodrev.

Before actual conversation began, Harriman handed Khrushchev letter from President.

Khrushchev opened saying as host he wished greet visitors and welcome their arrival Moscow. Said believed in their good intentions. People awaiting results of these meetings not only because they burdened by military expenditures but primarily because such expenditures limited their economic resources and thus shortened their lives. In final analysis, accumulation of armaments had throughout history led to war and destruction of human beings, including those accumulating armaments. Thus he believed in this enlightened era of development of science and technology, we must abandon war as means of solving disputes and resolve differences by peaceful means. Modern era not one of colonialism, when countries could be seized by means of war. Today, both robbers and those robbed in equal position, since both would be annihilated in nuclear war. Consequently, he welcomed good intentions displayed by President and Macmillan. (Here Khrushchev made slip of tongue and referred to President as President Eisenhower, for which he apologized profusely.)

Khrushchev continued he understood task of those assembled was prepare such documents as would enable President and Macmillan sign agreements on test ban, NAP, disarmament, and German peace treaty. If US/UK wished additional agreements, Sovs were prepared consider them. Jokingly, he remarked his list of topics was rather short and perhaps all of them could be settled before dinner.

Gromyko interjected since there were four topics and four hours remained until dinner, each topic could be allocated one hour.

Khrushchev said Gromyko had whispered to him translation President's letter. Thanked for letter and President's good wishes and asked Harriman convey to President his gratitude and respect. Also thanked for good wishes conveyed by Hailsham on behalf Macmillan. Said Sovs nourished hope test ban agreement would be signed; if no success

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<sup>1</sup> Readout of Harriman/Hailsham discussions with Khrushchev on July 15. Secret. 20 pp. Department of State, Central Files, DEF 18-3 USSR (MO).

could be achieved in reaching comprehensive agreement then, to use President's words, it appeared no particular difficulties existed with respect three-environment ban. Also, Sovs believed AFNAP should be concluded; NAP would be good addition to test ban, addition peoples waiting for.

Khrushchev noted President in his letter recommended Harriman. Said he held Harriman in high esteem and happy to see him again. Observed he and Harriman old acquaintances and recalled his offer make Harriman his assistant; however, Harriman had not yet entered his duties.

Harriman commented if these meetings fully successful, question might be reopened. Khrushchev said Villa he had offered Harriman still waiting.

Harriman observed villa only one of enticements of Khrushchev's offer.

Khrushchev replied this was basis of deal which had been made.

Khrushchev said in order not waste time, he wished state right away Sovs would not agree to any inspection, even 2 or 3 they had accepted before. Sovs wished comprehensive test ban, but on condition there would be no inspections although they still agreed to black boxes. Question of inspection was outdated, and there was no point arguing about it. Therefore, such questions as modalities, number of inspections, etc., also fell by wayside. Stressed Sovs would not agree even to one single inspection. As to three-environments ban, it involved no inspection. Sovs agreeable discuss it and if US-UK prepared sign such ban Sovs also ready to do so.

Harriman, referring to President's letter, said we had come here with high hopes and our objective was provide greater assurance of peace. Said could not help recall how 22 years ago he and Lord Beaverbrook had come to Kremlin discuss with Stalin how to win war. Now he and another, but equally esteemed UK colleague were here discuss progress towards peace. He also could not but think of difference between Kremlin of those days, when it had been dark and very carefully guarded place, and Kremlin of today with its gardens full of children at play, which was indicative of great changes.

## II.

Recalling Khrushchev's mentioning Eisenhower's name, Harriman observed latter had been symbol to Americans and, he believed, also to Sov people of cooperation for victory over enemy. Noted Eisenhower had visited Moscow in 1945.

Khrushchev said Sovs had indeed cooperated very well with Eisenhower and there had been no conflict with him during his tenure as

Supreme Commander. On this point, Sovs in agreement with Harriman since they, just as he, held Eisenhower in high esteem. True, later Sovs and Eisenhower diverged, but that was on completely different grounds.

Harriman referred to President's words that he wished move toward cooperation for peace, and observed if success could be achieved in these talks that would be good augury for future. Referring to prolonged meeting between Khrushchev and Hailsham this morning, Harriman facetiously remarked he assumed all problems had been settled there, and he wished be informed where he should place his signature. Seriously, however, he wished stress President's desire reach comprehensive test ban covering all four environments. Fact there was misunderstanding between two sides re identification underground disturbances, question over which their respective scientific communities in disagreement. Noted two distinguished scientists had come from US and two from UK, and suggested they meet with Sov scientists to explore further their differences of view. If USSR had some new method of identification, that would be helpful; however, there had been no change in advice President got from US scientists, who saying inspection required for identification. Harriman believed no use discuss this point here as both sides knew they in disagreement. However, he believed useful make progress towards three-environment ban. President agreed to such ban, which would be, as Khrushchev suggested, without inspection, as first step toward comprehensive ban and without prejudice to inclusion underground environment in future.

Harriman continued US believed three environment test ban would be very valuable as it would overcome fears world had of danger to future generations from atmospheric tests if such tests carried out to great extent. Also, such ban would give hope to world that progress toward disarmament being made. Therefore, if Sovs maintain position that no inspection permissible, US prepared discuss three environment ban. However, Harriman wished underline what President said in letter, viz., US had no espionage intentions in connection inspection. At same time, Harriman saw no real value in long argument on this point, and repeated US agreed on three environment ban.

Hailsham said had not much to add to what Harriman had said, but wished say Prime Minister preferred comprehensive ban; however, PM believed three environment ban would be better than none and therefore agreed to such ban. Hailsham said he had only one additional comment, namely, that it would be useful for scientists of both sides to meet and discuss problems at hand with view to developing program of existing national systems, purely national if need be, as there was difference between two sides in this area. It would be useful if scientists of all three parties met and developed appropriate research program

and thus contributed to narrowing differences. Scientific discussions could take place without prejudice to talks among those present here or to any agreement they might reach. Stressed UK would be happy to sign three environment ban.

Khrushchev said Sov viewpoint was very well known as test ban negotiations had been going on five or six years. Sovs even earlier proposed agreement on basis national means of control. A draft had already been prepared, but then US/UK raised problem of underground tests and thus whole thing was scuttled. Said he [there] was nothing new in US/UK argumentation on this point and expressed view if discussion this problem were to be resumed, both sides would use same vocabulary in their comments as before. That would be of no use and could only protract these discussions. Therefore, this problem should not be raised at this time; three environment ban should be signed as there were no differences there. Of course, Sovs would like sign comprehensive ban, but US/UK apparently not ready do so yet.

As to Harriman's assurances re espionage, Khrushchev said it was hard to believe them. This reminded him of cat saying he would only eat mice and not bacon lying in room. He would not trust such cat, as it would undoubtedly snatch bacon when there was no one in room. In any event, this question should not be discussed now; it would be resolved in due course.

Khrushchev saw no need for discussions among scientists, since we now talking only of three environment ban. In these circumstances, scientific discussion would be only polite exchange of views without any concrete basis.

Khrushchev then handed Harriman and Hailsham Sov draft three environment ban, and draft NAP. (Septels). Recalling Harriman's remark re long Sov-UK meeting this morning, Khrushchev commented he had not yet coordinated texts with UK but was sure UK would support them. Suggested US/UK study documents and comment thereon, so that these negotiations could be concluded successfully. Asked Harriman and Hailsham whether they wanted read documents first or sign them without reading.

### III.

When Hailsham commented precise treaty language was something for lawyers to work out, Khrushchev said lawyers spoke same way whether they spoke for prosecution or defense. Harriman had kinder heart as he was not a lawyer; that was why he, Khrushchev, wanted Harriman as adviser. Hailsham remarked perhaps he could serve as adviser for USA, to which Khrushchev said best investment was in USSR stock and Hailsham had better hurry up buying it.

Harriman said did not wish argue whether or not there should be inspection, but wished point out that if Khrushchev kept someone in

room, cat would not eat bacon and thus espionage fears would be eliminated.

Khrushchev said cat would eat bacon as soon as man in room turned his head away: He knew what cats were like.

Harriman recalled US/UK had tabled on August 27, 1962 proposal for three environment test ban, and handed copies to Sovs. Said in case Gromyko had forgotten, that document was somewhat longer than Sov paper and covered some points we wished discuss.

At this point, Khrushchev, Gromyko and Zorin exchanged among themselves comments in Russian on US draft. Gromyko pointed out to Khrushchev US draft contained provision for explosions for peaceful purposes, to which Khrushchev said this was different proposition. Zorin pointed out absence reference to France.

Hailsham observed one question to be raised, although there were other points which must be discussed too, was reference in Soviet draft to France, which not represented here. Did not see how French adherence could be secured. As to body of text, said wished reserve his views. Pointed out he authorized negotiate three environment test ban agreement to be signed by governments in more formal way.

Khrushchev believed no discussion should be held in specific terms at this time. Suggested US, UK study drafts and discuss them in foreign ministry, and then return here at later date. Hailsham agreed, but noted he talking only of test ban. Repeated France not represented here, and said he had hoped return home with prepared document to be ratified by governments. Since France absent here, he did not see how that could be done.

Khrushchev reiterated US/UK should study drafts, inform their governments and perhaps ask for instructions, and meet at foreign ministry for discussions in course of which he was sure issues would become clearer.

Hailsham agreed Sov draft should be studied with same care as had been applied in its preparation, but expressed hope Sovs would study US/UK document as well.

Turning to NAP, Hailsham said this raised political problems and suggested Harriman might wish comment on this point.

Khrushchev agreed Sovs would study US/UK document carefully.

Referring to test ban, Harriman hoped question of France could be discussed and perhaps agreed upon now. US was hopeful come to agreement on at least three environment test ban and discuss this matter with France later. Inclusion of France now only raised difficulties. As only three parties represented here, would be very embarrassing for US discuss document without French being present.

Khrushchev said Sovs fully understood this and saw no difficulty of agreement among three nations present. However, we must deter-

mine our attitude re France, which was nuclear power and US/UK ally, and must take its position into account. He agreed it would be tactless settle this question in absence French. Said reference to France had been included in Sov draft to indicate France's position should be taken into account. But Sovs did not make this an immutable condition; i.e., they did not say no agreement was possible without France.

Hailsham expressed gratification at Khrushchev's remarks.

Harriman asked whether it could be assumed reference to France would be deleted.

Khrushchev replied it evidently would. Recalled his remark Sovs had included reference in order focus attention on this problem, and reiterated this was not precondition for agreement and Sovs did not say they would not sign agreement if France did not sign. However, Sovs reserved their position in event nonadherence by France.

Hailsham said would appreciate it if Khrushchev clarified his remarks re reserving Sov position with respect France. Believed if agreement reached on treaty, it would be binding on three parties present, but hoped and thought France must adhere, and the three must persuade it to do so. However, did not see what guarantees he could give in this respect, and said this exceeded his instructions.

Khrushchev agreed test ban would be binding on three and said he not calling for any guarantees. However, Sovs must take account of France and might return to this question later. Said there would be no reservation re France in text of treaty, but could not give any indication of nature of Sov reservation. This would also depend on what type of tests France would conduct, i.e., whether underground or atmospheric. Even US and UK, who France's allies, probably did not know what France would do. Reiterated there would be no reservation in treaty text.

#### IV.

Harriman noted there were other nations in world, not only France. In his statements, Khrushchev had referred to President's June 10 speech. Harriman wished draw attention to one particular passage in that speech, namely, to President's statement that test ban would place nuclear powers in position to deal more effectively with further spread of nuclear arms. Quoted relevant sentences, and expressed hope there would be chance of discussing non-diffusion after test ban had been agreed. Pointed out this was not a condition in any sense, and US prepared go ahead with test ban. France—which was a problem—was not only problem; there were other countries to which non-proliferation might apply.

Khrushchev agreed there were many problems in the world. Yet France was nuclear power and was conducting nuclear tests. Other



countries, while they very possibly might become nuclear powers, were not such powers at this time.

Harriman agreed France was special case, but inquired whether Khrushchev could perhaps inform him re situation in respect CPR.

Khrushchev looked around table and asked where CPR was. Suggested Harriman go to Peking, provided of course he could get a visa.

Harriman recalled his last conversation with Khrushchev, in which he had said it was Mikoyan's fault he could not get a visa. Khrushchev said he supported Mikoyan on this score as he did not wish Mikoyan to deal with matters which were none of his business. This was a socialist society, where tight rules of conduct applied; it was not a wishy-washy capitalist society.

Harriman said he wished concentrate on test ban but also explore non-dissemination. If three-environment test ban were agreed, we believed no country could acquire nuclear capability without atmospheric testing. However, if adherence of as many countries as possible could be obtained to a non-dissemination arrangement, that would be a great step beyond three-environment test ban.

Khrushchev said Sovs prepared discuss non-dissemination. Sov position on this question was known, and USSR prepared negotiate and sign agreement on that basis.

Hailsham referred to Khrushchev's suggestion three-environment test ban be discussed in foreign ministry, and said he would be happy to do so. However, there were two types of problems involved here. Some were those of drafting, to be dealt with by lawyers; others were political, to be discussed between people with authority. He therefore wished ask how latter problems should be dealt with after both sides had studied each other's documents.

Khrushchev believed US/UK could sit down with Gromyko and start formulating main provisions of agreed document. If any questions should remain unresolved with Foreign Minister, then there could be meeting with him.

Hailsham and Harriman agreed.

Khrushchev then turned to NAP. Said Sovs attached great importance to such pact because if, as appeared likely, agreement on test ban was reached—and such agreement undoubtedly would be of great significance—there still would remain many skeptics. There had already been conducted sufficient number of tests and it was hardly necessary continue them. There was adequate basis for further build-up of forces and for continuing production nuclear weapons. Thus, arms race would not be stopped and war would not be ruled out. Test ban would only satisfy public opinion that no further contamination of atmosphere would take place. This would be big thing indeed, and



he did not wish minimize its importance. However, those who wished see complete security for peoples, who were opposed to aggression by one group of states against another, would not be satisfied. This why Sovs proposed NAP. Said he had read in Western press about difficulties re GDR, which not recognized by NATO countries. Believed this problem could be referred to lawyers to develop language which would eliminate such difficulties. In short, Sovs did not wish ship recognition of GDR through NAP. GDR was quite well off whether or not it was recognized by NATO countries. Such recognition would not change a thing. After all, Russian Czar had not recognized US for 26 years, and US had not recognized USSR for 16 years. Czar had been foolish, and US had not shown abundance of wisdom either. But if West wished follow same course, that was all right with him; that would only indicate capitalism had out-lived itself and was unable be realistic. Thus, recognition was not Sov goal; only goal of NAP was create stable world and consolidate peace. True, NAP would yield little in terms of specifics, but would bring great moral satisfaction.

Khrushchev continued that although this was not a new question, as it had been raised by Sovs before, he wished suggest that military budgets be frozen at levels of, say, 1963. He believed this would be reasonable and would give to peoples hope that governments were at last showing common sense and doing something to arrest arms race and not add fuel to fire.

## V.

In addition, he wished return to proposals made at one time by US/UK, but which had been rejected by their sponsors as soon as USSR accepted them. Specifically, he meant establishment of control. Sov had suggested establishment control posts to rule out possibility of surprise concentration of forces for surprise attack purposes. Sovs had proposed establishment control posts at railroad junctions, air-fields, ports, and major roads within certain agreed zones. Such posts would be for purpose of preventing nations from concentrating forces in given areas for purposes of surprise attack. This was field where Sovs agreed to inspection. Sovs prepared accept Western inspectors in return for establishment Soviet inspection on Western territory.

Harriman wondered whether missile bases would be included.

Khrushchev replied in negative. Said missiles and their launching pads were stationary and therefore could not be concentrated. Missiles were a disarmament problem, whereas he was speaking of control, and these were two different matters.

Khrushchev then suggested that also for the purpose of eliminating danger of surprise attack, agreement should be reached now on establishing control over present levels of forces in GDR and Western Ger-

many, so as to come to agreement on balance, or equilibrium, of forces in those areas, which, in turn, would also prevent surprise attack. Moreover, such measure would generate confidence.

Khrushchev said he was not raising question of German peace treaty, because it affected many countries, including countries outside NATO and Warsaw Pact. It was much broader problem and he did not wish raise it here. However, he believed everyone understood that so long as German problem existed in present form, i.e., so long as there was no peace treaty, this problem would be source of tensions and obstacle for negotiations on general and complete disarmament. Reiterated he not raising this problem here, but merely wished to point out its significance.

As to other questions he had raised, he did not wish stimulate their discussion here and now. Those problems could perhaps be discussed later. However, people who adhered to positions of peaceful coexistence would experience great relief if NAP were signed, control posts were established, and military budgets were frozen. He thought Harriman and Hailsham would agree with him that qualitative change had occurred in interest displayed by two sides in German peace treaty. After GDR had established control over its borders, including its border into Berlin, he believed West became considerably more interested in peace treaty in order to stabilize West Berlin situation. Point was that GDR now completely controlled all of its borders. It was stable, and peace treaty would not change anything from standpoint its security. On other hand, peace treaty would entail change in Berlin; it would bring about stabilization. This matter was of concern to Germans, but such stabilization would be appreciated everywhere. As to German reunification, Khrushchev believed Harriman and Hailsham were experienced people and knew that division of Germany was not on national but rather on socio-political basis. He compared situation to US/British relations during Revolutionary War, when British people had been in both places but one group had felt subjugated and fought for its rights. Point was that GDR was socialist, whereas West Germany was capitalist. Related anecdote current during Russian civil war, according which reds and whites were saying they differed only on one minor point which could be easily resolved, namely, on land problems. Whites were saying they needed land to bury reds and reds were saying they needed land to bury whites. Problem had been resolved by chasing whites out of country and thus in effect burying them. This was how issue between GDR and West Germany could be resolved at some future time. However, two Germanys should not be pushed against each other as that would result in world conflagration.

Harriman referred to Khrushchev's suggestion for freezing military budgets and said he believed Khrushchev wanted reduce military

expenditures. Wondered whether Khrushchev had anything in mind on this point, or whether he thought some agreements could be possible which would bring about such reduction.

Khrushchev said he agreeable to exchanging views on this subject, but had no specific proposals to offer. However, if Harriman interested in this matter, perhaps something could be worked out.

Harriman pointed out he had only suggested this matter be explored, and had not meant specific agreement.

Khrushchev said he understood this and commented he had also raised some questions for exploration purposes.

Harriman observed test ban could lead to other limitations, or at least to thoughts of other limitations.

## VI.

Khrushchev said he had another idea. If agreement were reached on reducing military expenditures, Sovs could agree, on certain conditions, to place orders in West for amount of reduction. He could not say what that amount would be, but main point was to channel resources to peaceful purposes. As he had already told Hailsham this morning, Soviet economic situation was excellent, and even in absence of any agreement they were going cut down expenditures for missiles. USSR had quite enough missiles and its general staff was quite satisfied with situation. Of course, military would go on and on with their demands unless one curbed their appetites. In fact, only today had his military suggested that since expenditures for missiles were going to be reduced, expenditures for general armaments should be increased. There were many smart alocs in any country who applied such logic.

In any event, whether or not agreement on this point was reached, Harriman and Hailsham would hear from his report this coming fall that USSR would invest huge sums in agriculture and chemical industry. USSR had accumulated sufficient savings for this purpose. Khrushchev said he was mentioning this so that Harriman and Hailsham should not think he was appealing to them for help because USSR was lacking funds. Time had long since gone when West could expect such a thing. Now USSR had sufficient funds to cover expenditures for all armaments and for development of peaceful economy.

Harriman referred to Freeman's current visit to USSR and hoped Khrushchev would see him.

Khrushchev replied did not know how long Freeman would stay, but said would be happy to talk to him.

Continued that now situation between USSR and West unequal in one important respect. US was applying 227 kg chemical fertilizers per hectare, whereas Sovs applied only 70. Thus, Americans wiser and Sovs

more foolish. However, here wisdom was not measured by amount of brains, but rather by amount of dollars available. USSR was now in position start massive development chemical industry for production chemical fertilizers. 5.8 billion rubles would be allocated for this purpose and whole problem would be resolved in five to six years. USSR would have same amount of chemical fertilizers as U.S. Khrushchev noted UK used even more fertilizer per hectare, namely, 787 kg. For this reason, yield of grain per hectare was also higher in UK than in U.S.; it was 27 to 30 centners in UK versus 16 or 17 centners in U.S. West Germany used even more fertilizer per hectare, 1,137 kg per hectare and its average yield was 35 to 40 centners. For time being, Sovs were setting US level as their goal, because USSR was also a vast country and had a great deal of arable land. If USSR raised its yield by five or six centners per hectare, it would be in position offer grain to U.S.

Harriman commented facetiously that would be a good thing.

Khrushchev agreed, but said that reality of this problem lay in fact that 19 billion rubles would be invested this year in construction and development of industry; 21 billion rubles would be invested next year. Every year, investment would be raised by 1.5, 2, 2.5 billion rubles and the further investments went the greater progression of increase would be. Thus, if additional two billion rubles were added to fertilizer industry every year, level of development of industry in other fields would not drop but rather increase. Point was that one gained two rubles for each ruble invested.

Harriman commented USSR was getting capitalist.

Khrushchev retorted USSR was getting not capitalist, but rich. USSR prospects were very bright, disarmament or no disarmament, but it would take five to six years to complete this program. At end that period, USSR would have problems similar to those US now facing, i.e., it would have agricultural surpluses 996 and might then reduce its crop lands. USSR had invested 5.2 billion rubles in development virgin lands, and return had been eight to nine billion rubles. Thus, all investments had been amortized and, in addition, agricultural machinery for those lands was still there. However, he believed investment in fertilizer industry was more effective than investment in virgin lands. By investing in fertilizer industry problem would be easier to resolve for in order to develop virgin lands nation-wide campaigns and large scale transfer of population were required, whereas in case of fertilizer industry one could build plants just in certain locations. USSR had all resources necessary for construction such plants. Khrushchev said he had been preparing his report and this was why this problem was so vivid in his mind.

However, this would be only first part of program of development chemical industry. Next steps would be development plastics and artifi-

cial fiber industries. He believed some ten billion rubles would have to be invested in those fields. Sov objective was produce sufficient quantities of artificial fiber and footwear so as to be able cut prices in half. While food and housing were now cheaper in USSR than in US, and medical care was free, clothing was cheaper in US. But USSR would deprive US of that advantage.

Harriman remarked the more Sovs prosperous the more we applauded.

Khrushchev assured Harriman there was no need fear peaceful competition. Of course capitalists were always on look-out for gain, but days of colonialism had passed.

Hailsham commented US and India, both former UK colonies, were now prosperous and remarked in jest this was all because of UK.

## VII.

Khrushchev laughed and said it was UK who had reared them.

Harriman said Khrushchev's remarks very encouraging and he very happy hear them.

Khrushchev said he also very happy and noted he had completed work on his report just last Saturday.

Harriman thought next order of business was discussion with Gromyko of three environment test ban. Commended US/UK draft treaty, noting it longer and more imposing and thus would have greater impact on public opinion.

Khrushchev said he had already stated Sovs would study US/UK draft. Final text could take best parts from both drafts, particularly as two drafts oriented in same direction.

Harriman said that in all seriousness he wished discuss, before he left for home, what would happen when CPR exploded its bomb. He did not expect settle problem but wished exchange views on it.

Khrushchev said would be glad talk to Harriman, but believed it not useful discuss what might happen somewhere. He would rather suggest that questions of mutual interest be discussed. Correlation of forces would not change for as Harriman knew that to explode bomb was one thing and produce weapons another. France knew it and UK knew it too. Enormous investments were required in this field and so far—he said he wished stress quote so far, unquote only US and USSR had been capable of accumulating nuclear weapons. Fortune being, US and USSR were more or less equal. He did not wish belittle anybody, but this was question of economic might.

Harriman commented he had read Sov newspapers and had noted CPSU was particularly concerned re Chinese views on nuclear war. This raised question of what would happen if and when Chinese got

nuclear weapons in their hands. Soviet concern about Chinese attitude was particularly evident in Soviet newspaper article he had seen when he arrived here.

Khrushchev agreed Sovs had differences with Chinese on this question. However, he said life went on and their Chinese friends would surely understand Soviet position more realistic and offering better prospects.

Harriman said that if this matter was of concern to Sovs they could not object to it being of even greater concern to US.

Hailsham hoped Chinese would take Sovs view on this question.

Khrushchev commented Hailsham was capitalist, and capitalists were happy to see these differences.

Harriman recalled that Stalin had had no liking for Mao.

Khrushchev said Harriman should ask Mao about Stalin; Mao did not like Stalin either. Khrushchev said he had worked with Stalin for a long time and knew his weaknesses and strengths. But now USSR had lived ten years without Stalin and things were going all right.

Harriman remarked he did not wish discuss Stalin's personality and had mentioned his name only because subject of China had come up. In any event, he agreed with Hailsham's remark re Chinese.

Khrushchev said he had talked to Mao and their views on Stalin were in agreement. He then laughed and said Harriman wanted him expelled from party because people could say Khrushchev was being supported in his views by capitalist Harriman. He quickly said, however, he was only joking; he appreciated this support of Soviet view. He did not know who was richer, Eaton or Harriman, but nevertheless Eaton had received Lenin peace prize. Likewise, while he had nothing in common with Pope John XXIII he respected him as human being and he thought Pope John would enter in history as first Pope who displayed realism. Pope John and himself were antipodes, but in struggle for peace Sovs welcomed all people regardless of their beliefs, race, or political convictions.

Hailsham thanked Khrushchev for opening his thoughts in such generous manner. Said sure his PM would also appreciate this and be impressed. Said would be happy hear Khrushchev's views on any subject though he not in position discuss those matters which affected third countries. He was impressed with what Khrushchev had said, particularly about his striking plans for economic development. Hoped trade and exchanges in cultural, scientific, and other fields would develop, because he believed that would strengthen peaceful coexistence between peoples of two countries. Said did not believe difference between capitalism and communism was most important thing now, but thought time would show.

## VIII.

Khrushchev said of course two sides poles apart in their sociopolitical views. However, one matter affected equally everybody regardless of their class or political views, and that was question of war or peace. Therefore both sides should engage in quest for peace. As to trade, Sovs had for long time been in favor of that. UK should convince US not to impede development of world trade. It was US who had stopped Germans from selling pipe to USSR. He had reliable information that it was US Ambassador to USSR, Kohler, who had recommended this course of action and unfortunately US Govt had accepted that recommendation. This was secret he could now reveal. This was bad advice, but he, Khrushchev, could not object to this since Kohler was in service of US Government. Of course if one asked Kohler about this now he would not say, but Harriman could check later at State Department. However, this act by US had done no harm to USSR. He, Khrushchev, could only express thanks for freeing him of obligation to place orders in Bonn. USSR produced enough pipe by itself.

Harriman commented he would report to President that Khrushchev held Kohler in high regard.

Khrushchev agreed but suggested Harriman look up Kohler's telegram in State Department and be referee. Said Kohler knew this was true and offered produce Kohler's telegram if latter denied his responsibility. State Department knew facts of this matter, and President must know them too.

Khrushchev continued Sovs did not need trade, but were against trade being used for cold war purposes. Some people said they wanted reduce tensions but at same time they spoiled air. He could understand if that were done by Congress because there were many madmen there. But when Ambassadors do this, then Sovs became concerned.

Harriman said he hoped Khrushchev's remarks re Kohler were joke, or else if Khrushchev serious he would have to speak in Kohler's defense.

Khrushchev replied if Harriman wanted he could take it as joke.

Kohler said since he had been in question he wished point out that Marshal Sokolovski was one Khrushchev should blame for this, because Sokolovski had written book indicating Sov intentions re pipe.

Khrushchev said he had never read Sokolovski's book. He would have to stop being Chairman if he spent time reading books by generals who, having passed their retirement age, were reminiscing in books. He did want to say, however, that Sokolovski had been very good as staff officer. In any event, if Kohler played on Sokolovski's pipe he had put himself in a pipe. Here US thought it could put a needle in USSR but it failed. At time this happened, UK and Sweden had sug-



gested increase their quota but planning committee proposed that no pipe be ordered in 1963. He, Khrushchev, had said to committee it would be awkward cancel orders but Kohler helped him out of predicament.

Hailsham expressed hope Sovs would buy UK ships. Khrushchev agreed provided prices were right. Said Sovs had bought tire plant from UK which he had seen in Dnepropetrovsk and which was very good. Thus Sovs bought lot of things from UK.

Hailsham said Khrushchev could be assured UK wished trade of suitable kind and wished Sovs good use of UK products.

Khrushchev said he believed trade was first sign of neighborly relations. He who did not want trade wanted war. Since time immemorial whenever trade stopped that meant war, and whenever war ended that meant trade. Sovs did not want US to sell anything to them; what they wanted was that US abolish its discriminatory law or else there would be no confidence.

Harriman commented if progress on questions mentioned today were made then this certainly would not be beyond realm of possibility or would at least be discussable.

Khrushchev said on basis his info he believed it difficult expect anything progressive from US at this time. So many things were done in US which everybody saw that they should not be done. E.g., Harriman was coming to USSR, but US at same time issued its captive nations resolution. Was there any wisdom here? Of course not. Four years ago, during his visit to USSR, Nixon had been frank on this point. He had said that he, Khrushchev, surely did not think he was so stupid as to sign such law if it depended only on him. Nixon requested that this not be given to press, and he, Khrushchev, had kept his word. However, Khrushchev remarked, he had digressed from subject matter under discussion.

Harriman said he glad Khrushchev had raised this matter and disposed of it so well.

## IX.

Khrushchev said all this needling was no good. Recalled his boat trip with Nixon, during which he had told latter to look at Sov people along river and see what kind of slaves they were. Harriman should also take boat trip and see changes in Sov life.

Hailsham said he was glad see Sov people prosperous and happy; we had been looking very carefully at them. However, Khrushchev should not underestimate generosity of American people. He, Hailsham, was half American himself. He remembered that during war English people used to say that Germans could destroy them but there was US on other side of ocean.



Khrushchev agreed US had rendered assistance during war.

Hailsham hoped there would be similar cooperation again.

Khrushchev complained US had stopped cooperating after war. Said if only measures discussed here could be implemented and if only US abolished its discriminatory law, even without actual trade, that would deprive cold war warriors of things they clinging to.

Harriman referred to hot line agreement as something which had already been achieved; it was not big step but was important.

Khrushchev agreed this was not big step.

Hailsham expressed hope there would be more such agreements.

Khrushchev again accused US/UK of renegeing on their past proposals in disarmament field, to which Hailsham replied UK Government sincerely wanted disarmament and believed one step should follow another and thus we could move ahead. This was something President Kennedy had also advocated in his speech.

Khrushchev said this was correct. Sovs held very high opinion of President's June 10 speech. It was wise statement and it demanded great deal of courage. However, one could see no deeds following words as yet.

Harriman suggested Sovs should produce deeds.

Khrushchev laughed and said this was good division for labor: Sovs should produce deeds, and US should produce words.

Harriman pointed out US here to produce deeds and thought next step was work with Gromyko to develop language reflecting our intentions.

Khrushchev thought language to be developed should be such as would sound well. Thought agreement on substance was already there.

Hailsham agreed.

It was agreed meeting with Gromyko would take place July 16, 3:00 p.m.

There followed some discussion of communiqué, agreed text of which transmitted septel.

**Kohler**

**198. Telegram 183 from Moscow, July 18<sup>1</sup>**

Moscow, July 18, 1963

From Harriman and Fisher. Following detailed report on status of test ban negotiations covers both plenary and drafting committee sessions:

Present state of test ban negotiations with reference to preamble and six articles of August 27 draft is that drafting committee meeting on preamble tomorrow. Drafting committee reached agreement on the following language for Article I which principals found satisfactory. Begin verbatim text with bracketed language indicating areas where no agreement:

**Article I**

1. Each of the parties to this treaty undertakes (except as provided in Article II) to prohibit and prevent the carrying out of any nuclear weapons test explosion and the carrying out of any other nuclear explosion at any place under its jurisdiction or control:

A. In the atmosphere, above the atmosphere, in outer space, or in territorial or high seas; or

B. In any other environment if such explosion causes radioactive debris to be present outside the territorial limits of the state under whose jurisdiction or control such explosion is conducted.

2. Each of the parties to this treaty undertakes furthermore (except as provided in Article II) to refrain from causing, encouraging, or in any way participating in, the carrying out of any nuclear explosion anywhere which would take place in any of the environments described, or have the effect proscribed, in paragraph 1 of this article. End verbatim text.

Soviet rep objecting strongly to Article II. We will trade off Article II for agreement on Article III along lines of following text. Begin verbatim text: It is the anticipation of the parties that this treaty shall remain in effect indefinitely and shall be adhered to by all states, particularly those states that could be in a position to carry out an explosion prohibited by this treaty. If a party determines either that another party has failed to observe the terms of this treaty or that any other state has taken action which the parties have bound themselves herein not to take, the party will be free to reconsider its position. It is hereby understood and agreed, however, that the party may not withdraw from the treaty without first both consulting the other parties

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<sup>1</sup> Status of test ban negotiations following plenary and drafting committee sessions. Unclassified. 3 pp. Department of State, Central Files, DEF 18-3 USSR (MO).

to the treaty and giving notice of at least 60 days. Such notice is effective only if given no sooner than 60 days and no later than 120 days after the determined date of the failure or action upon which the withdrawal is based. End verbatim text. This article just handed to Soviet rep today and due to situation mentioned in contemporaneous reporting telegram may be subject to some further negotiation.

Soviets have indicated acceptance of principle of old Article IV but have expressed a desire to reverse the order of the reference to original parties and vote of all of the parties in paragraph 2. We propose however to negotiate for simple majority of all parties including all original parties in order to make amendments easier for future plow-share program if developments make such amendment desirable.

Soviet representatives have indicated acceptance to Article V but have offered to have agreement signed in Moscow and Soviet Union as depository. They did not insist on depository issue when we indicated we would be prepared to accept either UN, a neutral, or US, UK and USSR as joint depository, the latter being more probable of acceptance. Have left open when and where signed.

Sovs have as yet indicated no objection to Article VI dealing with authentic texts, but due to future French problem who may be offended if we leave French language out and equally offended if we put French language in without their being party, we are contemplating attempt finesse problem by having duplicate original texts in Russian and English in fact but having no treaty article on the subject.

Although Gromyko may hold up agreement on details pending disposition of NAP issue, appears we can reach agreement on test ban after withdrawal matter finally settled.

Kohler

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**199. Telegram 184 from Moscow, July 17<sup>1</sup>**

Moscow, July 17, 1963

Following full report of discussion on test ban and NAP at plenary session Wednesday, July 17, which you may find useful. Session lasted from 3 p.m. to 6 p.m. In addition to Harriman there were present

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<sup>1</sup> Full report of test ban discussions at plenary session, July 17. Secret. 3 pp. Department of State, Central Files, DEF 18–3 USSR (MO).

on US side Kohler, Kaysen, Fisher, Tyler, McNaughton, Long and Akalovsky.

Harriman suggested principals receive report of Test Ban Drafting Committee, which had met at 11 a.m. (composed of Tsarapkin plus five; Fisher plus McNaughton and Akalovsky; and Darwin). Tsarapkin reported that committee had agreed to postpone work on preamble pending discussion by principals, and to work on article one, implementing agreement of principals on Tuesday. Draft on article one was worked out containing but one disagreement, namely, US/UK exception for peaceful purposes by way of cross reference to article two. (This draft of article one being cabled separately.) Fisher concurred in Tsarapkin report on drafting committee work.

Harriman what next. Gromyko suggested acceptance of Soviet proposals to eliminate all reference to peaceful uses and withdrawal. Harriman said that US must have withdrawal clause and that it is more important than peaceful uses. Though withdrawal clause quote absolutely essential unquote, could be worded differently from US/UK draft. Could call it quote duration clause unquote. Could phrase it positively. Harriman read, as example, of positive approach: quote It is the anticipation of the parties that this treaty shall remain in effect indefinitely and shall be adhered to by all states, particularly those states that could be in a position to carry out an explosion prohibited by this treaty. Unquote. He said that it would then go on to deal with how a state might have to reconsider under certain circumstances. He offered to hand Gromyko an illustrative draft, making clear it was a US draft since UK had not had chance to approve it.

Gromyko asked for draft, saying it might narrow differences.

Harriman gave it to Gromyko and Hailsham (Hailsham had in fact seen it before meeting and had suggested change which Harriman rejected.)

The remainder of paragraph is contained in separate Harriman/Fisher cable on test-ban details. (Embtel 183).

Gromyko said that substance same as former US-UK position. Hailsham noted that every contract had limits stated or implied. New clause was especially good because it limited right to withdraw. He noted that both sides had stated reservations: USSR re France, US re China. These reservations cannot be secret. Better impact on public opinion to have duration clause with limits like this on right to withdraw.

Gromyko said often contract omits reference to duration of withdrawal. He then asked Harriman's attitude toward peaceful uses—was US willing to drop article two? Harriman said if Gromyko accepted withdrawal article, he believed US could drop peaceful uses article.

Gromyko asked if he understood statements made before correctly, that US Senate might object to absence of withdrawal clause. Harriman said that this was understatement. Answer is yes. That it would be more difficult. It might be impossible. Gromyko said we should study the situation and return to the peaceful uses and withdrawal articles tomorrow. Hailsham interjected that difficulty in UK Parliament would not be absence of withdrawal clause in treaty but would be any secret understandings regarding withdrawal. Principals agreed to return to these two matters tomorrow.

Harriman suggested discuss preamble next. Hailsham added that might discuss identity of depository of treaty. Harriman, on this matter suggested UN, a neutral or all three original signatories. Gromyko referred to Tuesday offer to have USSR the depository and to have treaty signed in Moscow. He noted that Antarctica Treaty deposited in US. But said would not force USSR on US and UK, it did not affect fundamental interests; was only politeness.

Discussion shifted to preamble. Harriman said he wanted the preamble to include the points in the US/UK treaty draft but was willing to discuss this. He said that US/UK willing to accept number of points in Soviet preamble with certain amendments. Specifically, first, in Soviet second paragraph, words quote including nuclear weapons unquote should be deleted: preceding words quote all kinds of weapons unquote covers nuclear weapons. Second, in second paragraph, after quote general and complete disarmament unquote should go words quote in a peaceful world unquote. And, lastly, if GCD is to be mentioned, should add quote progress in disarmament should be accompanied by measures to strengthen institutions for maintenance of peace and the settlement of international disputes by peaceful means unquote. He stated that inserts came from US/USSR agreed statement of principles of 1961.

Gromyko said he disliked amendments to Soviet preamble/in Soviet draft, disarmament mentioned only quote by the way unquote; USSR mentioned it only to relate test ban to GCD. US changes would introduce conditions for GCD. Harriman said we have inherited custom of linking disarmament to peacekeeping machinery. If Gromyko dislikes linkage, need not refer to GCD at all and omit reference to both GCD and peacekeeping machinery. Gromyko said that omission of GCD would be a pity, that USSR did not think of mention of GCD as being a condition to test ban. Harriman suggested that drafting committee might work out language. Hailsham agreed, suggesting special committee of quote political unquote specialists. Harriman said no, use same committee. Gromyko agreed to referral to drafting committee, with instructions to keep language simple to meet needs of public opinion.

Harriman noted that rest of test ban (except controversial articles two and three, on peaceful uses and withdrawal) had been referred to drafting committee. After some mild levity, test ban portion of meeting ended.

Gromyko shifted to non-aggression pact when Harriman expressed desire to get communiqué to President in time for Wednesday press conference. Gromyko asked Western representatives for comments on NAP draft and said quote in passing unquote that degree of optimism which could be expressed in this communiqué and future ones depended on progress which would be made on NAP. Stressed importance Soviet Government attached to NAP.

**Kohler**

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## **200. Telegram 186 from Moscow, July 17<sup>1</sup>**

Moscow, July 17, 1963

From Harriman. Gromyko accompanied by 10 advisers, including Zorin, Tsarapkin, Mendelevich, Novikov, and Roshchin. Hailsham accompanied by Trevelyan, Wilson, Zuckerman, Darwin, and Wheeler. Harriman accompanied by Kohler, Kaysen, Fisher, McNaughton, Long, Akalovsky.

Gromyko opened suggesting there be no chairman and discussion be informal without strict procedures. Said since he had started speaking first, wished used opportunity he had given himself and invite US and UK comments on test ban and NAP drafts Sovs had given yesterday.

Harriman suggested US/UK and Sovs draft test ban treaties be reviewed article by article. Noted, however, preamble should be left aside until body of treaty agreed.

Hailsham expressed agreement with procedure suggested by Harriman.

Gromyko had no objection, but pointed out if any participant wished address himself to more than one article at same time, there should be no rigidity re procedure.

Harriman and Hailsham agreed.

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<sup>1</sup> Readout of meeting with Gromyko delegation. Secret. 12 pp. Department of State, Central Files, DEF 18-3 USSR (MO).

Gromyko said since drafts were Soviet papers, he wished stress Sovs believed necessary discuss both drafts presented by USSR, i.e., test ban and NAP. As to order of discussion, it depended upon participants and they free discuss what they wanted.

Harriman said US not prepared discuss NAP today, as we had not studied draft. All we prepared discuss today was test ban. Pointed out this was how he had understood Khrushchev yesterday. Commented there was no relationship between drafts on two subjects, they contained no over-lapping provisions, and we not prepared discuss at this point anything but three-environment test ban. Thought this procedure had been agreed in principle yesterday.

Gromyko said that of course if US/UK not prepared discuss NAP today—he understood Sov proposal required internal study and discussion—then he had no objection to discussion test ban today. Stressed, however, both drafts must be discussed in due course in light considerations voiced by Khrushchev yesterday.

Harriman said there were number of questions mentioned yesterday which we would like discussed later; we would later discuss NAP just as other matters raised yesterday by Khrushchev, Hailsham and himself.

Gromyko then suggested group discuss subject which everybody prepared take up today, i.e., test ban.

Gromyko continued if no objection he wished comment on US/UK draft test ban given Sovs yesterday. Said would comment in general terms rather than on specific language; believed once agreement was reached on substance there would be no difficulty deciding on specific wording. Sovs proceeded from premise Sov draft met objective to be achieved, but nevertheless he wished state Sov attitude toward some of main points in US/UK draft.

Gromyko noted US/UK draft provided for nuclear explosions for peaceful purposes, which indicated US/UK believed three-environment test ban should leave room for such explosions. Sov view was no need for such provision. Agreement would be limited in scope as it would allow underground explosions, including those for peaceful purposes. To provide for explosions for peaceful purposes in any environment would mean another limitation of treaty coverage, and would result in one limitation being superimposed on another. This would detract from value of agreement in eyes of peoples. Therefore Sovs believed no provision for explosions for peaceful purposes should be included. Hoped US/UK would take Soviet view into account and not insist on inclusion that provision.

Turning to withdrawal clause in US/UK draft, Gromyko said Sovs believed such clause should not be included in treaty. Sovs did not

deny any party could and should have in mind hypothetical situations which could lead to certain consequences, and this of course applied to USSR as well. Wondered, however, why one should refer to this in treaty and, so to speak, relish this possibility. This would also detract from impact of treaty on public opinion and make negative impression on peoples. Did not believe US, UK, or USSR, or any other state that might accede were interested in this. Importance of agreement should be strengthened rather than weakened, and this why Sovs believed provision for possible withdrawal should not be included. Hoped US/UK would take Sovs views into account and not insist on its inclusion.

Hailsham remarked Harriman should be first to comment on Gromyko's statement, but said he also wished express certain views either now or later. He understood views expressed by Gromyko and thought they clearly must be taken account of. He wished express his views on Article 1 Sov draft and also compare US/UK and Sov drafts.

Harriman preferred hear all comments Gromyko might have before replying.

Hailsham agreed.

## II.

Gromyko observed US/UK draft provided for ban of tests in three environments but also contained, in para 1.B. Article 1, for prohibition of explosions in any other environment if such explosions caused radioactive debris to be present outside territorial limits of state under whose jurisdiction or control such explosions were conducted. Believed intent this language to prohibit underground tests with venting and consequent spread of radioactivity, and said Sovs had no objection to including it in treaty.

Gromyko said Sovs also agreed to inclusion para 2 US/UK draft Article 1 under which parties would undertake not to cooperate with other states in carrying out nuclear tests.

Turning to Article 4 US/UK draft, Gromyko noted it required unanimity for approval amendments to treaty and said Sovs had no objection to such procedure.

Re US/UK draft Article 5, para 3, Gromyko said Sovs also agreed to inclusion language providing for entry into force after ratification.

Gromyko then referred to Khrushchev's remarks re France yesterday and said had nothing to add. However, wished point out that in agreeing, for reasons indicated by Khrushchev, to having no specific reference to France USSR proceeded from premise that if France should continue testing after agreement signed Sov Govt would have to examine situation resulting therefrom. Repeated Sovs agreed have no direct reference to France in agreement.



Gromyko continued that although he not sure to what extent this should be included in treaty, he wished state Sovs prepared extend hospitality and proposed that treaty be signed in Moscow. Thought inclusion reference to this would not contradict and in fact was in full accord established international practice. Also, since these negotiations taking place in Moscow, USSR thought it would be appropriate if Sov Govt were depository government.

Gromyko said USSR Govt would do its utmost to further agreement on three-environment test ban and NAP. Therefore he wished use this opportunity express hope that each of participants should not argue over subsidiary matters or be carried away on matters of procedure. Rather, they should reach agreement on three-environment test ban and NAP.

Gromyko said these were Sov basic views on both US/UK and Sov test ban drafts though when agreement was reached on content of treaty, it would be easy cloak that agreement in appropriate specific language. Opined it should be possible agree at next or one of next meetings on text including some provisions from Sov draft and some from US/UK draft. Said did not intend at this time give any specific language for treaty and dot all eyes and cross all tees; repeated agreement on language should be easy once substance agreed. Stressed fact Sovs prepared accept some of US/UK provisions in their present form or almost unchanged, and hoped this would be duly appreciated.

Hailsham said he sure principal thoughts should come from Harriman however, wished thank Gromyko for his business-like and useful approach to business at hand. Stressed seriousness and sincerity which UK approaching present task and said he stating this on behalf HM govt and UK Del.

Hailsham continued he wished make two comments which perhaps would only be footnotes to what Harriman would say. Re explosions for peaceful purposes, Hailsham noted Sov draft provided for cessation only of weapons tests and therefore permitted such explosions. Thought this point must be clarified. Also pointed out US/UK draft provided for such explosions only by unanimous consent of original parties. If Sovs did not wish explosions for peaceful purposes, they had safeguards under this provision.

Re withdrawal clause, Hailsham said he sympathized with Gromyko's views and agreed it hard to talk about divorce in entering marriage. However, Khrushchev yesterday and Gromyko today had said they would examine the situation with respect to France; others may also have problems in circumstances of concern to them. As lawyer, he wished point out that if parties do have such considerations in mind, it better formulate circumstances now even though this may be difficult. Pointed out US/UK draft provided for notification and in absence such provision there would be danger of sudden withdrawal.

Hailsham thanked Gromyko again for his careful and extremely helpful considerations; Gromyko's agreement to some provisions from US/UK draft saved him from need for comment on some points in Sov draft. However, he wished to raise two points re Sov Article 1 which were perhaps matters of drafting. Sov draft said quote on high seas unquote, but he thought correct wording should be quote under high seas unquote. Another point was that since concept of outer space still lacking precise definition it would be better use term quote above atmosphere unquote instead of quote outer space unquote.

Harriman said he first wished assure Gromyko US approaching matter in exactly same spirit as Gromyko and Hailsham. US wanted reach agreement. Appreciated frankness with which Gromyko had expressed his objections and also acceptance some of US/UK provisions. Said would speak with same frankness and friendly spirit.

### III.

Re explosions for peaceful purposes, which proved for in Article 2, US/UK draft, Harriman noted Gromyko seemed be concerned about impact such provision on public opinion. Pointed out US/UK article divided in two parts: first part permitted use nuclear devices for peaceful purposes if unanimously agreed by original parties, while second referred to more involved formula which had not been tabled. Wondered whether Gromyko would object to retaining first proviso or whether he objected to both first and second. Observed that on basis his reading Sov press he had been led believe Sovs had some ideas re peaceful uses nuclear devices in developing their country. Also noted there had been great deal of discussion in international press of possible values such uses. Asked again whether Gromyko objected to provision for nuclear explosions for peaceful uses if it related only to first proviso in Article 2 US/UK draft. Added US public opinion had imaginatively speculated about some areas where nuclear explosions could be of some value. If no explosion were to be undertaken without approval by all original parties those concerned about such explosions might be protected. Noted he not entirely abandoning second proviso in Article 2 US/UK draft and wished talk about it, but thought it might be easier abandon second proviso if Gromyko would agree to first proviso.

Gromyko said Sovs were not proceeding on basis narrow considerations; they not concerned about whether explosions for peaceful purposes would be conducted with or without Sov approval, which would be required under first proviso. Sov view was provision for explosions for peaceful purposes would weaken agreement and detract from its importance, and this was what Sov Govt guided by. Therefore, he hoped US/UK would not insist on inclusion provision for such explosions.

Harriman said wished underline what he had already said, namely, that public opinion in US had developed considerable hopes re peaceful uses nuclear devices since such uses could open values for mankind not only in US but also elsewhere in world. We were under impression this true of USSR too. If provision of this kind was included, although its wording might not be exactly same, we believe subject would be left open. While some might be disappointed, mankind would not be cut off from future use nuclear devices for peaceful purposes. In absence such provision mankind would be precluded from enjoying possible benefits; at least that was how many people would consider this. Harriman also noted under US constitutional procedure two-thirds vote required for approval treaties in Senate and said we believe omission certain provisions would make more difficult for President obtaining such approval. Expressed hope Gromyko would give consideration to our views.

Re withdrawal clause, Harriman said he impressed by Hailsham's statement on this matter and wished associate himself with it. As Hailsham suggested, he would await Gromyko's consideration how unforeseen contingencies should be covered in treaty. Gromyko himself had indicated reservation if France should test in atmosphere. Harriman comment his govt would feel differently re withdrawal provision if Sovs could assure US that CPR would adhere in some reasonable time or that it would not become danger to mankind, which might necessitate, much as we would regret it, resumption tests by US to improve weapons for defense and deterrence. Observed he had mentioned China just as Gromyko had mentioned France.

Harriman continued he appreciated Gromyko's remarks re article 1 and his acceptance certain language from US/UK draft of that article. Agreed with Hailsham re definition of testing and thought perhaps some misunderstanding existed in connection reference to quote any nuclear weapon test unquote. We had in mind some more precise language. Noted US/UK draft Article 1 based on assumption article 2 would be accepted, but thought even if there should be any consideration of abandoning Article 2, Article 1 might require clarification. However, if there should be no such consideration or if only first proviso Article 2 were to be retained, Article 1 should also be made more precise to cover all nuclear explosions. Said this matter could be discussed in detail at some other time in order clean up text. Believed parties in substantial agreement on Article 1, particularly if Gromyko accepted broader definition nuclear explosions.

Re Article 4, amendments—Harriman appreciated greatly Gromyko's acceptance US/UK proposal amendments should be approved only if there was agreement among three original parties. Expressed doubt, however, Gromyko very clear on other contingencies provided

for in US/UK draft article 4. As far as US concerned it prepared discuss and negotiate this matter, i.e., two-thirds vote by other parties, which was to take account of future signatories. Said US did not wish place too much emphasis on this point.

Harriman thanked Gromyko for accepting US/UK Article 5, pointing out ratification clause necessary under US constitutional procedure. Noted Gromyko's proposal or mentioning USSR as depository govt. Did not wish comment on this now but suggested perhaps some neutral country could be selected which would be mutually acceptable to three original parties. As to place of signing believed that should be very easily arranged after we found out who would sign for our countries, and suggested leaving this matter open for time being.

#### IV.

Referring to Hailsham's comments on Sov draft, Harriman said if he had followed them correctly he wished associate himself with them. Believed some of them had been taken care of by Gromyko's acceptance of some language from US/UK Article 1. Suggested this matter be left aside until Sov suggestions re Article 1 put on paper. Believed matters like this should be dealt with in drafting committee or some such appropriate group.

Agreed with Gromyko perhaps some progress could be made in this connection if development specific language were based on agreement in principle with respect relevant points. Suggested each group designate representatives to participate in drafting committee. Believed large measure of agreement existed, except re withdrawal and explosions for peaceful purposes. Stressed importance withdrawal clause to US but agreed go over peaceful uses, noting, however, some satisfaction should be given to people placing high value on peaceful uses of nuclear devices.

Gromyko stated could not give any assurances re CPR in course discussion this matter or any other matter. This was clear from Khrushchev's remarks and underlying reasons should be quite understandable. Also wished to point he saw no analogy between France and CPR as France already nuclear power. Harriman had rightly said to Khrushchev France was a special case.

Re explosions for peaceful purposes, Gromyko said even if someone attached significance to this matter, he wished point out we speaking of three-environment test ban which did not cover underground environment and therefore question of explosions for peaceful purposes could be decided by each party itself. Said Sovs objected to inclusion provision for peaceful explosions not because USSR had special interest in leaving it out. If it had such interest USSR would have accepted first proviso US/UK Article 2, but it hadn't. Sovs believed

such proviso would detract from importance of agreement and hoped US/UK would not insist on its inclusion. Sovs believed this provision not only unnecessary but also harmful.

Re withdrawal clause, Gromyko said did not wish repeat himself. Sovs did not wish have such provision so as not to reduce importance of treaty. As to French problem, he had already explained Sov point of view. Each state had its own considerations, but better not include any provision. Omission such provision would be better from stand-point of all, US, UK and USSR.

Gromyko said if Article 2 re peaceful uses omitted, perhaps might be useful make language Article 1 of Sov and US/UK drafts more specific.

Re amendments, Gromyko believed what he had said made Sov attitude sufficiently clear. He proceeded from premise US/UK language clearly stated amendments should be adopted under rule of unanimity of three original parties. As to whether any language re voting procedure for other parties should or should not be included that could be discussed.

Gromyko agreed with Harriman broad area of agreement existed. Thought Hailsham would agree with this too. Urged US/UK drop two provisions Sovs believed should be omitted. Had no objection to creation drafting committee.

Hailsham referred to withdrawal problem. Noted Gromyko had suggested each party put own construction on agreement and, although this not very clear, make that construction public. That would be better than nothing at all. Hailsham noted he had spent most of his life in Parliament, which not same as US Congress but similar in many ways. Said he knew how difficult obtain agreement of Parliament to treaties, as there was always opposition. Doubted test ban agreement would be attacked in Parliament as strongly as in US Congress, which reflected many shades of opinion. However, believed agreement should not leave gaps opposition could use in criticizing treaty; hidden rocks of this kind were dangerous. Hailsham continued he did not mind saying that rather than have no agreement he would have agreement defective in this respect. However, he knew he would be subjected to criticism if he agreed to exclusion withdrawal clause. It clear from what Sovs and US had said they would have second thoughts about France and China. It was true France and China were not on equal footing now and US would not consider them as such so long as CPR did not test. However, once CPR tested US would regard it and France as being on same footing. Therefore, he saw force in Harriman's arguments. Observed did not see UK withdrawing from test ban agreement.

Re peaceful explosions, said this problem somewhat academic to UK as it had no intention engage in them. Gromyko's statement three-

environment ban would open way for peaceful explosions did not meet point as in big experiments or engineering projects there would be venting.

## V.

Harriman said he readily agreed with Gromyko re yesterday's discussion of France. He agreed there was difference between France and China since France was already nuclear power. We accepted Sov concern re France, and if Hailsham agreed we would tell USSR we would talk to France but we could not give any guarantees. Thus we understood Sov reservations in case France failed to accede or if it undertook further testing in atmosphere. Stressed withdrawal clause of really great importance to US but observed that as Hailsham had said it conceivable each party could list its reservations and omit withdrawal clause. However, that would create great problems with US Senate. He sure many more reservations might be found by Senate during consideration of treaty and some of them could be quite distasteful to USSR and some other people in world. However, this was price we paid for our democratic form of govt. Therefore, he wished urge Gromyko consider including some suitable provision for withdrawal. Language must not necessarily be US/UK proposed language but to meet our purposes formula should be broad enough to cover all our reservations, particularly testing by China. This latter reservation was not only one we had but language should definitely be sufficiently broad to cover commencement of testing which required for CPR to become nuclear power through her own efforts. We did not envisage, however, mentioning any country by name.

Hailsham agreed UK would try induce France to adhere. He had no doubts about this, but did have doubts as to degree of influence which could be exerted.

Gromyko observed Hailsham knew best characters of members his family.

Hailsham said many members his family most charming but quite difficult.

Gromyko thought most charming people are the ones who are the most difficult.

Gromyko continued he wished draw attention to fact Sovs had accepted number of US/UK provisions. Hoped US/UK would also consider points made by USSR. Re Hailsham's reference to opposition UK Parliament, believed most difficult see Labor Party opposing three-environment test ban.

Noted, however, there would be opposition of both sides of aisle if treaty were not sufficiently business-like. Appreciated Gromyko's kind and helpful approach to these discussions, as well as his accept-

ance drafting committee. Believed drafting committee should examine article 1 and other articles where problems existed. Wondered whether Gromyko could state exact extent Sov reservation re France as that would influence his own thinking.

Gromyko replied could not add much to what Khrushchev had said yesterday. Briefly, if France did not adhere and continued testing, then Sov Govt would examine situation in light of these facts. Hoped, however, that if agreement reached on test ban and NAP US and UK Govts, as France's allies, would succeed in persuading France it in its best interests to become party to the treaties.

Hailsham thanked Gromyko and said would do everything possible in this respect. Inquired re Gromyko's reaction to his suggestion for program work drafting committee.

Gromyko agreed drafting committee should work on points where substance agreed. Voiced hope US/UK would approach consideration Sov views on two outstanding questions with same attentiveness and understanding as applied by Sovs in considering US/UK draft. That would open prospects for three-environment test ban. At same time wished point out NAP should be discussed at one of next meetings. Drafting committee could meet tomorrow at ten or eleven, while another meeting of principals could be held at three PM tomorrow.

Hailsham agreed and believed that except for two points of contention sides could prepare whole text of treaty. Observed he did not attach great importance to question of depository.

Harriman also agreed drafting committee meeting tomorrow. Said wanted concentrate on test ban at this time. As to other questions wished point out not only question which had been tabled must be discussed but also other matters raised by Khrushchev, Hailsham and himself. Such discussion could be held after fruitful discussion of test ban concluded.

It was agreed drafting committee meeting eleven AM and principals meeting three PM July 17.

**Kohler**



**201. Memorandum of Conference with President Kennedy,  
July 18<sup>1</sup>**

July 18, 1963

## OTHERS PRESENT

Secretary Rusk  
Secretary Ball  
Ambassador Thompson  
Mr. William Foster  
Mr. Bundy  
Mr. Smith

Prior to the arrival of the President, the group discussed Harriman's reports and his request for instructions on several points. The comment was made that the Moscow delegation had "pact fever" and needed to be slowed down.

The President participated in a discussion of the three proposed versions of the withdrawal article (see attached paper). Mr. Bundy said that Ambassador Thompson, as well as the others present, agreed that the Soviets want a test ban agreement. Hence, if we wait, the Russians will accept what we want.

Mr. Ball said he doubted we could obtain Senate approval of the agreement if it contained the withdrawal clause proposed by the Russians. He felt that a withdrawal provision so broadly phrased would lead Senators to conclude that the treaty was illusory and that the commitment meant nothing if it could be denounced for reasons not connected with the test ban treaty at all. He added that when the Soviets resumed testing in 1961, their justification of their action was approximately the same as that proposed in the withdrawal clause.

The suggestion that Senators go to Moscow to sign the agreement led to several comments that many Senators would want to attend a signing ceremony.

The Harriman instructions were revised to reflect a more affirmative position on trade between the USSR and the West.

The President agreed to see Senator Pastors and to telephone Senator Anderson in an effort to reassure them about the course of negotiations and avoid their taking a position in opposition to the treaty before the negotiations had been concluded.

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<sup>1</sup> Discussion of Moscow telegrams and revised instructions for Harriman. Secret. 2 pp. Kennedy Library, National Security Files, Departments and Agencies Series, ACDA, Disarmament, Test-Ban Negotiations, Harriman Trip.



There followed a discussion of how to deal with the position of the Joint Chiefs of Staff. The President asked that the military disadvantages of the treaty be listed so that we would be in a better position to deal with opposition to the treaty based on military grounds. A suggestion to hold a Committee of Principals meeting with the Chiefs was not approved.

The instructions were amended to reflect the decision that Harriman was not authorized to agree to any summit meeting without further instructions from Washington.

In response to a question about the arms control plan which Khrushchev had mentioned to Harriman, Mr. Foster said the simplest way to describe what the Russians were talking about was to recall the Norstad plan. The proposal involved static control posts and did not involve the thinning out of military forces. It did involve a kind of neutralized zone, often described as the Rapaki plan.

In connection with the Khrushchev proposal on reduction of military budgets, the President authorized the addition of a sentence, later approved by Secretary McNamara, which stated that if there is no increase in international tensions, it is our current expectation to put forward a 1964 military budget in the same range as that submitted for 1963.

**Bromley Smith**

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## **202. Telegram 211 from Moscow, July 18<sup>1</sup>**

Moscow, July 18, 1963

At Soviet request, Thursday's session started at 4:30 p.m. instead of usual 3 p.m. In addition to Harriman there were present on US side Kohler, Kaysen, Fisher, Tyler, McNaughton, Long, Akalovsky and Cash. Harriman gave Gromyko text of President press statement of July 17 on current talks, which Gromyko said he had already read in Russian. He felt it reflected "guarded optimism." Harriman observed that when President makes public statements on matters of this kind he addresses himself primarily to the US Senate where he had to get

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<sup>1</sup> Meeting with Gromyko: Discussion centered on Kennedy's July 17 statement, Khrushchev's July 2 statement and the importance to Soviets of non-aggression pact. Secret. 4 pp. Department of State, Central Files, DEF 18-3 USSR (MO).

sixty-seven votes. Harriman noted drafting committee had made some progress on preamble of test ban agreement but we still had some difficulty with paragraphs 2 and 3. Suggested dropping second paragraph of preamble.

Gromyko, changing subject, said he wished to say a few words on NAP. He expressed his apprehension that not all participants in present meetings were aware of importance of subject or of significance which Soviet Union attaches to it in connection with these talks. Soviet evaluation of its importance stemmed from statement made July 2 by Khrushchev in Berlin. Khrushchev had repeated this statement to Western representatives when they had met with him here in Moscow. Gromyko said he had also done his best to emphasize importance his government attaches to NAP which would be of benefit for all peoples and would favorably influence international situation. He could not of course agree that provisions which referred to an entirely different subject, i.e.: free access to Berlin, should be added to NAP text. Said he believed this was so evident that he felt "somehow embarrassed" to have to talk about this at any length. He said these matters so different that impossible raise them in same document or make one dependent on other. To say NAP contingent on clause re free access to Berlin, which part of German peace treaty problem, only complicated matter. He felt that in this exchange of views, the three powers should make every effort to make progress on both test ban and NAP which should be signed simultaneously, and said wished stress simultaneous this would have a very favorable effect on the whole international situation. He wished again to express hope that Western representatives would adopt more sober approach in evaluating importance of NAP, and be more objective in evaluating Soviet proposals. He asked whether Western representatives had any additional considerations to add to what was said yesterday.

Harriman said that Khrushchev vs Berlin speech had been certainly noted by US. He supposed that Gromyko had read statements which had been made by US and UK leaders in several capitals that on any nonaggression agreement affecting NATO we intended to consult with our allies and supposed the Soviet Government would be doing the same. He said we were on record internationally that we are not rpt not authorized negotiate on behalf our allies. We were here to listen, explore, and report back, with view of obtaining views our allies. We were prepared to take note of our discussions this subject by some language in a communiqué, and could do nothing beyond this. We could not get authority from thirteen other member states to negotiate for them. He was aware of the importance which the Soviet Union attached to NAP, and had taken note of this.

Hailsham said UK Del had noted and was aware of importance Soviet Union attaches to question of NAP. His government had noted

the Khrushchev speech as well as what he had said at meeting earlier this week, also what Gromyko had said on subject. All this had been passed on to London. However we are here to negotiate test ban agreement and do not have authority negotiate on behalf allies. Have in fact promised not to do so. If we did it would make it less rather than more likely that we would eventually get their acceptance. Said he certainly went along with what Harriman had said and would not fail inform British Government of Soviet views. Could whole-heartedly accept Harriman's suggestion re communiqué.

## II

Gromyko responded we would evidently have to continue discussion this subject at the next or one of the next meetings because the Soviet Government does attach great importance to this matter.

Harriman said would be well for Soviets understand why US and UK Dels instructed as they are. Had come in accordance with communications between Khrushchev, President and Prime Minister concerning test ban, not on NAP. First had heard of Soviet wish connect TB with NAP was in Khrushchev July 2 speech. Ready discuss and make progress with test ban. Soviet Union has of course full right take up other matters but we unable do more than record fact been discussed and indicate in friendly spirit would raise matter with our allies.

At this point Gromyko turned abruptly from NAP and asked if Harriman had views re article re withdrawal. Inquired if by chance Harriman could now agree not include such clause. Harriman said not only unable change position but Washington had advised withdrawal clause absolutely essential to obtain Senate ratification. If clause not included Senate would adopt reservation which would cause Soviet Union more difficulty than withdrawal clause. Since "withdrawal" apparently has unpleasant connotations for Soviet Union, could refer this clause as "duration" rather than "withdrawal" clause. Harriman's earnest hope was Soviets could accept language along proposed lines.

Gromyko said amendment changed little in clause. Regretted US should still feel necessary include such provision. However, Soviets could perhaps provide language for this article to meet US position. Said proceeding on understanding that peaceful uses clause dropped. At this point read text Soviet version withdrawal clause which sent separately. Gromyko stated hoped this text would prove acceptable to all as Soviets had put forward in attempt facilitate agreement. Felt lack reference to "violators" helpful, as not casting doubts on anybody's intentions. Right of withdrawal simply exercise of every state's sovereignty. Had also taken into account US-UK expression of need for advance notice. As text might require additional study, discussion of it might be postponed until tomorrow.

Harriman said at first blush Soviet proposal seemed very interesting. However wished reserve formal comment until further study and Washington's reaction which would be sought soonest. Re Gromyko's understanding peaceful uses clause dropped, said would cover this point after receipt Washington reaction.

Hailsham said grateful for Soviet spirit of accommodation and would refer text London for earliest possible comment.

In response Hailsham question concerning preamble, Gromyko said felt not so bad and would certainly wish retain reference to "general and complete disarmament." Did not understand why such general reference was problem as went no further than UN resolution. Would ask Harriman reconsider.

Harriman said general and complete disarmament usually linked with "peaceful settlement of disputes." Had been discussed long and agreement reached. Would not now like undo. Our version seems quite harmless and would be more satisfactory to US. Hoped Gromyko might agree. Phrase "all kinds of weapons" includes nuclear weapons and therefore unnecessary single out nukes.

Returning abruptly to NAP, Gromyko said raising matter again because felt there was insufficient awareness importance Soviets attach this matter. If US and UK could make step forward and conclude NAP would improve whole international situation. Could see no reason for restraint. Understood consultation necessary but wished know attitude US and UK Governments.

Harriman expressed full understanding importance Soviets attach this matter and stated this why had suggested treatment in communiqué after agreement to Soviet proposal on press statement (which sent separately) was agreed meet 3 PM tomorrow. Drafting committee meeting 11 AM.

**Kohler**

**203. Telegram 223 from Moscow, July 19<sup>1</sup>**

Moscow, July 19, 1963

Today's session began at 3 PM with same US group as yesterday.

Gromyko opened by asking for US-UK views re Soviet withdrawal clause submitted yesterday.

Harriman said had prompt reply from Washington which indicated Washington insisted reasons for withdrawal be related to topic under discussion, i.e., nuclear explosions. "Extraordinary circumstances" might be almost anything and therefore phrase should be replaced with "any nuclear explosion has occurred in prohibited environments." Also said his instructions were add to Soviet draft provision for statute of limitations. Gave Sovs language (contained Embtel 208, para 3.) Pointed out reason for addition was to prevent parties from justifying their withdrawal on grounds nuclear event in distant past. Distributed revised draft and hoped US proposal would help Soviets since it in fact limited reasons and opportunities for withdrawal and also limited time within which such action could be taken. Stressed it essential from US standpoint, particularly in order get Senate approval, that withdrawal be related to nuclear explosion. Re nine-month notification period, said it could be either lengthened or shortened if Sovs desired.

Recalling Gromyko's link between inclusion withdrawal clause and elimination article 2 re peaceful uses, Harriman said he instructed US prepared, though with reluctance, drop peaceful uses clause to conform Sov wishes. Pointed out, however, this on understanding Sovs would accept withdrawal clause with US suggested changes.

Noting US would have minor changes of purely drafting nature for article 1, Harriman expressed view withdrawal clause appeared be final problem to be settled.

Hailsham said had received communication from London less precise and categorical than Harriman's but which permitted him accept for British delegation US amended text. Said withdrawal clause must refer to nuclear explosions since this was test ban treaty. Supported arguments Harriman had made on this point and hoped US text could be accepted by Soviets. Argued this was in Soviet interest as restrictive rather than expansive. Said had no particular opinion concerning specific duration statute of limitations. Felt amendments likely have favorable effect on world public opinion. Concluded by saying British accept US amended text.

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<sup>1</sup> Meeting with Gromyko: U.S.-U.K. views on Soviet withdrawal clause. Secret. 5 pp. Department of State, Central Files, DEF 18-3 USSR (MO).

Gromyko said Sovs generally opposed to inclusion withdrawal clause, reiterating his previous arguments re bad effect on public opinion. Pointed out if states guided by supreme considerations of their own were to decide to withdraw, they would merely exercise their sovereign rights. However inappropriate point finger at some state, though unnamed, as possible violator. Yet to facilitate agreement, particularly in view US requirements in Congress, Sovs had agreed to inclusion withdrawal clause, but clause must be acceptable to both Soviets and U.S. Hoped US would take account of Sov position as well.

Said today's US suggestions in effect represented US-UK old formula pointing at violator and thus included what Sovs believed undesirable mention in treaty. Reiterated if some state concluded certain phenomenal event occurred compelling it to withdraw, such state would be absolutely free to do so and explain reasons therefor. No one could restrict this right of states. Thus Sov formula took account of US position while at same time met Sov needs and thereby enabled USSR agree to inclusion withdrawal clause.

Gromyko then distributed text TB draft treaty reflecting their position at this point which he said could be basis for agreement, but noted this on assumption there would be simultaneous agreement on NAP. (Text of TB draft being analyzed.)

Harriman stated US could not accept Soviet draft withdrawal clause without changes had indicated. Stressed again this essential requirement and not whim. Said would study Sov test ban text and Sovs should study his remarks re withdrawal clause as this of primary importance to U.S.

Gromyko asked US-UK study Soviet TB text. Said Sovs had taken into account US position re withdrawal but US should not make this article unacceptable to USSR. Both sides should take account of each other's positions.

Harriman said wished point out he had been instructed US would not accept Sov language for withdrawal clause. In sharp reaction, indicated importance of issue to US, stressed that Sov should give it serious consideration and intimated issue might be breaking point.

Gromyko commented he had no doubts Harriman had received instructions but Harriman should not ask USSR to accept US position. If only one side were to make concessions that would be very bad and not only in this context. Said Sov withdrawal language did not expand reasons for withdrawal, but gave states right make appropriate decision and explain its motives. It difficult expect harmonious solution this problem if one side were to say its conditions must be accepted. Each side should make efforts meet halfway. Harriman denied US adopting a take it or leave it approach; all the US asking Soviets was give consideration to its views. Urged Sovs take US views most seriously

for reasons explained earlier. Pointed out nothing Gromyko had said changed US positions. Hope agreement on this vital matter could be reached at the next meeting.

Hailsham said wished take full account Sov position but was not sure understood it fully. Soviets recognized French problem and US concerned about another power. Said UK less concerned re both countries. US suggested clause takes account both problems. Main contention now is whether “extraordinary circumstances” should be more specifically defined as US proposed. Hailsham had not yet understood what Sovs find objectionable in US draft which merely defined what “extraordinary circumstances” refer to. Suggested should not pursue matter indefinitely at this time but should consider carefully before next meeting. Requested US draft be carefully studied.

Gromyko reiterated if parties desired agreement they should make effort meet halfway, as this standard procedure in negotiations. Therefore he did not like it if anybody told him here is my position, accept it or there will be no agreement. This would not be right in any negotiations. Sov Govt desired agreement and both Harriman and Hailsham had recognized Sovs had met US-UK position on some points.

Re Hailsham’s request for clarification Sov difficulties with US US suggested changes for withdrawal clause, Gromyko repeated argument re undesirability of referring to possible violators. Also repeated Sovs had taken account of US difficulties in Congress and put forward formula they believed would enable states to withdraw and state their reasons therefor. Sov formula did not restrict such freedom but at same time it did not weaken treaty by mentioning possible violators. Contended Sovs had no one-sided interest in this matter and believed Sov formula was in full accord with international public opinion. Hoped these views and Sov language would be studied further.

At this point, Gromyko said main difficulty, and he wished stress it was the main difficulty, in these negotiations was question of NAP. Suggested conversation so far had given sufficient food for thought for next meeting and believed group could adjourn to meet tomorrow at 11 a.m.

Harriman wished make few comments before adjournment. Said Gromyko in explaining his objections U.S. formula had indicated belief our wording referred to one of the three as possible violators. We understood this objection in context our original language but wished to point out nuclear explosion referred to in new US suggestion could be set off by anyone outside the three; indeed we did not believe any of the three would conduct a nuclear explosion in environments proscribed. Harriman then said Sovs might object to phrase “prohibited environments” in the US suggested amendment; if this were case US prepared replace phrase with something like “three environments

described above." Thus word "prohibit" which might have odious overtones to Sovs, would be eliminated. Perhaps Gromyko would consider this possibility.

Harriman thanked Gromyko for stating frankly his difficulties with US suggestions and said would make effort meet them assuming Sovs would accept inclusion reference to nuclear explosions in place extraordinary circumstances. Said did not ask for immediate reply and hoped Gromyko would study problem.

Gromyko responded Harriman's remarks changed situation but little. Hoped US would study Sov language objectively and was sure US would find it quite suitable to all.

Hailsham asked if he understood correctly Sov position to be that any attempt to define circumstances as relating to nuclear event would be objectionable even if language were found which would not imply violation.

Gromyko said, "Yes, indeed!"

At end of meeting in response to question by Hailsham, Gromyko summed up his position. It undesirable to have direct reference to violation or to nuclear explosions. It is better to use broader language, which would cover explosions. Of course all of us would understand that this is what is referred to. Although it goes without saying, any state could exercise sovereign right to withdraw. We have no intention of carrying out nuclear explosion and we believe you have no such intention.

Hailsham said would give matter careful thought. Most important overcome this particular difficulty. Preamble not so important as treaty itself.

Was agreed next meeting would be at 11 a.m. tomorrow with no drafting committee meeting beforehand.



**204. Telegram 224 from Moscow, July 19<sup>1</sup>**

Moscow, July 19, 1963

From Harriman and Fisher. At drafting committee meeting today US tabled a “package deal” involving the following elements based on those elements believed to be acceptable in Soviet original draft. The text was offered as a package and ad referendum to principals.

Begin verbatim text. The Governments of the Union of Soviet Socialist Republics, the United Kingdom of Great Britain and Northern Ireland, and the United States of America, hereinafter referred to as the “Original Parties,”

Proclaiming as their principal aim the speediest possible achievement of an agreement on general and complete disarmament under strict international control in accordance with the objectives of the United Nations which would put an end to the armaments race and eliminate the incentive to the production and testing of all kinds of weapons, including nuclear weapons,

Seeking to achieve the discontinuance of all test explosions of nuclear weapons for all time and determined to continue negotiations to this end, and desiring to put an end to the contamination of man’s environment by radioactive substances,

Have agreed as follows: End verbatim text.

The Soviets also refused agree to the proposal that article IV be amended to provide for simple majority of all of parties after all original parties had approved. US reserved positions for plenary. Soviet indicated they would not consider dropping article VI and US indicated they would agree to article as previously offered. US indicated that might be necessary to make technical drafting change based on Deptel 237 explaining difficulties of possible ambiguities. Did not table language then but at plenary tabled following language which believed to meet possible ambiguity at least as well as language suggested Deptel 237 which open to same ambiguity and which involved less change qte to prohibit and prevent the carrying out of any nuclear weapons test explosions, and the carrying out of any other nuclear explosion, at any place etc. Unquote Believe the placing of commas around the phrase qte and the carrying out of any other nuclear weapons explosion unqte makes it clear the subsequent language applies to both nuclear weapons test explosion and other nuclear explosion. At same time suggested conforming language of paragraph 2 of article

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<sup>1</sup> Text of U.S. tabled “package deal.” Unclassified. 2 pp. Department of State, Central Files, DEF 18–3 USSR (MO).

one by having it read qte the carrying out of any nuclear weapons test explosion, and the carrying out of any other nuclear explosion, anywhere etc unqte. Matter referred to drafting committee for next meeting. Soviets also introduced complete treaty text purporting to include compilation of all positions to date in treaty form. Text now being analyzed. In view of fact that Soviets had already accepted article V of our proposal did not recommend amending accession clause as though recognition problems could be handled other way. Soviet acceptance of US, UK and USSR as joint depository will facilitate this problem.

Kohler

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**205. Telegram 239 from Moscow, July 20<sup>1</sup>**

Moscow, July 20, 1963

Saturday session began at 11 AM with same US group as on Friday.

After an exchange of pleasantries, Harriman asked if Gromyko had a solution to our problems.

Gromyko replied he had asked yesterday that we give thought to Soviet formulation which they felt should be acceptable to all parties.

Harriman said he had thought over Soviet proposal and re-read yesterday's record particularly Gromyko's final summary in answer to Hailsham which stressed elimination all direct reference to "violation" and "nuclear explosion." Prepared meet Soviets half way re "violation" if Soviets can agree to refer to "nuclear explosion." Soviets have said preferred broader language which would cover explosion but this language so broad and sweeping would give impression treaty illusory and would fail give it dignity in eyes of world. Harriman had also been advised that withdrawal must be related to occurrence of nuclear test in order obtain Senate ratification. If withdrawal not so related, Senate would pass reservation causing great difficulty. Question is how to deal with this problem. US, UK and USSR all want treaty and therefore hoped Soviets could accept our language.

Gromyko asked see text.

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<sup>1</sup> Meeting with Gromyko: resolving the finer points of acceptable language. 7 pp. Department of State, Central Files, DEF 18-3 USSR (MO).

Harriman said text same as yesterday's except "prohibited environments" changed to "three environments previously described."

Gromyko said this very minor change.

Harriman responded was improvement compared with our original text which had referred to "violation."

Gromyko admitted some improvement but still insisted very minor. Said yesterday Harriman and Hailsham had said Soviet formula broader than desired. Had pointed out formulation implied state could base its decision to withdraw from treaty on considerations far broader than those contained in treaty itself. Gromyko said he had gone into great detail yesterday in attempt explain matter but to preclude any possibility misunderstanding wished propose another version this article based on wording "related to the contents of the treaty" (sent septel).

Harriman expressed appreciation Soviet efforts find new language. Would have consult Washington before expressing opinion.

Gromyko, switching to English, said wished also state Soviets prepared accept language in preamble referring to general and complete disarmament in conformity UN purposes as suggested by US.

Harriman expressed gratitude and asked if Soviets had given further thought to Article 3. If Soviets would agree drop their language we could withdraw our proposal concerning "by means of effective treaty provision."

Gromyko asked to hear text and following then read to him in both English and Russian: "Seeking to achieve the discontinuance of all test explosions of nuclear weapons for all time and determined to continue negotiations to this end and desiring to put an end to the contamination of man's environment by radioactive substances."

At this point Hailsham said Russian text was improvement.

Harriman then asked about treaty title.

Gromyko said felt perhaps better specify in title ban on nuclear weapons tests as this would have more favorable psychological effect on public opinion which considers this treaty as applying to nuclear weapons. Denied that this matter of principle or of any special interest to Soviet Union.

Hailsham asked whether subject should be "treaty for ban nuclear weapons tests."

Gromyko responded that might be better.

Harriman said the US believed wiser specify in title three environments covered by treaty, so as not to create confusion in public mind. However, if Sovs preferred no reference to environments he would ask for Washington's reaction. While matter not substantive, if of such

psychological importance that unless Sovs could accept reference to three environments today, it would have to be referred to Washington.

Gromyko contended Sovs had no special motives re this matter, but believed from public opinion standpoint, particularly from standpoint those unfamiliar with fine points of problem, better concentrate in title on main point as scope of treaty determined by its contents so that no one would have any doubts re what was intended.

Harriman reiterated this not question of substance, only of public reaction, but would refer to Washington.

Hailsham did not believe UK Del would find any difficulty re preamble or title and therefore did not wish prolong discussion these matters. Re withdrawal language suggested by Sovs today, believed it represented substantial improvement over previous Sov text, and thanked Gromyko for having been able find such wording. Since Harriman was to refer to Washington, he thought he too should reserve his position until he communicated with London. However, personally he believed new Sov language was substantial improvement and therefore he did not wish minimize Sov effort.

Harriman then referred to article I noting it had been tentatively agreed in drafting committee and recalling subsequent US suggestion language para 2 should conform to para 1. However, article I in Sov draft treaty received yesterday contained some new language causing US certain difficulties; we would like preserve language tentatively agreed in drafting committee, with one modification he had indicated.

Gromyko said Sov draft treaty was composite text including article I with certain changes which Sovs believed should be acceptable to US/UK.

Harriman reiterated brand new language in that article caused difficulty.

Hailsham said new Sov language para 1-b, Article I, unintelligible. He could not understand it because purpose previous wording was to add to treaty coverage additional environment, i.e., underground explosions with venting. As he understood, Sov addition meant such tests should also be prohibited under future comprehensive ban; however, if there should be comprehensive ban it would cover all environments, including underground and therefore difficult understand why this clause necessary. Underground explosions with venting would automatically be covered in comprehensive treaty. Wondered whether reason for lack of clarity Sov addition perhaps lay in translation problems.

Gromyko believed there was no problem of translation. Point was that according to para 2, which had been proposed by US/UK, there were tests in a very special category, i.e., not fully underground and

not fully in any of other three environments. Para did not deal with underground explosions as such but with vented underground explosions. Therefore, Sovs believed it should be clarified in treaty how this particular problem would be settled in future. Since question of such special tests had arisen it would be better, perhaps for political reasons, to include Sovs suggested language. He could see no demerits but only merits in that language, since it would strengthen the treaty without predetermining anything in future. While addition was not major, Sovs believed it useful.

Hailsham understood Gromyko's remarks to mean comprehensive treaty would override limitation set forth in para 1–b. If that was so, he saw no difficulty in accepting Sov suggested addition but wished clarify what it meant.

Gromyko said such understanding could be correct, provided future agreement covered all four environments including underground. On other hand very specific situation would arise if future agreement covered only underground tests and not such tests as might be regarded as half underground and half atmospheric.

Hailsham said he had no objection in principle to addition, but believed improved language should be found. Believed this was only point of substance he wished to raise as other differences between US and Sov versions were purely matter of phraseology and UK could accept either version. If there were any differences in substance two versions, he wished respective sides tell him what they were. He could not see any problems of substance.

Harriman pointed out problems did arise. All these matters had been discussed in Washington for many months, but now we were faced with some brand new language. We believed treaty should stand by itself and should not deal with what might happen in future, possibly in some other form. Thought underlying Sov addition was included in preamble clause expressing hope comprehensive ban would be achieved. Since Sov addition could cause difficulties in Washington and had no clear object but only complicated matters, we wished ask Sovs remove it. New Sov draft also presented some difficulties of drafting nature, but since those might be due to translation or punctuation they should be referred to drafting committee. Hoped Sovs would remove this complication and agree refer to drafting committee Article I for final editing to make language as clear as possible to all.

Addressing himself to Hailsham, Harriman stressed these articles had been studied at length in Washington and each of phrases had definite meaning to conform with objectives we believed should be covered.

Gromyko asserted could not understand nature Harriman's doubts and requested clarification. Wondered where Harriman saw drawbacks

in Sov addition. He could well understand articles had been studied for months in Washington, but addition had been proposed not to weaken treaty but only to clarify it. Wondered whether Harriman's doubts lay in belief Sov suggested language prejudged solution of question of future explosions of this kind.

Harriman said there were two points he wished to make clear. First, Sov addition meant rewriting of this para from what had been agreed in drafting committee. This para had been carefully drafted to cover all contingencies and without study one could not answer what problems addition would create. That was why he had suggested drafting committee study problem to see that all requirements and situations were covered. Second, there was matter Hailsham had spoken about, i.e., reference to future treaty. It was unusual to speak in text of one treaty of what some other treaty should cover. Reiterated this treaty should stand by itself and should not prejudge what should be covered in other. Language calling for achievement comprehensive test ban appropriate for preamble and indeed was already contained therein. We believed quite unusual have substantive part of treaty covering points of some future treaty not yet in existence. Certainly, when we came to comprehensive treaty we must be clear what should be covered and make sure no loophole would be left, but to prejudge this now would only complicate rather than clarify situation. Reiterated hope Sovs would remove their addition particularly as added nothing to present situation.

Gromyko had no objection to drafting committee studying this language and attempting agree on it. He now had clearer understanding Harriman's doubts but believed they not justified. Sovs did not believe their additional language would prejudge future settlement this problem for there were only four environments and thus in comprehensive treaty one could add only one environment, i.e., underground. However, if Harriman believed present Sov suggested language in some degree prejudged nature future treaty then perhaps language could be used indicating that provision para 2 would be in effect until this problem was settled in future agreement, without speaking of nature of settlement.

Harriman observed effect would be same whether language included or not.

Gromyko commented this was not matter of substantive but Sovs believed better include such language.

Hailsham said he was impartial on this point.

Harriman suggested attempt be made find some language which would be clearer from standpoint our objectives. In any event matter must be carefully studied. Opined principal reason for Sov suggested addition was propaganda rather than substance. If addition was to be

made purely for public opinion reasons we might consider it. However, we wished obtain Washington's reaction to this matter, as Washington believed Article I had been settled.

Re articles II and III new Sov draft, Harriman said they under study by legal experts, and Washington had somewhat different language for them. However, did not believe any points of substance or principle were involved and therefore suggested they be referred to drafting committee as well.

Hailsham believed this was purely matter of language. While of course one could read different meaning into Sov and US versions he personally could put his name under either.

Gromyko agreed no matters of substance were involved.

Harriman noted Article IV new Sov draft (withdrawal clause) was one that created greatest difficulty. As to Article V that draft there appeared to be no problems.

**Kohler**

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## **206. Telegram 247 from Moscow, July 22<sup>1</sup>**

Moscow, July 22, 1963

Reference Embtel 239. This corrects an error in full report of July 21 plenary session.

In discussion of preamble beginning quote Gromyko switching to English unquote the words qte article three unquote appear in the first sentence of the second paragraph of that discussion. The correct reference is to quote paragraph three unquote of preamble, rather than quote article three unquote of treaty.

[illegible in the original] appear not to [illegible in the original] error. Our assumption is that instruction contained Embtel 239 was based on correct interpretation of reference in question.

Signed Kohler.

**Rusk**

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<sup>1</sup> Correction of error contained in Moscow telegram 239. Secret. 1 p. Department of State, Central Files, DEF 18–3 USSR (MO).

**207. Memorandum from Ball to President Kennedy, July 22<sup>1</sup>**

July 22, 1963

## SUBJECT

Proposed Nuclear Offer to De Gaulle

An offer of nuclear assistance to General De Gaulle to induce him to sign a test-ban agreement would, in my judgment, be generally interpreted as a departure from our announced policy of discouraging independent national deterrents. You stated this policy eloquently to the European people in your Frankfurt speech.

To depart from a policy of this importance is a major step with far-reaching implications. Before you finally decide on this new course, I urge that the decision be thoroughly examined and tested against all possible consequences. I am encouraged in venturing this admonition by the views that David Bruce has put forward in his telegram this afternoon (Deptel 491 of the Mum series). Bruce vigorously argues against a nuclear offer to De Gaulle.

Whether or not General De Gaulle would accept an offer from us if we decide to make one is a matter of speculation. It would, I think, depend to a considerable extent upon the conditions that we attach. But, without regard to the General's reaction, the mere fact of our making such an offer would itself raise serious problems in our relations with other nations.

I foresee so many difficulties in the new line of policy we are considering that I feel obliged to call to your attention some of the implications as I perceive them.

This memorandum will consider three questions:

First: Is it desirable to make a nuclear offer to De Gaulle?

Second: If so, what should be the form and conditions of that offer?

Third: What should be the timing of our offer?

## I.

## SHOULD WE MAKE AN OFFER TO DE GAULLE

*A. Arguments in Favor*

The arguments that have been advanced in favor of offering nuclear technology to the General are, as I understand them, the following:

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<sup>1</sup> Proposed offer of nuclear assistance to de Gaulle. Secret. 12 pp. Department of State, Central Files, DEF 18-8.



1. We can hope to persuade General De Gaulle to sign the test ban only if we give him the technology he would otherwise derive from testing. If we do not do so, he will refuse to sign the treaty, continue to test, and thus give the Soviet Union an excuse for withdrawing from the agreement.

2. The French have been working on a nuclear deterrent since 1955. It would be unfair for us to seek to prevent them from perfecting their deterrent through testing, especially since we have helped the British.

3. Khrushchev already recognizes France as a nuclear power, and since he has not shown interest in a non-dissemination agreement, he can hardly complain if we help the French gain greater nuclear competence.

4. We have already crossed the line of showing our willingness to help France by offering De Gaulle the same deal that we offered the British after Nassau.

Even stated in this partial and elliptical form, these arguments have weight, and they should not be casually dismissed. If this was all there were to it, we would seem well justified in making a nuclear offer to France. But a decision of this gravity must be balanced against the totality of its consequences, and if that exercise were carefully undertaken I am confident that the dangers and disadvantages would show themselves as substantially outweighing any possible benefits.

*B. Arguments Against Making Offer*

1. *It is wrong to assume that continued French testing would necessarily disrupt the test-ban treaty.*

There is little basis for believing that, if, after a test ban is signed, De Gaulle were to set off a nuclear explosion, the Soviet Union would withdraw from the test-ban agreement. Such a contention assumes that the Soviet Union does not want the agreement in the first place and, once it was signed, would seize the first excuse to abrogate it. But the impression of Averell Harriman and the others in Moscow is quite the contrary. They feel that the Soviet Union very much wants the test-ban agreement.

I recognize that it is hazardous to try to assess Khrushchev's motivations. There is, however, reason to believe that he has two purposes in mind:

1. He genuinely wants to prevent nuclear dissemination, presumably because he wants to keep the deterrent out of Chinese and German hands.

2. He would like to use the test ban as a means of mobilizing sentiment against the Chinese, particularly in the LDC's where he is engaging in an internecine struggle for control of the national Communist parties.

If these are, in fact, the Soviet Union's motives, there is no particular reason to think that Khrushchev would opt out of the agreement simply because France tested. One has to consider the world climate in which such a test would occur. If, as seems probable, almost all the nations of the world will promptly sign the test-ban agreement, the French action would be likely to induce a widespread and hostile outcry. No doubt the Soviet Union would play a leading role in the jeering section, but I think it highly doubtful that it would abandon the advantages of appearing on the side of peace by destroying the agreement.

After all the USSR would have great difficulty in persuading the world that the French bomb tests were of a nature that "jeopardized the supreme interests of its country", as the present draft treaty specifies. And Mr. Khrushchev has made it perfectly clear that a French bomb holds no terrors for him (as a German bomb might).

Nor do I think that a French bomb test would bring public censure on the United States or the other nations of the Western alliance. The rotten eggs would fall, with considerable precision, on France—particularly if we continue to make clear that we oppose the spread of national nuclear deterrent.

2. *Our offer to help France would create difficulties with the USSR.*

But if the Soviet Union would probably accept a French bomb test without destroying the treaty, I do not believe it would stand still while we provided France with the technology that testing would otherwise provide. I think we could expect vehement charges of bad faith, and that these charges would find wide credibility around the world.

Moreover—and this is of great importance—our assistance to France would almost certainly increase Chinese pressure for similar assistance from the USSR. If a principal object of the test ban treaty is to frustrate China's ambitions to become a nuclear power, we would seem to be running the wrong way with the ball.

3. *An offer to De Gaulle would create a potentially dangerous problem in our relations with West Germany.*

The most serious hazards that might flow from our helping De Gaulle—or from our even offering to help him—would be in connection with our relations with Germany. Over the years ahead, Germany will provide the focus of danger for our European policy. As I have written to you before, the clearest lesson of the between-wars period is that the Germans can become dangerous if they are (1) isolated, and (2) given a sense of grievance.

In helping the French, we would be in the position of assisting De Gaulle's clearly announced ambition to gain a preferred status for France in Europe and the Atlantic world. At the same time, by expecting them to sign the bomb-test treaty we would be asking the Germans to

join in a self-denying ordinance condemning them to a permanent non-nuclear status—in other words, to a status of permanent discrimination.

The Germans would be unlikely to derive much comfort from the argument that De Gaulle would put his deterrent force at the service of the West. In view of his past relations with NATO, this is not very persuasive.

The risk of an offer to De Gaulle at this time is, of course, magnified by the fact that, with the departure of the Chancellor in October, Germany is moving into a new and much less certain political era. The spectacle of the French military and French scientists working with Americans on an exclusive basis could be a festering source of grievance that might get worse over time. For I think it quite unrealistic to assume that, if we provide France with limited technology in order to enable the French to avoid bomb tests, we will abruptly cut off our nuclear cooperative relationships with France immediately thereafter. Much more likely, we will be inaugurating a nuclear relationship not unlike that which we presently have with Great Britain. Over the years I think this will become increasingly less tolerable to the Germans.

*4. It would cause dismay and reassessment in other member countries of the Alliance.*

For the other Western Europeans, as well as for the Germans, our offer to assist De Gaulle with nuclear technology at this time would, I think, tend to undo much of the achievement of your European trip.

Many of our European allies would interpret such a move as indicating that we did not mean what we said when we spoke out against national nuclear deterrents. They would regard it as proving that the General had adopted the right tactics in his treatment of America, that we are susceptible to blackmail, and that the most effective way to deal with the Anglo-Saxons is to be beastly to them.

No matter how carefully we explained our action, I fear it would be regarded in Europe as a sign that the United States was turning away from its policy of partnership with a united Europe in favor of bilateral deals with the man who has done the most to disrupt progress toward European unity.

These reactions could be expected not merely from Germany, but from Italy and the Benelux. In fact, I think we should take a careful reading as to the possible effect on the policies of the new Italian Government during this highly critical period.

*5. It would harm our position with the LDCs and the rest of the world.*

If, at the time of signing the test-ban agreement, we simultaneously assist an ex-colonial power in its efforts to enter the nuclear club, we will destroy a part of the moral advantage we might otherwise obtain from the test ban. In fact, our action is likely to be misunderstood and

resented particularly by the less developed countries who will see some hypocrisy in our seeking a test ban in order to halt nuclear proliferation while at the same time assisting another nation to achieve nuclear capability.

6. *Harmful consequences will flow from the offer, whether or not it is accepted.*

In making a nuclear offer to De Gaulle we risk considerable damage to a variety of vital interests—whether or not the General buys what we offer. The mere fact of our tendering assistance—taking into account that the Soviets presumably do not wish to be pressured into making a similar offer to the CHICOMS—will indicate that the Western white nations are willing to share the bomb with other Western white nations—but not with people of different color. The CHICOMS would be likely to make a propaganda field day out of this.

7. *It is not in our national interest to encourage a French deterrent.*

Nevertheless—in spite of all of these dangers—I think we could afford to absorb the discontent of the rest of the world with our nuclear offer if it were clearly in our interest that France should become an effective nuclear power. It seems to me, however, that the facts are quite the contrary.

Why, after all, is General De Gaulle interested in having nuclear weapons? He has made it crystal clear that he regards a nuclear weapons system not as something to be placed at the service of the West but as an instrument of specifically national interest. He does not think of a French national deterrent as a supplemental force to be used alongside the American force; he sees it rather as a force he can employ in the event that the United States chooses not to use its force when he thinks French interests require it. He has recognized quite candidly that, as a supplement to the American force, the *force de frappe* is unnecessary, but he wants to be able to enforce French policy in the event that French policy is contrary to our own. In other words, he desires an independent force primarily *for the purpose of being able to frustrate American policy* when he chooses to do so.

Under these circumstances we cannot expect that De Gaulle will be prepared to put his nuclear force in NATO even to the extent to which we and the British have committed our nuclear forces. The General has made clear that he regards NATO as an American creature, and, even if he were to agree to the Nassau formula, he could be counted upon to give a peculiarly Gaullist interpretation to the phrase “supreme national interest”. Can anyone doubt that he would withdraw that force whenever it suited his special purposes, as he has already withdrawn the French fleet or as he withdrew most of the French army to serve in Algeria?

But if it is against our national interest for De Gaulle to have an independent deterrent, it is even more clearly against our national interest for us to help him achieve it. As David Bruce has pointed out with great clarity in his telegram, there are compelling reasons for us not to hasten the day of De Gaulle's becoming even a minor nuclear power. And the more the General is faced with delay and mounting cost, the more will be the pressures on him to play a cooperative role in the Alliance.

There is, moreover, a further reason favoring delay. If we do not help the French now, I think it likely that, if and when the British Labor Party comes to power next year, they will begin to phase out the British deterrent, which could relieve the ultimate pressures for nuclear capability in other countries. But they will probably not feel able to do so if we are actively helping France.

#### WHAT SHOULD BE THE CONDITIONS OF A NUCLEAR OFFER?

If—in spite of the foregoing considerations—it is decided that the U.S. should make a nuclear offer to De Gaulle, I think it essential that you make clear from the outset that the offer is not for the purpose of facilitating De Gaulle's ambition to achieve a nuclear capability he is free to use at will for his own special national interests. At the minimum the offer should be unequivocally conditioned on at least as firm terms of assignment as were employed with respect to the British Polaris.

The present draft of the proposed letter to General De Gaulle does not make this point clear. It provides merely that we "would be willing to explore alternative means by which the necessary technical information could be made available for your program."

De Gaulle has repeatedly emphasized that he is not interested in building up NATO, and he has already rejected the Nassau deal. Under these circumstances it would not be unreasonable for him to interpret this language as suggesting that, at long last, we were ready to help him develop his program on the terms in which he has conceived it—as a specifically French deterrent.

Under these circumstances I think it likely that, if we do not make ourselves clear and precise from the outset, he will feel—or at least pretend to feel—when he learns our true intention, that the perfidious Anglo-Saxons have tried to do him in again.

There is another serious danger in not making clear at the outset what we have in mind. I would assume that, at the time a message is sent to De Gaulle, you will simultaneously be in touch with Adenauer—and probably with Spaak, the Italians, and the Dutch. In order to justify our nuclear offer to France, we must emphasize to them from the very beginning that our technology will be provided only on the condition that De Gaulle puts his force at the service of the West through NATO.

Yet you cannot say this to the others without at the same time saying it to De Gaulle.

Under the circumstances, I think it essential—if it is decided to go ahead—that we make quite clear in the initial letter the general conditions we have in mind. It would be far better to have De Gaulle reject the offer out of hand, than to upset our other partners by leading them to suspect that we might be prepared to help him on his own terms.

### III

#### WHAT SHOULD BE THE TIMING?

The present draft letter to De Gaulle has been prepared on the assumption that it would be promptly sent so as to reach the General prior to the conclusion both of the test-ban treaty and of his press conference on the 29th. The apparent assumption is that De Gaulle, in conducting his press conference, might thus be led to tone down any denunciatory language directed at the test-ban treaty.

I would not pretend to know whether an approach to De Gaulle during the coming week might persuade him to change his tune on July 29. He has already made clear to the world that he intends to continue testing in order to perfect his independent national deterrent, and he is unlikely to change that line until a bargain is in hand—although an approach now might induce him to lower his voice.

But I think there are good reasons why we should not be too hasty.

If we make clear in our initial letter that we expect the General, as a *quid pro quo*, to assign the *force de frappe* to NATO, we shall be more likely than not to receive a negative reply, and it is possible that De Gaulle would tee off on this offer in his press conference as he teed off on the Nassau offer on January 14.

On the other hand, if we send him the type of “come-on” letter now suggested, we may evoke a blander reaction on July 29, but we run the risk of a more violent attack when De Gaulle finds out what we are really up to.

Timing is important not merely in relation to the world effect of a test-ban treaty but also in relation to the process of Senatorial ratification. In this connection we should consider whether it is better to risk a rejection of the treaty on July 29 or a more angry attack a week or two later after De Gaulle has ascertained the conditions we have in mind. In any event, I doubt if it would be possible to postpone all reaction from the General until after ratification was completed.

As between the alternatives of an immediate ambiguous approach that might blunt the edge of De Gaulle’s words on the 29th and a franker disclosure of what we have in mind, I should certainly recommend the latter. But I do not believe that an immediate approach in either

form is a good idea. I would, instead, prefer David Bruce's suggestion that we merely inform De Gaulle at this point what we propose to do in Moscow, withholding any suggestion that we might meet his needs for technology. The General would no doubt speak his mind on July 29, but I do not think that his rejection of the treaty would come as much of a surprise to the world.

Meanwhile, other voices will be heard. I think, in fact, we can look forward to a rising pitch of gratification as the world waits for the conclusion of the treaty, and immediately after the treaty is concluded I think we can expect most of the nations of the world to queue up in order to establish their peaceful intentions by becoming early signers. In such an environment of expectation a dissenting French voice will lose its resonance in the manner of the Cuckoo's as Spring wears on. And it will become increasingly difficult for De Gaulle to maintain his obduracy—particularly since he is likely to be under substantial pressure from the African members of the French Community as well as from his European neighbors.

At that time—hopefully—we might find a feasible occasion for organizing our other European allies in a common approach to the problem of the French deterrent. Certainly it would be far better to work toward this objective than to try to capture the Gaullist citadel with only our Anglo-Saxon partner to keep us company.

**George W. Ball**

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**208. Telegram 271 from Moscow, July 22<sup>1</sup>**

Moscow, July 22, 1963

Today's session began 3 pm with same US group as last meeting. Fisher began by reporting proceedings drafting committee this morning.

After some discussion various points in Article 1 tentative agreement reached on following:

(1) Sovs accepted inclusion of qte to prevent unqte following qte to prohibit unqte in para 1; (2) US/UK accepted language para 1.a subject to minor editorial changes; (3) in para 1.b, add after qte con-

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<sup>1</sup> Readout of July 22 meeting with Gromyko. Secret. 5 pp. Department of State, Central Files, DEF 18-3 USSR (MO).



ducted unqte qte it is understood in this connection that the provisions of this subparagraph are without prejudice to the conclusion of a treaty resulting in the permanent banning of all nuclear test explosions, including all such explosions underground, the conclusion of which, as the parties have stated in the preamble to this treaty, they seek to achieve. Unqte; (4) Sovs agreed make language para 2 conform to language para 1.

Re (1) above, there was no discussion.

Re (2) above, Gromyko expressed concern US language did not cover underwater explosions in inland waters. Harriman and Hailsham said neither US nor UK intended conduct such explosions; assumed Sovs had no such intentions either and accepted Sov language.

Re (3) above, there was lengthy discussion in course of which Gromyko's main point was that since para 1.b in effect created a special category of explosions it should be made clear that such explosions would be covered by any future comprehensive treaty. Harriman and Hailsham said intention was have all types nuclear explosions, including those referred to in para 1.b, covered by any future comprehensive treaty. Harriman pointed out, however, that Washington's preference was to reflect this intention in preamble rather than body of text, saying para 3 preamble could be appropriately modified for that purpose. Gromyko countered preamble already agreed and such solution would only complicate matters. Suggested brief recess so that principals could consult advisers. During recess US/UK developed language which Sovs accepted with minor drafting changes. Harriman stressed language subject to Washington's approval.

Re (4) above, there was no discussion.

Gromyko then proposed turn to Article 4 ("withdrawal" clause). Asked if any comments on Sov proposal.

Harriman said thought matter could be handled without changing Russian text simply by agreeing to difference English translation Russian terms, i.e., substitution qte subject matter unqte instead of qte contents unqte and qte extraordinary events unqte instead qte extraordinary circumstances unqte. It was agreed these new translations would be English text with Russian text remaining unchanged.

Harriman then raised problem of qte peaceful uses unqte. Said although this not rpt not now rpt now mentioned in treaty, he had discussed matter with Khrushchev yesterday. Khrushchev had spoken of great new Sov projects concerning canals and reversing flow of river. US had considered possibility of new canal across Isthmus Panama. Such projects might involve qte peaceful uses unqte. Under terms of article on amendment this might be possible by agreement all original parties. Harriman stated merely wanted make record clear that any



one of the parties who wished in future use atomic energy for peaceful purposes might raise matter in this fashion. Gromyko agreed saying Sov position on peaceful uses had been stated in context treaty under negotiation, without prejudging issue for future. Harriman said would now be able say amendment could be requested and Sovs agreed consider it without prior commitment.

Concerning amendment, Gromyko inquired whether would be two-thirds or simple majority. Harriman said preferred simple majority which would make it easier for USSR, US and UK to accomplish what they wished. Gromyko said had no objection to simply majority. Harriman suggested, and Gromyko agreed, include in para 5, Art 5, reference to withdrawal notices.

Gromyko said next wished discuss situation which would be created if French refused adhere treaty and continued test. In this event Sov Govt would wish re-examine situation. This serious matter and he hoped US and UK efforts persuade France adhere would be crowned with success. Add Sov Govt reserved right issue formal statement concerning France at appropriate stage progress this treaty.

Gromyko said wished again point out Soviets proposing in all seriousness return to subject of NAP. Would like recall Khrushchev statement re importance this subject and his remarks re favorable consequences which would ensue from signing such pact. Trusted no one would deny that 3-environmental TB treaty does not constitute disarmament or even beginning of disarmament although of positive significance. But simultaneous conclusion both TB and NAP would certainly have definite positive effect and lead to international détente. Would also create more understanding among states and more favorable atmosphere for study other question, particularly German question and settlement situation West Berlin. Said did not know whether others ready this meeting say anything new re UK and US position re NAP, but in accord Soviet Government position must emphasize again importance attached NAP in combination with TB.

Harriman said wished postpone discussion France until three principals meet privately later. Gromyko agreed. Harriman stated we fully recognize seriousness which Soviet Government attaches NAP and yet at loss how deal with other than in communiqué saying we prepared take matter up and discuss with respective allies who of course would be affected.

Gromyko regretted Harriman had said little new. Said there was evidently still belief NAP would yield income or dividends to Soviets but this was not case and was not reason they pursuing it. NAP would be useful for everyone in easing international tension and benefitting cause of peace.

## II

Hailsham stated UK delegation had no doubts re importance Soviet Government attaches this matter, was particularly anxious achieve détente. Problem was how far could go without exceeding instructions or causing NATO allies feel we had negotiated this subject behind their backs. Emphasized could neither go beyond instructions nor negotiate behind allies' backs. Said had put down language which might be used in communiqué and which Harriman had seen. At this point Hailsham handed Soviets text contained Emb's 248. Hailsham said felt this language would assist purposes Soviets had in mind and create favorable atmosphere in which further discussion could take place.

After looking at text Gromyko remarked that it not only showed no positive attitude toward NAP but on contrary even cast doubt on expediency its being discussed. Added was certain positive Soviet reaction to this language had not been expected. Every state was free to consult its allies. Soviets were proposing not consultation with our allies regarding expediency NAP discussion, but that understanding be reached on necessity of concluding NAP and in combination with TB.

Hailsham responded was difficult carry matter much further at this time in view instructions from President and Prime Minister. Would carry matter as far as possible and would seek instructions. President's and Prime Minister's instructions not based on lack of desire conclude agreement. Point is that allies would react strongly to any attempt on our part to prejudge outcome of discussion. Any such action on our part would be counterproductive and would reduce chances agreement eventually being achieved. Not a word of what Soviets had said would be overlooked. President's and Prime Minister's instructions had been based on desire avoid resentment of allies but within limits these instructions willing go far as possible.

Agreeing with Hailsham, Harriman emphasized that anything that appeared to our allies as if we were settling matters behind their backs would create difficulties. Necessary get agreement all NATO partners or nothing could be done. Anything having appearance pressure would be counterproductive. Promised go forward in good faith. Had studied and liked text UK just distributed. Felt "desirability" was asset rather than liability.

Harriman recalled President and Prime Minister had written Khrushchev early in June concerning TB discussion and this was basis for presence UK and US delegations in Moscow. Was only shortly prior delegations' departure for Moscow that Khrushchev had made East Berlin speech re TB and NAP. Therefore US and UK delegations empowered negotiate TB but nothing else. Hoped could conclude TB and proceed in orderly manner to give fullest consideration to discus-

sion nonaggression between our respective allies or between USSR, US, and UK again if authorized by allies negotiate for them. Was certain world would be very disappointed if at this stage after rather protracted negotiations announcement agreement on TB could not be made. Felt such announcement would create favorable atmosphere for further developments. Trust no thought TB would be held up.

Gromyko said had nothing to add to what had previously said on this subject. Suggested adjournment plenary with three principals continuing meeting in private.

On Hailsham's suggestion, was agreed drafting committee would meet tomorrow 10 AM to prepare clean draft TB treaty as presently agreed.

After agreement on language today's communiqué, was agreed plenary would meet again 3 PM tomorrow.

**Kohler**

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## **209. Telegram 274 from Moscow, July 23<sup>1</sup>**

Moscow, July 23, 1963

From Harriman. Subsequent to regular meeting this afternoon (July 22), Harriman and Hailsham met with Gromyko privately.

Harriman referred to Gromyko's remarks re France in larger meeting commenting he had wanted to raise subject himself. Said President anxious get France to join in agreement, but this delicate situation. Believed he would get word from President re this and other matters before meeting with Khrushchev. Said he aware of importance Sovs attach to French problem and wondered whether Gromyko believed useful add to withdrawal article language in same sense as contained first sentence US draft withdrawal clause submitted earlier. Quote and it is expected (or hoped) that treaty will be adhered to by all (or other) countries unquote. Suggested Gromyko give consideration to this, as such language would indicate all three would work together in getting other countries to adhere. Said we hoped as many countries as possible would join. We believed language would be helpful as indication belief

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<sup>1</sup> Readout of Harriman/Hailsham private session with Gromyko on French issue and signing considerations. Secret. 6 pp. Department of State, Central Files, POL 7 US/Harriman.

of the three that all states should adhere. Gromyko said would study but remarked his first impression was that usefulness such addition doubtful.

Harriman inquired whether Sovs believed the three should work on other countries together.

Gromyko replied in affirmative but noted France was special case, as it was nuclear power although perhaps not very important one.

Harriman reiterated he would probably get something from President before seeing Khrushchev. Said other question he wished raise was signing. If Sovs ready sign TB and then go to work in sincere manner on nonaggression problem, he prepared discuss with Gromyko how US proposed signature of test ban. Since TB treaty required ratification by Senate, US would bring a few Senators along.

Gromyko said prepared hear Harriman's views any time. As to nonaggression pact, when TB treaty text completed—he hoped tomorrow—he would report situation to his govt in following manner: TB treaty had been agreed at this level but US/UK reps were not ready now to agree finally on NAP and had suggested language for inclusion in communiqué. Sov Govt would then consider situation in this light, but he did not know what decision would be reached. However, he wished stress importance Sovs attached to NAP. Rightly or wrongly, Sovs were certain that everyone represented here would benefit from nonaggression pact. As to TB, it would also have certain importance though not very great, if it were not accompanied by NAP.

Harriman observed no use discussing procedure for signing until Sovs ready sign TB. Position of US Govt was clear there was no connection between TB, which affected all nations of world, and nonaggression arrangements affecting Europe. TB would create atmosphere which he believed, although he could not make any commitment, would make easier get agreement on other matter. Could not see how NAP could be negotiated here, as agreement on that subject would, at best, require long negotiations which would put it on ice and be embarrassing to all. If the two matters had any connection, that would be another matter but they were different, except perhaps in sense of reduction of tensions. Harriman assumed Sov Govt ready sign test ban ASAP, and, if so, he would be prepared discuss procedure for signing. Expressed hope Sovs would not object to our bringing Senators, noting Gromyko was accustomed to having them around. We were thinking of bringing one Senator from each party to attend but not to participate in signing. Reiterated no use discuss this until Sov Govt made up its mind.

Gromyko said had nothing to add except that he wished stress Sovs sincere in stressing importance of NAP.

Harriman said Gromyko should not think we minimize this matter; we would take it in sincere spirit.

Hailsham said PM felt present political conjuncture should be used to promote rapprochement. TB could usher in further tension reducing arrangements but he did not believe NAP would be easy to sell to allies. At same time, if TB were signed public opinion in Western Europe would be very favorably impressed for that would be first time agreement of such importance reached. That true particularly of public opinion in UK, but also in France, Germany, Italy. Indeed signing of TB document would have public opinion effect out of proportion with intrinsic value of test ban, which admittedly not very great step towards disarmament. But psychological impact would be very great.

Harriman observed impact might be even stronger than in case of Austrian treaty.

Hailsham referred to suspicions existing among allies re Harriman mission and stressed US/UK must show to allies that they keeping their word. He was sure it would be easier convince allies re non-aggression arrangements if US/UK proved their good faith. Strongly urged Gromyko not be disappointed if both TB and NAP were not signed at same time, but to consider this as step towards objective Sovs regarded so important. Reiterated great importance of TB with respect public opinion. Expressed confidence there would be chance getting agreement on that and other matters. Pointed out if this opportunity were missed for reaching agreement, there may be no other chance. UK believed this agreement would lead to other one and further agreements.

Gromyko referred to FRG pronouncements it would not use force to change borders and De Gaulle's position on German borders. US and UK of course know each other's position on this matter but they also appeared be against use of force. Thus on principal point of NAP, i.e., non-use of force for solving outstanding problems, there should be no doubts among anyone as to point frequently raised by some people and groups in FRG, as well as France, that problem of GDR recognition would arise as a result of NAP, he wished point out recognition was separate problem, relating to form of NAP. As Sovs understood situation, it should not be very difficult resolve problem of form.

## II

Hailsham expressed view question of form was possible to resolve.

Harriman commented Khrushchev had given US very important ammunition in discussing this question when he said form could be referred to lawyers. Pointed out Germans were emotional about this matter as it related to reunification. As to De Gaulle, he did not know exactly what his problems were but noted De Gaulle had gone farther than anybody with respect to Oder-Niese. In any event, De Gaulle would be very difficult if something were done behind his back. Gro-

myko had talked to Spaak who was on record as being in favor of nonaggression arrangement.

Gromyko commented proposed language for communiqué placed conditions even on discussion of NAP.

Harriman observed the more fluid we remain the better chances would be of getting allies along.

Hailsham said his position very positive but would not wish put it in communiqué. Suggested communiqué include reaffirmation by the three that they would not use force in settling outstanding issues. Anything more than that would create great problems. Referred to French apprehensions re US/UK working very closely together, which at least in part due to fact that British and Americans spoke same language.

Gromyko wished Harriman and Hailsham understand Sov position. Sovs believed reference in communiqué not enough, they believed agreement should be reached here. However, proposed language for communiqué did not even reflect positive attitude towards NAP.

Hailsham wanted assure Gromyko UK positive. Perhaps language could be strengthened, but should not create impression of agreement.

Gromyko wondered whether Harriman and Hailsham would state their own positions in this informal conversation.

Hailsham said UK would favor arrangement, provided they were relieved of certain things. PM wanted bring about situation where such arrangement could be signed, but that could not be done here and now.

Harriman commented this had not been area his primary concern for quite a while as he had been dealing in Far Eastern Affairs. However, he knew people in Washington were concerned about attitude of France, to whom we were committed. Did not wish to be negative but we would support concern expressed with respect effect on unification. Thus language would have to be found which would be satisfactory not only to those present here but to others as well. However, US had consistently sought relaxation of tensions. Referring to his remarks re Berlin in earlier meeting, Harriman said there was concern as to what would happen if suddenly the East Germans stopped access to Berlin. For this reason, we would probably raise this question. At same time pointed out Washington very keen use favorable atmosphere to have it permeate into all European countries, both those belonging to NATO and Warsaw. Thus, only thing he could say was that we would take our work constructively to bring about and expand constructive results.

Gromyko said since Harriman brought up West Berlin and Germany, he wished say that to link access to NAP would mean burying NAP. Harriman and Hailsham were familiar with progress in US/USSR, as well as occasional US/UK talks on general question of German

peace treaty. Idea of pact was involved there and was one of questions US/USSR believed should be resolved in connection with German peace treaty and settlement West Berlin problem. However, since now there were practically no negotiations on that subject, Sovs were attempting convince US/UK that it would be useful resolve NAP in connection with TB. There was no point discussing logical connection between test ban and NAP, but Sovs believed NAP would be useful from standpoint improvement international relations. One step, i.e., TB would also be useful from that standpoint because otherwise Sovs would not have suggested it in Khrushchev Berlin speech. However, two steps would be better.

Hailsham said TB could be signed quickly, whereas he was certain NAP would take long time. TB would help get others with respect NAP. He understood Sovs did not want access to West Berlin to be included in NAP. However, if Sovs could do or say something outside which would give real assurances to people, re access, that would be of great help.

Harriman hoped Gromyko would study our suggestion re communiqué, while we would proceed as energetically as possible with allies. Stressed chances would be better if TB were signed than if it were held back. Pointed out everybody regarded TB as standing on own feet; if TB were connected with something else it would get involved in lengthy negotiations, even though such negotiations might be successful.

Hailsham said wished ask before breaking up when Sovs intended make statement re France Gromyko had referred to in larger meeting.

Gromyko replied that had not yet been decided but would be done at appropriate time.

Harriman said we interested in what Sovs had in mind.

Hailsham recalled Khrushchev had said Sovs would examine situation in case France should set off nuclear explosion, but Gromyko had said something different today.

Gromyko said Sovs would state at some point before treaty entered into force that if France engaged in certain actions Sovs would have to examine situation. However, he did not have text of such statement.

**Kohler**



**210. Telegram 295 from Moscow, July 23<sup>1</sup>**

July 23, 1963

From Harriman. At Gromyko's suggestion Harriman, Hailsham and Gromyko met privately after regular session.

Gromyko opened by commenting that as far as TB Treaty concerned, progress had certainly been made. Inquired whether Harriman and Hailsham had any views to add to what they had said on NAP yesterday.

Harriman said Washington felt language for inclusion in communiqué as proposed by Hailsham was about right. View in Washington was that more general that language the better chance for agreement. Gromyko had been right in mentioning certain countries we might have trouble with. Gromyko knew that DeGaulle had a personal reaction to this matter. Harriman assured Gromyko we would move as fast as possible after agreement on TB for we would not sign communiqué unless we willing proceed with energy. Stressed President took very seriously Sov concern re France's adherence to Test Ban Treaty, and hoped get little more details by time of his next meeting with Khrushchev. Pointed out this was indication of President's attitude that there was now rpt now opportunity of making progress in as many directions as possible. Certainly US wished good will emanating from TB agreement to be spread to as many countries as possible, including NATO and Warsaw Treaty members. However, we hoped Sovs would help US in that endeavor by accepting language on lines Hailsham's suggestion, which had been approved by Washington.

Hailsham stated there were definite limitations in his instructions, and they had been confirmed by Prime Minister publicly. However, having spent this time in Moscow he deeply convinced about sincerity Sov proposal and importance Sov Govt attached to it. PM would also be impressed favorably but he certainly would not wish him, Hailsham, say anything on this publicly or in communiqué. Hailsham did not know what PM would say in public after he reported to him. In any event, would report to PM fully and conscientiously and PM would take counsel with Cabinet. Reiterated PM would not wish him say anything publicly unless there was definite agreement between other two parties present here, which was doubtful.

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<sup>1</sup> Further private discussions with Gromyko on non-aggression pact considerations, acceptance of test ban treaty, and possibilities for reducing future tensions. Secret. 5 pp. Department of State, Central Files, POL 7 US/Harriman.



Gromyko said that as he himself had stated repeatedly, and as Khrushchev had also said, Sovs attached great importance to that. Sovs understood situation as follows: US/UK not prepared at this time finalize solution this problem and referred to need for consultations with allies. In this connection, he wondered whether he understood correctly that US and UK Govts were prepared review this question and expressed readiness continue discussion this question and seek understanding.

Harriman and Hailsham replied in affirmative.

Gromyko asked whether idea of NAP was thus acceptable.

Hailsham said it was understanding that, as Khrushchev had said, it would not involve recognition and that we could not be committed publicly before consulting allies. Remarked, however, he had read NAP draft and believed it would be a positive step. He could not commit PM but latter would consider matter with allies and colleagues.

Harriman said Hailsham's remarks, if he understood them correctly, stated what he understood was view his govt. US would consider matter promptly, consult with allies, and then see how to proceed. Assured Gromyko President wanted goodwill prevailing in these talks to spread over Europe. In addition to what he had said re nonaggression, he wished state US wanted do everything possible to obtain adherence by France to TB Treaty. As to nonaggression, there had been recent statements by FRG personalities reflecting more flexible attitudes. Harriman said he was personally encouraged but would not want predict DeGaulle's attitude. Said would report to President and felt certain President would attempt reach understanding to carry through what Sov Govt had in mind, which he understood to be reduction of tensions and development of good feeling among all European countries.

Gromyko confirmed this was Sov goal. NAP would assist in reducing tensions. Moreover, it would facilitate taking a number of further steps, including steps in disarmament field and above all with respect to German problem, to relieve tensions and increase confidence between our states. Wished stress again Sov belief absence of NAP would considerably weaken TB treaty. US/UK could not deny TB was not disarmament; it was not even beginning of disarmament and could not therefore be regarded as disarmament step. TB would only assist to certain extent in creating favorable atmosphere from standpoint of broader disarmament problem.

Gromyko continued he understood from Hailsham's and Harriman's remarks that US/UK Govts were ready make progress re NAP and intended consult their allies. Taking this into account, Sov Govt prepared not link directly signing of NAP with signing of TB. Sov Govt prepared not to make one contingent upon other. Sovs hoped this

would be duly appreciated by US and UK. Sovs trusted statements by US/UK responsible representatives that their govts would make every effort to consider positive solution of NAP. Gromyko then referred to language suggested by Hailsham for inclusion in communique and said Sovs not fully satisfied with that text. Therefore, they proposed somewhat modified text which they believed should be acceptable to US/UK. Handed text, and expressed hope agreement could be reached on that portion of communiqué.

Harriman appreciated position expressed by Gromyko. He understood importance Sov Govt attached to this problem. Sovs took our word in good faith and we gave it in good faith. As to TB, while technically it may not be very important it would be hailed by everyone as it would relieve apprehensions of world about contamination of atmosphere and be indication of even more important understandings to come.

Hailsham thanked for Gromyko's statement, commenting it was helpful. Observed that in addition to reporting to PM he would also have to make speech in Parliament in which he would express in reasonable way this gratitude; this, without formal statement by govt, would assist in achieving objective Gromyko had in mind.

Gromyko explained last paragraph suggested text could be expanded by including mention of some questions raised by participants in these talks, but Sovs could accept para both in its present form and in expanded form. Believed para would be useful to all. Did not wish suggest proposed text be discussed now as US/UK might want study it and perhaps consult capitals. Text could be discussed tomorrow.

Hailsham said text would have to be sent to London and Washington and we would see what we could say about it.

Gromyko recalled Harriman had referred yesterday to procedure for signing of TB treaty and wondered whether he still wished discuss it.

Harriman said if Sovs agreed TB treaty could be initialed by participants in these talks and then SecState would come here to sign. SecState would be accompanied by Senators, perhaps one from each party. This would lend more dignity to signing ceremony and would give Senate sense of participation, which very important for well known reasons. While not instructed do so, he wished say personally that there were certain influences in Senate which were not very helpful and therefore it was important that President handle Senate with care and dignity. This was important not only from international standpoint but also from US internal standpoint. Khrushchev had remarked President's June 10 speech had required great deal of courage, and there were some developments within US which even raised tensions.

Harriman continued he would go to report to President and Senate and a few days or a week later SecState would come if Sovs had no objection. President believed such procedure would greatly help in getting approval of treaty in Senate. Harriman said President wanted him stress he did not wish delay signing for one day, but suggested procedure would help him in giving recognition to role Senate is supposed play in international commitments under US Constitution. Added President anxious get not only two-thirds in Senate but maximum possible because of great effect of treaty on world public opinion.

Gromyko thanked and said would inform his govt. This question involved level and timing of signing; it would be considered and he would inform US/UK of Sov Govt views. Believed initialing acceptable and inquired when this could be done.

Harriman thought it could be done tomorrow.

Harriman and Hailsham believed treaty should be released together with communiqué, simultaneously in all capitals.

Gromyko thought perhaps better publish treaty with delay of say one day after initialing treaty and publication of communiqué. Such procedure would build up public interest in treaty. Noted that if initialing to take place tomorrow he had in mind text of communiqué would be agreed by then.

Harriman pointed out danger of leaks and expressed strong preference for simultaneous release communiqué and text. Believed would get Washington reaction to Sov proposed text for communiqué tomorrow, but noted did not know whether agreement could be reached at that time.

Gromyko suggested tentative agreement be made that initialing should take place either tomorrow or day after.

Harriman expressed preference for initialing treaty and releasing both communiqué and treaty text tomorrow, if agreement reached.

Hailsham agreed, pointing out it becoming increasing difficult resist press inquiries re status of talks.

**Kohler**

**211. Telegram 333 from Moscow, July 25<sup>1</sup>**

July 25, 1963

From Harriman. At Sov request, meeting today was postponed first to 4 and then to 4:30 pm.

Before meeting actually began, Gromyko handed Harriman a letter in reply to Harriman's letter delivered this morning. After familiarizing himself with contents of Gromyko's letter, Harriman asked for private meeting and Gromyko and Hailsham agreed.

Harriman opened private meeting stating he had hoped wording of his letter would be satisfactory to Sovs. Pointed out problem was that of getting votes in Senate; since there was [garble] a China lobby Gromyko's letter would make situation even worse. Suggested Gromyko take his letter back and we could perhaps modify language of ours so as to provide for right to object by any of depositaries to adherence in specific cases. To have Gromyko's letter in our possession would make our position in Senate impossible. Suggested change in his letter to Gromyko which would make regime Sovs considered as vacuum bound by the treaty but would not require Sov recognition thereof. Again asked Gromyko to take his letter back and offered modified his own. Pointed out if he took Gromyko's letter would have to write similar letter re CPR; thus we would be exchanging letters back and forth and might damage favorable spirit which we had developed in these talks with Gromyko's assistance.

Gromyko said did not quite understand how he could take his letter back since it set forth Sov position as it has always been. As to Harriman's offer change his own letter, said frankly Sovs not very interested in substance that letter; it stated US position, while Sov letter stated Sov position. Sovs did not deny US right its position. If Harriman were to take his letter back he would take back his own, because his letter was in reply to Harriman's.

Problem at hand had been discussed orally and US itself had suggest that no formal understanding in writing was being sought but only the common interpretation of issue. However, no such interpretation could be achieved because as far as USSR was concerned it could not recognize legitimacy of ratification for access by Chiang. Sovs believed it would be reasonable if US had similar attitude but they did not know how US would act; in any event, that was US own business.

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<sup>1</sup> Private meeting with Gromyko: non-exchange of Harriman/Gromyko letters, Soviet objections to unrecognized regimes ratifying the treaty, treaty adherence issues, limited nature of test ban treaty, and Harriman's statement to the Senate. Secret. 8 pp. Department of State, Central Files, DEF 18-4.

Pointed out he was speaking of Chiang and suggested there be no letters, noting it had not been USSR who had initiated letters. Suggested both sides agree they had different understanding on this matter. There were different kinds of non-recognition, one of them being a diplomatic non-recognition. For example, USSR did not recognize diplomatically Franco or present regime in Portugal but it did recognize them as existing govts. As to Chiang Sovs did not recognize him not only diplomatically but they also did not recognize him even as existing. This was substance Sov position. Evidently US had different attitude toward Chiang but Sovs had their own. Certainly Sovs could not tell US what it should do.

Harriman said if Gromyko gave him his letter he would have to write him that under no circumstances would US accept Red China's accession. It had been Gromyko's statement regarding Chiang of yesterday which had caused so much difficulty in Washington. Recognizing Gromyko's points re difficulties which would arise if all three depositories were required accept accession and ratification, we had developed in our letter procedure which we believed should meet Sov view. However, when Gromyko specifically objected to govt which had great support in US that created great difficulty. Reiterated he anxious not spoil good atmosphere in these talks by receiving this positive letter. Wondered whether Gromyko completely understood his suggested change in his own letter, noting we said non-recognized country or regime would not have to deposit ratification with all depositories but would still be bound by treaty obligations; thus Sovs could continue not to recognize that country just as we would not recognize some country or regimes. Observed that normally he would have discussed draft his letter with Gromyko before transmitting it but since we had believed treaty would be initialed today we had drafted our letter assuming it would be satisfactory. Said prepared to take back his letter and regard it as draft.

At this point both Harriman and Gromyko took back their respective letters.

Hailsham believed Gromyko had a point. Noted if a country's ratification was accepted such country would become party to treaty and would be voting under treaty provisions for amendments. This was difficult matter and it applied to both sides. Suggested it might be simpler merely to say that non-recognized country could declare itself bound by treaty, but in such case it would not have right to vote as it would not be party to treaty. Reiterated Gromyko had a point as one could not have unilateral ratification without country in question automatically becoming party to treaty.

Harriman pointed out problem involved only special cases noting there were some cases where we could not object. E.g., Outer Mongolia

would not be objectionable just as Franco was not objectionable to USSR. Appreciated Gromyko's frankness in stating his point of view but pointed out US suggested language created a way out for Sovs.

Hailsham said if Chiang were to send his ratification to Sovs they could send it back but if Chiang made a declaration Sovs could merely say they didn't care.

Gromyko said did not understand why US wished had a text, because Sovs did not wish to write more and could not write less than what was contained in their letter. As to Harriman's suggestion change wording his letter, specific contents of that letter were of no interest to USSR. In fact he, Gromyko, could turn his head away and take any letter from Harriman. Harriman's letter was attempt make USSR recognize legitimacy Chiang's adherence. Reiterated Sovs did not wish say anything more in their letter than already there—although they could—but neither could they say anything less. As to Hailsham's idea that countries could become bound by treaty without accession, he could only repeat Sovs position. In any event Hailsham's suggestion not much different from US position. Asserted exchange of letters was to US disadvantage but commented that perhaps there was some misunderstanding in this whole affair.

## II

Harriman assured Gromyko reason for our letter was not our desire to promote Chiang in this treaty. Pointed out there would be only limited adherence if only those recognized by Sovs or US could adhere. Washington wanted to make treaty all inclusive. While he did not want mention any names because Sovs might be insulted, there were some countries or regimes we object to. However, if CPR, even though we did not recognize it, were to adhere we would not object just as Sovs apparently would not object to Spain or Portugal. Reiterated Washington wished as broad adherence as possible. Commented we had never expected Sovs would react so violently in this matter although of course we had heard very strong Sov pronouncements at UN. Stressed again treaty would not be all inclusive unless it provided for accession by non-recognized countries or regimes. Observed US was prepared close its eyes to many things we did not like and had hoped Sovs would do the same. We did not believe accession would enhance a country or regime, as they had their standing, whatever it was, even without accession. Requested Gromyko's help in resolving problem under discussion, reiterating it never occurred to US Sovs would react as violently as they did.

Hailsham observed Harriman's remarks placed problem in different light. Perhaps US could write letter saying if a country or regime not recognized by US deposited its ratification with USSR, US would

accept adherence but would not recognize deposits thus if US concerned about securing accession to treaty by CPR or East Germany they could deposit with USSR and would be bound without recognition of deposit by US.

Harriman interjected we wished universality for treaty and wanted be able say all could adhere if they wished and this was understood between original parties.

Hailsham noted if bilateral recognition of deposits were required that would raise issue of concern to Gromyko. Believed no Soviet reply would be necessary to such letter from US and suggested arrangement would limit number of cases to a handful.

Harriman said perhaps this was true. Since it was our desire universality of treaty non-recognized country or regime could deposit with depository recognizing such country or regime and if copies of instruments were accepted by other depositories, such country or regime would become party. On other hand, if any of three depositories refuse accept ratification respective country or regime would not become party. For example if Outer Mongolia deposited its instruments with USSR and we accepted copies of those instruments it would become party, although of course that would not mean our recognition of that country. On other hand if we sent back those instruments Outer Mongolia would not become a party.

Hailsham noted such an arrangement would give each original party veto power re accession by countries not recognized by it.

Gromyko commented perhaps there was some degree of misunderstanding in this matter, although he was not sure. In any event suggested procedure could not satisfy Sovs. Pointed out any written reply from Sovs could not be different from what he had given Harriman earlier because Sovs regarded US letter as attempt to obtain from USSR indirect recognition of legitimacy of that regime, something USSR could not do. If this was a misunderstanding perhaps what he was about to say would eliminate it. What Sovs could accept was following. They could agree, but not in writing, that if Chiang sent his ratification to USSR, it would not repeat not be accepted; US would probably accept but Sovs would welcome it if it did not. Sovs stated they would not recognize legitimacy of this accession, whereas US would probably take opposite stand and from US standpoint this accession would be legitimate. If this should happen, Sovs would not make any statement re legality or illegality of US act—that, Gromyko said, could be stated already now. Sovs would limit themselves to present explanation and would not make any statement at time of US acceptance Chiang's ratification. Reiterated Sovs would not make at that time any statement disputing legality or illegality of US action.



Harriman said this was helpful. However, without naming any country there might be countries which would create similar situation with US. Therefore, we had to make a similar reservation.

Gromyko said perhaps there was really some misunderstanding here and hoped his further remarks might clear it up. Said that if for example US said it unwilling recognize adherence by GDR (Harriman interjected we wanted its adherence but without prejudice to recognition problem), US would not recognize legality of Sov action but USSR would accept GDR's adherence and would regard GDR as party to treaty. Thus situation would be reversed. Gromyko said of course US had right to reserve its position re any such situation but suggested that no statement be made at time of its occurrence.

Harriman said he not in position agree without first communicating with Washington. Said would get in touch with Washington if this was the best Sovs could do.

Gromyko said nothing should be said in writing but he could state officially that USSR could not recognize as lawful act accession by Chiang. Sovs recognized US held different position on this point but would not make any statement re legality or illegality of US acceptance Chiang's ratification; Sovs would simply refuse accept those instruments.

Hailsham commented this would apparently cause another 24 hour delay in initialing treaty. Said UK Govt had not been consulted by US on this matter and he was angry because he liked to be consulted. Said he did not wish to have anything to do with any letters or drafts.

### III

Harriman admitted he had not informed Hailsham of letter until after it was delivered. Unfortunately, there was not time account desire get decision this afternoon.

Gromyko reiterated that from Sovs standpoint any act by Chiang in joining treaty would be unlawful. Sovs recognized US position on this point different but would limit themselves to this clarification. Sovs would not challenge US action in accepting Chiang's ratification, and no statement at all would be made at time of such acceptance.

Harriman said Gromyko should understand that in such case US reserved privilege and right to take same position with respect to any govt or regime not recognized by it.

Gromyko said he recognized such right, though of course US and Sov positions re certain countries were different.

Harriman asked whether Gromyko could state his reservation in general terms, without mentioning specific names.

Gromyko said he willing have Harriman use qte x unqte in place of specific name, but noted he had privately explained what qte x unqte



stood for. Commented however mention of specific name was better because this limited number of cases involved.

Harriman suggested Hailsham might also wish get in touch with Prime Minister on this matter.

Hailsham said would do so.

Harriman then said wished raise another point. Stated we all recognized test ban was only first limited step although a very good step. Khrushchev himself had said that test ban was not disarmament, would not limit production nuclear weapons, and would not eliminate war. Gromyko had also expressed views in course these discussions. However, some people, who were either for or against TB treaty, might say that TB treaty, and specifically its article I, made use of nuclear weapons illegal. If this question were raised by such people we would have to say that test ban treaty placed no limitation on use of nuclear or conventional weapons in self defense, a right inherent in Article 51 of UN Charter. Harriman said had been requested to indicate this to Gromyko. At same time he wished stress we took test ban very seriously as a step of tremendous psychological importance and as a step in cooperation to develop peaceful world.

Gromyko looked baffled and said TB treaty dealt with prohibition of nuclear tests in three environments. Of course it was not a prohibition of nuclear weapons or weapons in general, although USSR was in favor of general and complete disarmament. Said scope of treaty was self explanatory.

Harriman then suggested a brief recess to consult with advisors.

After recess, Harriman said problem was what he could say to Senate on question of accession. Perhaps he could say that if a govt or regime is not recognized by all three original parties such govt may deposit its ratification with depositary or depositaries which recognized it and other one or two depositaries need or need not accept ratification or copy of ratification. However, in any event this would not change obligation depositing regime had undertaken with depositary. In other words, whatever obligation such country had it would have them to US and Sovs did not have to recognize it, and the reverse would be true in case of countries US refused to accept.

Gromyko commented he had spoken at length on this subject and had tried set forth Sov understanding of problem and Sov position as concisely as possible. Said he not in position draft or edit Harriman's statement in Senate. Recalled he had told Harriman that Sovs reserved their position but would not make any statement challenging legality US action in accepting instruments of ratification. Sovs limited this statement to one regime they didn't recognize; Harriman could say "x" but Sovs had concrete conception of that "x". As to how Harriman would word his statement in Senate that was up to him.

Harriman noted he had not asked Gromyko to edit his statement in Senate. He was only explaining to Gromyko what he would say so that Gromyko would have opportunity to object if he wished.

Gromyko said in such case he must state following. Sovs had set forth their position re Chiang. From Sov standpoint, and Sovs speaking only for themselves, any attempt or act by Chiang to adhere to treaty would be illegitimate as USSR did not recognize existence any such government. Therefore Sovs would not accept Chiang's instruments of ratification and would not consider them to be legitimate. However Sovs recognized US held different position, even though they believed US wrong on this score. If specific situation should arise, i.e., if the US should accept Chiang's instruments, the USSR would make no statement beyond what it had stated now. US would evidently regard such act as lawful but Sovs would not. If US made no statement challenging Sov position, USSR would not make any statement either; Sovs would limit themselves to what had been said today.

Harriman noted Gromyko had said he, Harriman, could insert "x" although he knew who "x" was.

Gromyko said Harriman could of course do so.

Harriman said wanted make clear Sovs should recognize our right as well.

Gromyko said they did.

Harriman said publicly we could say that Sovs had reserved their position re any regimes they did not recognize.

Gromyko observed Harriman had used "regimes" in plural, but Sovs more reasonable, using singular.

Harriman said would communicate with Washington and did not know what reaction would be. Wished however ask why Gromyko thought we were trying pull trick re Chiang. Pointed out our only purpose was make sure we could get Senate support for treaty.

Gromyko said US could reserve its position re certain countries and Sovs reserve theirs. He had set forth Sov position in specific terms in these private discussions. Sovs did not deny US right recognize certain actions as legal, but US should not challenge Sov right to regard certain actions as illegal.

Harriman agreed.

Thereupon larger meeting began, which reported septel.

**Kohler**

**212. Telephone Conversation between Bundy and Kaysen,  
July 25<sup>1</sup>**

July 25, 1963

Bundy repeating: In the case of unrecognized regimes anybody in this category may deposit with any one depository which in turn may send to the others if the others accept the binding accession. But nobody is bound to accept the notification that a deposit has been made. But if there is non-acceptance then the obligation between the depositor government or regimes is not clearly made valid.

Kaysen: Now in the case of . . .

Bundy: Wait a minute. Are you still reading?

Kaysen: Yes. Essentially I am paraphrasing—In the case of such a refusal there will be no further comment by the depositor or by any other party. It is the nature of the understanding—(Do you hear me?)

Bundy: Yes.

Kaysen: —that Harriman is perfectly free. The English language of the text explains this understanding (garbled).

Bundy repeating: It is the nature of the understanding that Harriman will use it to defend it.

Kaysen: (garble)

Bundy: Hold the line. Is that the whole shooting match on that.

Kaysen: That is the whole shooting match. There are two other things.

Bundy: Wait a moment. Have you done anything on 320?

Kaysen: Yes. (garble) There is no problem on that.

Bundy: You think that will be O.K.?

Kaysen: Yes.

Bundy: They are not going to fight on it?

Kaysen: (garble)

Bundy: If you will hold the line I will clear this now.

Kaysen: The third point, Mac, is that we are ready to go tonight (garble)

Bundy: Are you still talking?

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<sup>1</sup> Guidance on issue of unrecognized regimes depositing instruments of ratification, timing of acceptance of agreement, and return travel plans. No classification marking. 3 pp. Kennedy Library, National Security Files, Kaysen Series, Disarmament, Harriman Mission, Records/Action.

Kaysen: Yes. I said if you will clear this, we are prepared to go tonight (garble)

Bundy: Please hold the line.

Kaysen: I will hold.

Bundy: Go ahead.

Kaysen: O.K.

Bundy: Now what are your times?

Kaysen: (garble)

Bundy: At 10:00. When will you make the text available to press for filing?

Kaysen: (garbled)

Bundy: Yes. But when will you actually hand them over. Pierre needs to know.

Kaysen: As soon as we can (garble)

Bundy: O.K. We will do the same here. Embargo it for 10:00 Moscow time.

Kaysen: Right.

Bundy: Just a minute.

——— pause ———

Bundy: It doesn't affect recognition.

Kaysen: That's right.

Bundy: So that we could accept an unrecognized state with no change.

Kaysen: That's right.

Bundy: Correct.

Kaysen: (garble)

Bundy: That's alright.

Kaysen: (garble)

Bundy: When are you coming back?

Kaysen: (garble)

Bundy: He has one more task. We know.

Kaysen: (garble)

Bundy: We are sending you a jet.

Kaysen: [illegible in the original]

Bundy: Saturday [illegible in the original] but right after that.

Kaysen: Yes, definitely Saturday. Averill says. . . . .

Bundy: What we want you . . . I think the President wants Averill at Hyannisport Sunday.

Kaysen: Yes. Perhaps I might go along, Mac.

Bundy: Good.

Kaysen: (garble)

Bundy: How are you?

Kaysen: (garble)

Bundy: What?

Kaysen: (garble)

Bundy: Alright.

Kaysen: (garble)

Bundy: Great work.

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**213. Harriman's Personal Notes on Meeting with Gromyko,  
July 25<sup>1</sup>**

July 25, 1963

After an hour and a half of private discussion, Harriman took an intermission and called for the US Delegation to assemble.

He then read over what he said was the oral understanding which Gromyko was willing to give him, but saying it was clear that the Soviets were unwilling to agree that an exchange of letters or memoranda would be helpful.

There was then discussion among Harriman, Fisher and McNaughton about the words in which the understanding should be explained.

Harriman returned to the restricted meeting with Fisher. After some 20 to 30 minutes of further discussion, the general meeting resumed. Harriman stated that he, Mr. Gromyko and Lord Hailsham had arrived at an understanding of the interpretation of Article II, but he would have to go back to Washington to get authority to accept, and therefore would suggest that we meet again tomorrow at the usual time and issue the usual communiqué.

While the restricted meeting was resumed, Kaysen suggested to Kohler that it would be desirable to call Washington and get authority immediately to accept an oral understanding. He suggested that the Embassy be alerted and begin to make arrangements for the call. Kohler

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<sup>1</sup> Oral understanding with Gromyko, telephone call to White House, U.S. ready to initial. Secret. 3 pp. Library of Congress, Manuscript Division, Harriman Papers, Test Ban 12, Post-Trip.

agreed that this would be a good move if of course Harriman was ready to take it, and pointed out that the call could probably be made faster from where we were—Spiridonovka Palace.

He left the room, sought out one of the Soviet officials, and arranged for the call to be made, should we want it.

As Harriman finished speaking, Kaysen suggested to him that we make a call to Washington and that the Soviets were ready to place the call for us from Spiridonovka. There was a brief interchange, and Harriman agreed.

At 7:00 pm, Harriman, Akalovsky and Kaysen went to an office in which an interpreter was placing the call. Harriman sent Kaysen back for Hailsham, saying he wanted Hailsham standing by to testify to the understanding, if this appeared desirable. When Hailsham appeared, Hailsham, Harriman and Kaysen agreed on language expressing the substance of the Gromyko/Harriman understanding.

At first, Kaysen in placing the call asked for Bundy. On the first try, the New York operator reported that there was no such person. On the second try, Kaysen merely asked for the White House switchboard and succeeded in getting the White House operator. The following exchange then took place:

"Mr. Bundy's office."

"Alice? Is Mr. Bundy there? It's Mr. Kaysen."

"Why, no—he's in the Situation Room with the President."

"Well, Alice, see if you can get him out."

Mr. Bromley Smith then came on the line and repeated what Bundy's secretary had said, pointing out that the President was talking to the Prime Minister on the telephone.

At Kaysen's urging, he got Bundy on the phone. Bundy, on hearing a brief explanation, went back and apparently asked the President to interrupt his telephone call for the news from Moscow. Kaysen then read Bundy the substance of the oral understanding as agreed by Hailsham and Harriman. Kaysen read this to Bundy twice.

Bundy left the phone again, and returned, saying, "Okay—when will you initial it?" Kaysen responded, "Arrangements will be the same." Bundy again consulted the President and asked what time the embargoed text and communiqué would be available for distribution to the press in Moscow. After Kaysen's response, Bundy said the President would want to see Harriman at Hyannisport on Sunday, and Kaysen invited himself to the meeting.

Bundy closed the conversation by saying, "Great—good luck!"

We then went back to the meeting room. Harriman asked Gromyko, "Where are the copies of the Treaty we are to initial?"

(NOTE: Above read and OK'd by Harriman, but he added last paragraph—hbs.)

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**214. Telegram 347 from Moscow, July 26<sup>1</sup>**

Moscow, July 26, 1963

RE Our 333. At 4:30 pm opening July 25 plenary session Harriman said understood everything agreed to except letter Gromyko had given him in reply to that he had given Gromyko. Gromyko's reply made situation worse. Hoped could have private talk with other two principals so as to arrive at some understanding on this subject. Asked if plenary might be adjourned for this purpose. Gromyko agreed.

Upon resumption plenary after private meeting reported our 333 Harriman said he would like to consult Washington by telephone. Gromyko agreed.

Upon returning from telephone conversation with Washington Harriman stated he had just received clearance to agree to oral understanding reached with Gromyko in private meeting re application para 2 Article III and therefore US prepared proceed initial and subsequently sign and ratify in accordance with our constitutional provisions. Wished thank Gromyko for clarity with which he had expressed Sov position.

Gromyko stated he wanted thank Harriman for his efforts and understanding Sov position.

Harriman said he had told Washington that initialing would proceed with texts of treaty and final communiqué to be distributed, embargoed for release 10:00 PM, Moscow time.

Gromyko said he agreed with these arrangements with comment that this was a type of embargo he did not oppose.

Ambassador Trevelyan speaking on behalf Hailsham said texts should be given out at 8 PM.

Harriman said he felt texts should be given out immediately as communications to US were so slow.

Gromyko said he also wished thank Hailsham for his understanding.

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<sup>1</sup> Successful conclusion to negotiations realized. Secret. 2 pp. Department of State, Central Files, DEF 18-3 USSR (MO).

Hailsham responded he in turn wished thank Gromyko and say he was glad to have been able to participate in this very important conference.

At 7:15 PM formal texts of the treaty were distributed.

Then, after removal from conference table of mineral water bottles doors were opened and hordes of photographers swept in.

In response reporters' question, Harriman said felt treaty very important step forward. Gromyko said hoped would be basis for further steps. Hailsham said many good things could follow.

In reply persistent questioning as to why meeting had lasted so long, Gromyko said it was end result that important.

At this point meeting broke up.

Kohler

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## 215. Letter from Gen. Taylor to Rusk, July 27<sup>1</sup>

July 27, 1963

Dear Secretary Rusk:

In anticipation of Congressional hearings on the limited test ban treaty just negotiated in Moscow, the Joint Chiefs of Staff feel the need of your counsel and that of the Department of State in order to reach a thorough understanding of the implications and consequences of the implementation of this treaty. We recognize that the military considerations falling within our primary field of competence are not the exclusive determinants of the merits of a test ban treaty. In addition, important weight must be given to less tangible factors such as the effect upon world tensions and international relations. Here we sense the need of your help and that of your colleagues in the Department of State.

To be specific, I am inclosing a list of questions the answers to which will have an important bearing on the position which the Chiefs will take in the hearings before the Senate. It would be deeply appreciated if you would provide us the response of the Department of State

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<sup>1</sup> Requests Department of State assistance in preparation for Congressional hearings on test ban treaty. Attached is a list of political questions JCS would like to have answered. Top Secret. 2 pp. Kennedy Library, National Security Files, Departments and Agencies Series, ACDA, Disarmament, Test Ban, Congressional Relations I, 5/63-7/63.



to these questions, preferably in writing, so that we can study the text in detail. Thereafter, we would hope to have the opportunity of conferring with you and possibly with other officials of the Department in order to reach a full comprehension of the non-military factors bearing on this treaty.

We are hoping to finalize our study of the treaty by August 14, 1963, a date chosen in relation to an estimate of the time of initiation of Congressional hearings.

Sincerely,

**Maxwell D. Taylor**  
*Chairman*  
*Joint Chiefs of Staff*

### **Attachment**

#### *POLITICAL QUESTIONS*

1. What are the political advantages to the United States of the proposed treaty? In particular, to what extent will it reduce world tension, restrain the arms race, and accentuate the split in the Communist Bloc?

2. An atmospheric ban was proposed by President Eisenhower in 1959 and by President Kennedy and Prime Minister Macmillan in 1961. The limited treaty has been tabled since 27 August 1962 in Geneva. The Soviets have rejected all of these. Why do the Russians want this treaty now? Do you interpret the Soviet action in signing the treaty as indicative of a basic change either in Soviet goals or in the spectrum of means by which they are prepared to pursue their goals?

3. To what extent and in what ways is it considered that the proposed treaty will help stop proliferation? What pressures are the Soviets considered in a position to exert on Red China to keep her out of the nuclear club? In view of the stated attitude of the French that they will not participate in any test ban arrangement, what inducements or pressures, if any, would we consider to gain French participation? Is it conceivable that the US and the USSR might unite to enforce nonproliferation using whatever means necessary?

4. Is it considered that there are advantages of a military or security nature which the United States will derive from this treaty, or must it be justified on other grounds?

5. What would be the international political implications if the US at this stage were to reject the treaty?

6. The draft treaty provides that a party may withdraw if it decides that "*extraordinary events* related to the subject matter of this treaty

have jeopardized the *supreme interests* of its country". What does the State Department visualize as *extraordinary events* within the intent of this treaty?

7. If Soviet cheating is detected, will it be possible for the US to convince the world of their guilt without declassifying US detection system or intelligence? Is there ground to fear that world doubts or disbelief might prevent our action to abrogate?

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**216. Summary Record of NSC Standing Group Meeting No. 11,  
July 30<sup>1</sup>**

July 30, 1963

Under Secretary Harriman reported on his negotiations in Moscow along the lines of his reporting telegrams.

There was a general discussion of the various problems involved in obtaining Senate ratification of the limited test ban treaty. All agreed on the importance of providing to the Senate committees military views of the treaty. It was decided that in view of General Taylor's absence from Washington no effort should be made to obtain military views in advance of the formal JCS paper, which is scheduled to be delivered to the President August 14th. This paper will summarize the Chiefs' views in the light of certain information which they have requested from the State Department and from the government scientific community.

Dr. Seaborg suggested a poll of Nobel Prize winners in the belief that there would be a heavy majority supporting the test ban treaty. Other suggestions were made as to how to make public the views of scientists favoring the treaty. This effort is called for because of the prominence of Dr. Teller whose reservations about the treaty have received wide public attention.

**Bromley Smith**

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<sup>1</sup> Harriman report, Senate ratification issues, Teller reservations, and public affairs issues. Secret. 1 p. Kennedy Library, National Security Files, Meetings and Memoranda Series, Standing Group Meeting, Box 315, 7/30/63.

**217. Memorandum from Barnett to Sullivan, July 30<sup>1</sup>**

July 30, 1963

**SUBJECT**

Duncan Wilson's Report on Moscow Test Ban Negotiations

Duncan Wilson, Superintending Under-Secretary, Northern Department, Foreign Office, and I were colleagues at Bob Bowie's Harvard Center in 1959–60, where we both worked on aspects of Communist China, his mainly economic and mine mainly military and nuclear.

Wilson invited me to spend July 28 with him in the country. He was quite frank in what he had to say about what happened.

Mr. Wilson said that the Soviet motive in bringing the negotiations to a successful conclusion was one part anxiety about the Chinese, one part desire for budgetary savings, and one part real desire for relaxation of East-West tension.

He said that he understood Moscow's intention to be to get all of the Communist Bloc countries to sign the agreement thereby advertising to the world Peking's isolation.

Lord Hailsham went to Moscow with hardly more than a couple of hours of briefing. His indifference to the need for preparation dismayed both Wilson and Trevelyan. Solly Zuckerman's views were often helpful, but he supported them with weak political, rather than the stronger scientific arguments for which he had some authority.

Throughout, Hailsham was deplorably "elephantine" and it took all of the efforts of his delegation, Wilson said, to neutralize his amateurism.

In contrast to the modest preparations of the small U.K. delegation, the U.S. delegation had, it appeared, concentrated on talks for all of the preceding full month. The delegation itself, moreover, was formidably effective. Fisher and McNaughton were both experienced treaty draftsmen.

Carl Kaysen, by virtue of his position in the White House, brought to the conversations something which the U.K. delegation could not match. Bill Tyler's knowledge of the whole range of European and Soviet affairs was also invaluable.

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<sup>1</sup> Duncan Wilson's report on Moscow test ban negotiations. No classification marking. 2 pp. Kennedy Library, National Security Files, Departments and Agencies Series, ACDA, Disarmament, Test Ban-General.

London had understood that Governor Harriman would be accompanied by a small team and planned accordingly. It was stunned by the power of Governor Harriman's team.

Governor Harriman's conduct at the negotiations was impressive. Throughout, he was master of the discussions, handling the talks with correctness and force. His restraint concealed a capacity for toughness and even anger. With his knowledge of the Russian, the Chinese, the European, the American and the strictly nuclear elements in the problem at hand, Harriman, according to Wilson, was the great man of the meeting.

Notwithstanding the admiration he expressed for Governor Harriman, Wilson said that he had to admit that Gromyko's performance was the most "professional".

August 1963

**218. JCS Statement on the Three-Environment Nuclear Test Ban Treaty, August 12<sup>1</sup>**

August 12, 1963

*STATEMENT OF POSITION OF THE JOINT CHIEFS OF STAFF  
ON THE THREE-ENVIRONMENT NUCLEAR TEST BAN TREATY*

1. Upon receiving the final draft on the three-environment nuclear test ban treaty recently negotiated in Moscow, the Joint Chiefs of Staff began a comprehensive review of the terms of this treaty in order to determine what effect its ratification would have on the security of the United States. In this review, they deliberately set aside all considerations of former positions taken on other occasions on the subject of a test ban treaty and focused their attention on this particular treaty at this particular point in time. As a base of departure for their appraisal, they first established certain criteria to assist them in evaluating from a military point of view the acceptability as to content and timing of a limited test ban treaty which would prohibit nuclear test explosions in all environments excepting underground.

2. It was the judgment of the Joint Chiefs of Staff that four criteria or conditions would have to be met for a limited test ban treaty to be compatible with the national security. First, the United States should not accept limitations on testing if the Soviet Union had or could achieve a significant advantage in any militarily important area of nuclear weapon technology which, under the treaty, could not be overcome by the United States. Second, recognizing that the USSR could be expected to take advantage of any reasonably safe opportunity for clandestine testing, the Joint Chiefs determined that a test ban treaty could be accepted only if successful cheating would have no seriously adverse effect on the relative balance of military power. Third, it was considered important that withdrawal from the treaty should be uncomplicated, allowing the United States to withdraw without undue delay upon acquiring reasonable evidence of a treaty violation or in the event our national interests were imperiled. Fourth, if the conditions of criteria one and two were not completely met, the treaty must convey adequate compensatory advantages elsewhere.

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<sup>1</sup> Notes concerns, but supports Treaty ratification. Secret. 8 pp. Library of Congress, Manuscript Division, Harriman Papers, Test Ban 15, Post-Trip.

3. As a closely related matter, but not as a criterion for the treaty itself, the Joint Chiefs of Staff noted the importance for the United States, if it embarks on this treaty, to continue underground testing at a rate to insure continued progress in nuclear technology. They were equally impressed with the need for the United States to maintain the readiness and the determination to resume atmospheric testing promptly. Finally, they believed that account must be taken of the dangers of relaxed military effort by the US and our allies; hence, that ratification of the treaty should be accompanied by evidence of a clear intent to maintain and improve the military posture of the West.

4. Having determined the foregoing conditions of acceptability, the Joint Chiefs of Staff then undertook to measure against them the specific terms of the three-environment test ban treaty drafted recently in Moscow. To assist them in their deliberations, they consulted with those officials who have particular responsibilities and competence in this field. These were officials from the Office of the Secretary of Defense, the Department of State, the Atomic Energy Commission including field laboratories, the Central Intelligence Agency, the Arms Control and Disarmament Agency, the President's Special Assistant for Science and Technology, and from technical agencies of the military establishment.

5. With regard to the current relative position, the Joint Chiefs of Staff reached the following conclusions:

a. Evidence indicates that the USSR is ahead of the United States in the high-yield [*text not declassified*] technology, in weapons effects knowledge derived from high-yield nuclear explosions and in the yield/weight ratios of high-yield devices; that the USSR is about even at the intermediate range [*text not declassified*]; and that the USSR lags somewhat behind the United States at yields less than about [*text not declassified*].

b. In the antiballistic missile field, there is evidence that the Soviets are further advanced than the United States. However, development of the US system does not depend on atmospheric testing and hence this treaty will not significantly influence any imbalance that may exist.

c. In the field of tactical nuclear weapons, particularly in the field of very low-yield weapons, the United States is probably ahead in the quality and diversity of systems although the superiority in quality may be questioned since the USSR may have conducted very low-yield tests which were never known to us.

6. It is important to emphasize that the superiority under discussion in the preceding paragraphs refers essentially to technological superiority. It does not take into account such superiority as derives from numbers of weapons, variety of delivery systems and the magnitude of nuclear plant and stockpile. Hence, technological superiority is only one aspect of the net superiority which must take into account all of these factors. As to net superiority in ability to inflict damage on the

enemy, the JCS consider that the US at present is clearly ahead of the USSR in the ability to wage strategic nuclear war, and is probably ahead in the ability to wage tactical nuclear war, whereas the Soviets have developed a substantial mid-range ballistic missile capability.

7. Considering the foregoing to be a reasonably accurate statement in broad terms of our present position relative to that of the USSR, the Joint Chiefs of Staff then considered what the effects would be if the proposed test ban treaty should go into effect and both sides faithfully observe its provisions. They concluded that the United States would not be able to overtake the present advantage which the USSR probably has in the high-yield weapons field, whereas the Soviets, by underground testing, probably could retrieve in time any lead which we may presently have in the low-yield tactical field. Both sides could achieve an ABM but one with less desirable characteristics than would be the case if additional atmospheric tests were conducted.

8. There are other disadvantages which apply in varying degree to both sides. For example, knowledge of weapons effects is incomplete at best and although knowledge could be gained from underground testing, knowledge which only testing in the prohibited media could provide would be denied. Also, there would be no opportunity to conduct environmental tests of current weapons or of those which might be acquired in order to verify their performance.

9. Such disadvantage as might accrue to the United States under conditions of honest fulfillment of treaty conditions would be further aggravated if the Soviets successfully should cheat by illicit explosions in the atmosphere, underwater, or in outer space. By cheating, they might carry out investigations of weapons effects in the field of ballistic missiles, ballistic missile defense, ASW, and high-yield technology (the latter only if the testing were done in outer space). However, the dangers of detection and the cost and difficulty of testing in outer space would tend to impose severe restrictions upon such clandestine testing. Other clandestine tests in the atmosphere or underwater, depending upon their size, would involve a fairly high probability of detection by our conventional intelligence or our atomic energy detection system. Moreover, the Joint Chiefs of Staff consider the resulting progress which the Soviets might make clandestinely to be a relatively minor factor in relation to the overall present and probable balance of military strength if adequate safeguards are maintained.

10. The Joint Chiefs of Staff believe that the withdrawal provision requiring 90 days notice following a unilateral US decision provides a satisfactory means of escape in case we believe our national interest is being threatened. They are impressed, however, by the possibility of an abrupt abrogation by the Soviets, followed by a comprehensive series of atmospheric tests.

11. Recognizing the foregoing disadvantages and risks, the Joint Chiefs of Staff believe that they can be reduced through certain safeguards. These safeguards include:

a. The conduct of comprehensive, aggressive, and continuing underground nuclear test programs designed to add to our knowledge and improve our weapons in all areas of significance to our military posture for the future.

b. The maintenance of modern nuclear laboratory facilities and programs in theoretical and exploratory nuclear technology which will attract, retain and insure the continued application of our human scientific resources to these programs on which continued progress in nuclear technology depends.

c. The maintenance of the facilities and resources necessary to institute promptly nuclear tests in the atmosphere should they be deemed essential to our national security or should the treaty or any of its terms be abrogated by the Soviet Union.

d. The improvement of our capability, within feasible and practical limits, to monitor the terms of the treaty, to detect violations, and to maintain our knowledge of Sino-Soviet nuclear activity, capabilities, and achievements.

12. Having considered the technological and withdrawal aspects of the proposed treaty and the safeguards we should take, the Joint Chiefs of Staff then took note of the effect of the treaty in the broad field of international relations and of world-wide military strategy. They recognized that considerations of nuclear technology and weaponry were not the sole determinants of the merits of the treaty; that if it would contribute to a further division of the Sino-Soviet Bloc, this result would be a major political achievement with important and favorable military implications. If this treaty attracts signatories representing the vast majority of the nations of the world on both sides of the Iron Curtain, it should make an important contribution toward the restraint of the further proliferation of nuclear weapons and the reduction of causes of world tension. Both of these advantages, if achieved, should contribute to the fundamental objective of the US armed forces, namely the deterrence of war and the maintenance of peace on honorable terms. These possibilities are of such importance to the United States that they offset the foreseeable technological disadvantages noted above.

13. In conclusion, the Joint Chiefs have reached the determination that while there are military disadvantages to the treaty, they are not so serious as to render it unacceptable. In the past, the JCS have not regarded as important the attainment of weapons in the [*text not declassified*] range from which the United States will be debarred by the treaty. They feel that the types and numbers of megaton yield weapons available to us now or in the future (up to [*text not declassified*]) could give us an adequate capability in the high-yield weapon range. Under the



treaty, both sides could make about the same technical progress in the ABM field although the Soviet may possess nuclear blackout information not available to the United States. If the Soviets are to catch up with the United States in the low-yield field, particularly in numbers, they will be subjected to a major additional expenditure of national resources which are already under heavy strain.

14. The broader advantages of the test ban treaty have led the Joint Chiefs of Staff to conclude that it is compatible with the security interests of the US and to support its ratification. If we can contribute to a further division of our enemy, that advantage will compensate for foreseeable fluctuations in nuclear technology. The most serious reservations of the Joint Chiefs of Staff with regard to the treaty are more directly linked with the fear of a euphoria in the West which will eventually reduce our vigilance and the willingness of our country and of our Allies to expend continued effort on our collective security. If we ratify this treaty, we must conduct a vigorous underground testing program and be ready on short notice to resume atmospheric testing. We should strengthen our detection capabilities and maintain modern nuclear laboratory facilities and programs. Finally, we must not for a moment forget that militant Communism remains committed to the destruction of our society.

15. Having weighed all of these factors, it is the judgment of the Joint Chiefs of Staff that, if adequate safeguards are established, the risks inherent in this treaty can be accepted in order to seek the important gains which may be achieved through a stabilization of international relations and a move toward a peaceful environment in which to seek resolution of our differences.

219. Addendum to December 20, 1962, Report of the NSAM 205 Committee, August 15<sup>1</sup>

August 15, 1963

CONCLUSION

On 27 June 1963, the Foreign Weapons Evaluation Group (Bethe Panel) reported on the analysis of the Soviet fission weapon tests conducted during 1962. After reviewing this information, the NSAM 205 Committee has concluded that while the Soviets have improved their capabilities in small, lightweight boosted fission weapons, the advances made do not significantly alter their military capabilities nor does this new information appear to alter the basic conclusions in the 20 December 1962 report of the NSAM 205 Committee.

In summary, as a result of Soviet fission weapons testing in the last 2 years, they have available improved nuclear warheads for tactical and defensive purposes. Although it is not possible to determine which warhead may be designed for use in their anti-ballistic missile system, a suitable low yield fission warhead is undoubtedly available to them if required. However, none of the warheads on which we have information [*text not declassified*]. Furthermore, we have seen no evidence of low-yield clean devices which might minimize self blackout or which might be used as radiation kill weapons in tactical situations, but such developments might be difficult to identify from debris analyses. Although the Soviets now probably have warheads for tactical or possible ABM use of the order of 100 lbs. weight, there is no evidence that they have very small devices, i.e., [*text not declassified*] less than about 13" diameter, although such tests could have escaped detection. Finally, with the possible exception of JOE 85 which was apparently a rather poor design, we have no evidence of the Soviet development of small implosion devices using very little or no plutonium equivalent. Such devices could be particularly useful to the Soviets in light of their estimated relative shortage of plutonium.

DISCUSSION

Thirty-five Soviet fission weapon tests were detected between 1 August and 25 December 1962, 26 at Semipalatinsk and 8 at Novaya Zemlya. Of these fission tests, 9 events had yields between 15 and 35 KT and 26 events were of 10 KT or less.

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<sup>1</sup> Implications of Soviet fission weapons testing. Top Secret. 3 pp. Kennedy Library, National Security Files, Meetings and Memoranda Series, NSAM 205, Box 339.

Of the 35 low yield tests, debris has been collected and analyzed from 30 of these events. For several of these, the debris sample is so poor that no reliable evaluation can be made. For the remainder of these events, the samples are of sufficient quality to permit a reasonably reliable appraisal of the performance and character of the test devices.

Eight of the fission tests involved low efficiency, unboosted fission devices, with tuballoy tampers. The large number of unboosted tests is surprising since such devices hardly seem worthy of development at this stage of the Soviet weapons program. Some of these devices may have been used in effects or operational tests. Three other unboosted devices were without tuballoy tampers and appear to be an extension of similar tests in previous series to lower core efficiencies and thereby possibly to smaller dimensions.

Seven of the 1962 tests were of boosted, composite devices without tuballoy tampers. Four of these closely resemble devices tested in the 1961 Soviet series. The other three devices had indications of a very small boost, but the interpretation of these three tests remains somewhat obscure.

The most significant development in fission weapons was a set of very small, boosted weapons without tuballoy tampers. [*text not declassified*] In this family of fission weapons, the yield has been varied from about 2 KT to 15 KT. Without boosting, an even lower yield could be obtained. This series of tests has provided the Soviets with a very flexible and useful, lightweight fission weapon [*text not declassified*].

Finally, five of the 1962 low yield tests appear to have involved thermonuclear failures or, perhaps, in one or two cases, thermonuclear mockups. That they were intended to be thermonuclear tests is indicated by the excess [*text not declassified*] Li-6 found in the debris. In two of these tests the cause of the failure was probably in the secondary stage.

**220. Memorandum for the Record, August 21<sup>1</sup>**

August 21, 1963

**SUBJECT**

Events Leading up to the Harriman Moscow Mission

1. The first public word that negotiations were to be undertaken in Moscow on the test ban issue was given by the President in his 10 June American University speech. Following a paragraph in the speech in which he stressed the need to continue seeking agreement on a treaty to outlaw nuclear tests, the President announced that he, Prime Minister Macmillan and Chairman Khrushchev had agreed that high level discussions would begin shortly in Moscow looking toward early agreement on a comprehensive test ban.

(The President also announced that the United States did not propose to conduct nuclear tests in the atmosphere so long as other States did not do so. He said such a declaration was no substitute for a formal binding treaty; he hoped it would help achieve one.)

(Neither of the decisions was widely known around the government prior to the speech. The decision to negotiate evidently came as a result of the President's private exchanges with Khrushchev and Macmillan; the moratorium statement was made in part because of our belief that the Soviets were going to initiate another atmospheric series in the near future while we would not be ready until the summer of 1964.)

2. By 13 June it had been decided that Harriman would be the US negotiator. (There had been some thought of sending McCloy.) Further, by that date a Sub-Principals Group had been established under the Committee of Principals to discuss arms control problems that the President could discuss on his trip to Europe later in the month, and Harriman could discuss in Moscow. General Wheeler represented the Joint Chiefs of Staff at the Sub-Principals Group meeting of 13 June. Other individuals present included Mr. Foster, ACDA; Ambassador Thompson; Dr. Wiesner; Mr. Nitze; Mr. Kaysen; Mr. Harriman; Mr. Fisher; and Mr. McGeorge Bundy. According to an informal memorandum of record of the meeting, the following items were considered as principal negotiating material for Moscow:

- a. A comprehensive test ban.
- b. A non-diffusion agreement.

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<sup>1</sup> "Events Leading up to the Harriman Moscow Mission." Top Secret. 3 pp. National Defense University, Taylor Papers, WYS Chron, April-September, 1963.

- c. A partial nuclear test ban agreement.
- d. A non-aggression pact.

3. Of these alternatives, the DOD view was that we should push the non-diffusion pact, with inducements and sanctions. (Barber of ISA was strong for this idea as a vehicle to get the government off the comprehensive test ban wicket; the Stennis Committee had supported the JCS objections to it.) The non-diffusion proposal was thus the one discussed in greatest length at the meeting.

4. It was Ambassador Thompson who brought up the partial test ban. He, along with Secretary Rusk, had evidently talked to Ambassador Dobrynin about it. They had told him the US was ahead in tactical nuclear weapons; the Soviets could catch up by by accepting an atmospheric treaty which would help to stop Nth countries from getting nuclear weapons. We could have a tacit understanding that the US would not go ahead with underground tests unless we decided the Soviets had overdone theirs. (If we did say this to the Soviets—and I have one MR which reads that Thompson had already said it, and another which states we could say it—it is most significant, and could explain pressures to go slow on underground testing: It could also explain any Soviet reluctance to move to the next step. They must view the safeguards problem as a low blow.)

5. In the 13 June meeting, Ambassador Harriman was not optimistic about the coming exercise in Moscow. In the discussion on the non-diffusion pact, he said that we should not make the trip if we expected the Soviets to turn us down or, alternatively, we should look at the trip as a propaganda exercise. He also commented that of these other issues he had always considered the test ban “merely a star on the stage of events.” Other people at the meeting were even more pessimistic about the value of a partial text ban, believing that it would have no real effect on non-diffusion, its major objective.

6. In a conversation with Spaak on about 14 June, Khrushchev mentioned the possibility of reaching some agreement on a partial nuclear test ban. Spaak reported this both to the US and to NAC.

7. On 2 July in his East Berlin speech Khrushchev made an offer for a limited test ban in these terms:

“Carefully analyzing the situation, the Soviet Government, prompted by high responsibility for the destinies of the peoples, declares that since the Western powers obstruct the conclusion of an agreement banning all nuclear tests, the Soviet Government expresses its willingness to conclude an agreement banning nuclear tests in the atmosphere, in outer space and under water.”

“We have made this proposal before, but the Western powers frustrated an agreement by advancing supplementary conditions that envisaged large-scale inspection of our territory.”

8. It was after receipt of the Khrushchev public offer in East Berlin, which Khrushchev linked ambiguously to the non-aggression pact, that the Harriman mission took on added significance; the partial test ban issue got considerably more serious attention.

W.Y.S.

221. Table, August 23<sup>1</sup>

August 23, 1963

Programmed and Augmented Capabilities of AEDS  
to Detect and Identify Nuclear Tests  
with 60–90% Probability\*

Altitude (km) (1)	THRESHOLD (KT)			
	<i>USSR &amp; China</i>		<i>Remote</i>	
	<i>Programmed</i> (2)	<i>Augmented</i> (3)	<i>Programmed</i> (4)	<i>Augmented</i> (5)
0–10	5	5	200–500	40
10–20	5–100	5–10	200–1,000's	40
20–50	5–50	5–10	200–1,000's	20–40
50–100	~ 10	5	100–1,000	20
100–1000	2	2	100–1,000	20
1000–10,000	5–100	5	100–1,000	20
10–100 (thousands)	1	1	1	1
100–300 (thousands)	1–10	1–5	1–10	1–5
300–1,000 (thousands)	10–100	10	10–100	10

\*For 10% probability, all thresholds will be substantially reduced.

<sup>1</sup> "Programmed and Augmented Capabilities of AEDS to Detect and Identify Nuclear Tests with 60–90% Probability." Top Secret. 1 p. Kennedy Library, National Security Files, Departments and Agencies Series, ACDA, Disarmament, Test Ban and the U.S. Military.

October 1963

**222. Memorandum of Conversation, October 8, among Committee of Principals<sup>1</sup>**

October 8, 1963

SUBJECT

Meeting of Committee of Principals Concerning "Bombs in Orbit"<sup>2</sup>

PARTICIPANTS

*STATE*

The Secretary  
Mr. Ball (last part of meeting only)  
Mr. Johnson  
Amb. Thompson  
Mr. Chayes  
Mr. Gardner  
Mr. Garthoff

*ACDA*

Mr. Foster  
Mr. Fisher  
Mr. Bunn  
Mr. Gathright, Reporting Officer

*WHITE HOUSE*

Dr. Wiesner  
Mr. Smith  
Mr. Keeny

*DEFENSE*

Mr. Nitze  
Mr. Barber  
Capt. Zumwalt

*JCS*

General Hamlett  
Major General Powers  
Col. Sykes

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<sup>1</sup> Discussion of U.S.-Soviet arrangement on refraining from placing weapons of mass destruction in orbit. Top Secret. 11 pp. Kennedy Library, National Security Files, Departments and Agencies Series, ACDA, Disarmament, Committee of Principals, 3/61-11/63.

<sup>2</sup> *References:* (1) Memorandum for the Committee of Deputies from the Deputy Director, USACDA, Subject: Proposed U.S.-Soviet Arrangement Concerning the Placing in Orbit of Weapons of Mass Destruction, October 1, 1963. (Top Secret)

(2) Memorandum for the Committee of Principals from the Director, USACDA, Subject: Nature of Arrangement for a Prohibition of Bombs in Orbit, October 4, 1963. (Confidential)

(3) JCSM-785-63; Subject: Proposed U.S.-Soviet Arrangement Concerning the Placing in Orbit of Weapons of Mass Destruction, October 7, 1963. (Top Secret)

AEC  
Mr. Palfrey  
Dr. Kavanagh

NASA  
Mr. Webb

CIA  
Mr. Marengo

USIA  
Mr. Wilson

Referring to recent discussions in New York, *the Secretary* recalled that he had informed Gromyko that while there appeared to be agreement in principle on refraining from placing weapons of mass destruction in orbit, the question of form was a difficult and complex matter. He had told Gromyko that the Soviet draft of a joint declaration looked too formal.

The Secretary then stated that from the standpoint of the matters before the Committee of Principals the question of the form of an arrangement appeared bracketed by two considerations. On the one hand, we were not thinking of a treaty or formal agreement. On the other hand, we were not likely to avoid a General Assembly resolution whatever we might think about it.

In the Secretary's view, the rate and pace of agreements with the Soviet Union (in the absence of resolution of such issues as Laos, Vietnam, and Berlin) presented a problem. If we moved too rapidly on less significant matters, we might be creating either the illusion of progress or the impression that we were blind to more important issues. Nonetheless, there was some point in finding particular matters on which agreement could be reached. These might include a consular agreement, improved communications with our Embassy in Moscow, implementation of the civil air agreement, and the sale of wheat. We needed to consider how fast we should move on a particular matter or series of matters.

With respect to the matter before the Committee, the Secretary believed that the simplest way to handle it would be through a General Assembly resolution accompanied by parallel declarations of the two countries. He noted that the Joint Chiefs were concerned about the possibility that a resolution might be amended. The Secretary believed that if the U.S. and Soviet Union had agreed to the text, we would have no difficulty in turning aside unacceptable amendments. He asked for Mr. Foster's comments.

*Mr. Foster* thought the Secretary's concern about the limits of the form which an arrangement might take was proper. He noted, however, that there was a greater "public education" value in the case of some



forms than others. One Senator had commented that a chief value of the test ban treaty was its educational value.

Whatever the form of the arrangement, Mr. Foster believed that it should not be entered into precipitately. There had as yet been little opportunity to sound out the Hill, but he was aware of concern that we were rushing into something. All indications were that Congressional consultations could be accomplished readily, but their importance should not be minimized. Consultations with other countries were also necessary.

Noting that the arrangement would not include provision for inspection, Mr. Foster emphasized the importance of an opportunity for review and withdrawal. Although the Joint Chiefs were opposed to accepting inspection in this case, we did not want to lose the right to it. These matters might present difficulties with the Soviet Union, which would want a more permanent arrangement.

Mr. Foster noted the preference expressed by the Joint Chiefs for the term “weapons of mass destruction” instead of “nuclear weapons”. He wished to hear discussion of this matter.

With respect to the form of an arrangement, *Mr. Nitze* stated that if only declarations of intentions were involved, the question of a way out was not as important. That was why Defense would feel easier with parallel declarations or a joint declaration.

*Gen. Hamlett* agreed that this was the Joint Chiefs’ view.

*The Secretary* pointed out that a General Assembly resolution was not binding. He then pointed out that if we used the term “weapons of mass destruction”, this would be interpreted as meaning nuclear weapons plus something else. However, the Joint Chiefs intention seemed to be to leave open the question of interpretation.

*Dr. Wiesner* said that he had initially thought the term was used since it was broader than “nuclear weapons” and might cover BW-CW, but he understood that there was concern about leaving the way open for orbiting anti-missile systems. That was, in his view, not a likely possibility. He pointed out that one of the basic considerations involved in the arrangement was that the number of orbiting objects would be relatively small. If 100 to 500 objects appeared in orbit, there would be a reason to worry. Once you made it legitimate to place in orbit large numbers of defense satellites with nuclear weapons, you took away the one check on the arrangement.

*Amb. Thompson* thought that if this question were opened up, the Soviets would want to cover both nuclear weapons and other weapons of mass destruction.

*The Secretary* stated that putting some nuclear weapons in orbit would really involve withdrawing from the declaration.

*Gen. Hamlett* said that the term "weapons of mass destruction" was broader than nuclear weapons. The Joint Chiefs had wished to reserve the right to place small nuclear weapons in orbit. He recognized, however, that if we reached that point, we would be withdrawing from the arrangement. However, another problem with referring to "nuclear weapons" was that there might be some misunderstanding concerning our propulsion developments.

*Dr. Wiesner* said the only one that might be affected was Project ORION which was ambiguous. In any case, no one took ORION seriously. ROVER was not ambiguous.

*Mr. Palfrey* agreed that there was no problem respecting ROVER. We should be careful not to prohibit our own development efforts.

*Mr. Fisher* noted that ORION was prohibited by the test ban treaty.

*Amb. Thompson* commented that we would need to tell Gromyko that we will work something out.

*The Secretary* said that Gromyko wanted something as close to a formal agreement as possible but that he would tell Gromyko we have too many constitutional problems to take on a formal agreement at this time. The Secretary wished to be sure whether or not Defense was requesting that we leave the way open for small nuclear weapons in orbit.

*Mr. Nitze* said that Defense had not thought that it would present much of a problem to leave this open. In our previous statements, we had referred to "weapons of mass destruction". However, no one had a clear idea of why we needed to leave the interpretation open. The point Defense was making was simply that the main concern was weapons of mass destruction and there seemed to be no reason to tie our hands on other weapons.

*Dr. Wiesner* thought it would be hard to define if we tried to exclude some nuclear weapons. He did not think "weapons of mass destruction" could be defined in a way that would distinguish between hitting a city with 20 small AICBM's and one large ICBM.

*Mr. Barber* asked why a definition was necessary.

*The Secretary* said that the term "weapons of mass destruction" would be generally understood to include all nuclear weapons. If we were asked whether this were the case and if we said anything but "yes", we had better not go into the arrangement at all.

*Gen. Hamlett* said he thought the Secretary was right.

Turning to the question of withdrawal, *the Secretary* said that we might put in our declaration some language which would take off from the withdrawal clause of the test ban treaty. We might say that "The U.S., of course, as in the case of the test ban treaty, reserves the right to terminate if it determines that extraordinary events, related to the

purpose of the declaration, have jeopardized our supreme interests." He questioned a reference to "technological advance" in one of the drafts, commenting that it seemed to him to imply that when we had developed a system, we would put it up.

*Mr. Fisher* pointed out that the reference to "technological advance" was more related to the possible need for additional assurance at a future time. Additional assurance might also be needed if we got substantial disarmament. Our relaxed approach to this matter might change.

*Amb. Thompson* said he had told Dobrynin that we would need some withdrawal provision. Dobrynin had said something along the lines of the test ban withdrawal clause might be worked out.

*Mr. Chayes* cautioned that we did not want to parallel the test ban treaty too closely. If we did that, it would be difficult to explain why we didn't want a treaty.

*Mr. Foster* commented that we might come back to a treaty before we were through.

*Mr. Nitze* asked why a termination clause was needed in a declaration of intentions.

*Mr. Fisher* responded that it was desirable to have something in the public record.

*The Secretary* then suggested language along the following lines: "The U.S. Government will keep in close touch with developments, and if the U.S. decides that extraordinary events require that it change its view, it will inform the General Assembly." The General Assembly might review the matter in four years time.

*Mr. Nitze* noted this implied a General Assembly resolution and asked whether that was what the Secretary wanted.

*The Secretary* replied affirmatively and said that it would be accompanied by declarations.

*Dr. Wiesner* asked whether the GA resolution came first and then our declarations?

*Mr. Chayes* asked whether the declarations would simply be the statements made in connection with the debate?

*The Secretary* said that the resolution might be sponsored by other countries and that we would make our statements with respect to the resolution.

*Mr. Foster* said that it would be recognized that the U.S. and the Soviet Union were behind the resolution.

*The Secretary* said that if we wanted Mexico and they wanted the Czechs, everyone would know, but we needed to negotiate with the Soviet Union a jointly acceptable resolution, with an agreement between the U.S. and Soviet Union not to accept amendments.

*Mr. Gardner* said he thought such an agreement was possible.

*The Secretary* recalled that in his talks with the Soviets he had mentioned parallel declarations, but he was not sure they should be parallel.

*The Under Secretary*, who had joined the meeting, said he had just talked with the President about this matter and that the President was dubious about anything that looked like two agreed statements or like an executive agreement. The President thought a GA resolution would avoid Congressional problems. It could be put forward by other states. He had asked whether we could control the text.

*The Secretary* said that the meeting had been moving in the direction of the President's position. The text of the resolution would have to be agreed to by the U.S. and Soviet Union. We didn't exclude the possibility of an agreement at some time but couldn't buy one now.

*Mr. Chayes* said we would need to avoid two identical statements in connection with the resolution.

*Mr. Johnson* asked whether in the U.S. declaration, Amb. Stevenson would not simply repeat what we had already said.

*Amb. Thompson* noted that we would need language to get out if necessary.

*Mr. Marengo* asked whether the Soviets would agree not to debate other uses of space.

*The Secretary* said it was his impression that they would agree not to do this, that they appeared to be tacitly accepting reconnaissance activities, and that this was now less of a problem. They seemed to be undertaking such activities themselves.

*Mr. Marengo* said that had been CIA's only problem.

In response to a question by the Secretary, *Mr. Gardner* said that the Mexicans and Canadians were likely to introduce a resolution whether we did or not.

*Mr. Nitze* said an effort should be made to coordinate with the Soviet Union to have better control over the UN debate.

*The Secretary* reaffirmed the need for a jointly agreed text.

*Mr. Johnson* suggested that we should also exchange statements prior to their presentation.

*Mr. Nitze* noted that the intent of this would not be to have the wording the same but simply to coordinate them.

*Gen. Hamlett* wondered if the Congress might not regard this as an agreement.

*The Secretary* thought this would not be the case, that we were just showing the Soviets in advance what we planned to say.

*Mr. Fisher* thought the Congress might consider it advantageous for us to see in advance what the Soviets were going to say.

*Mr. Nitze* thought we might inform the Congress that the resolution was not an obligation.

*The Secretary* cautioned against using the “no obligation” argument since that would be picked up by the Soviets. However, the type of obligation reflected the type of arrangement. A GA resolution was a GA resolution and nothing more. We were starting at the bottom of the ladder of “obligations”, and we would see how far up we would ultimately go.

*Mr. Nitze* asked about the status of other limited measures, in particular observation posts.

*Mr. Foster* said that the JCS report on observation posts had been received, but there had not as yet been an opportunity to review it.

*The Secretary* commented that there seemed to be less chance that the Soviets would want to move on observation posts without linkage to other measures. The chances seemed somewhat higher that, despite the MLF, the Soviets might move on a non-dissemination agreement.

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## 223. Record of Committee of Principals meeting, October 8<sup>1</sup>

October 8, 1963

### CONCLUSIONS RESPECTING U.S. APPROACH TO AN ARRANGEMENT AGAINST PLACING WEAPONS OF MASS DESTRUCTION IN ORBIT

1. Under present circumstances, a General Assembly resolution would be the most acceptable form of an arrangement against the placing in orbit of weapons of mass destruction. The text of such a resolution would have to be acceptable to the U.S. and Soviet Union, and amendments not acceptable to either would be rejected.

2. Statements supporting the resolution would be made by the two countries. The statements would not be identical, but they would be exchanged in advance of presentation.

3. The U.S. statement would include language designed to provide a basis in the public record for re-opening the question of verification

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<sup>1</sup> Conclusions reached on U.S. position regarding weapons of mass destruction in orbit. Top Secret. 1 p. Kennedy Library, National Security Files, Departments and Agencies Series, ACDA, Disarmament, Committee of Principals, 3/61–11/63.

at a future time should it become desirable to do so and for withdrawing if necessary.

4. "Weapons of mass destruction" would have to be interpreted as including all nuclear weapons. The U.S. could accept specific reference to nuclear weapons should the Soviet Union prefer that approach.

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**224. Memorandum of Conversation, October 10, between Rusk and Gromyko<sup>1</sup>**

October 10, 1963

SUBJECT

*Disarmament*

PARTICIPANTS

*US*

The Secretary  
Under Secretary Ball  
Governor Harriman  
Ambassador Thompson  
Assistant Secretary Tyler  
Deputy Assistant Secretary Greenfield  
Mr. Akalovsky

*USSR*

Mr. Gromyko  
Mr. Semenov  
Ambassador Dobrynin  
Mr. Zamyatin  
Mr. Zemskov  
Mr. Kornienko  
Mr. Sukhodrev

*The Secretary* said his view was that the efforts towards a solution of the disarmament problem could be compared to advance of infantry. When infantry advanced and encountered a pocket of resistance it worked on that pocket but the advance continued in the other sectors. In this connection, the Secretary recalled the US proposal for mutual destruction of B-47's and "Badgers". The US had proposed this because we believed it was better to destroy sophisticated weapons which were

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<sup>1</sup> Disarmament issues. Secret. 5 pp. Department of State, Central Files, DEF 18.

becoming obsolete in the military establishments of our two countries than to disseminate such weapons to the underdeveloped countries.

*Mr. Gromyko* wondered whether this would not look like destruction of weapons which were too expensive to maintain.

*The Secretary* agreed that *Mr. Gromyko* might have a point here but noted that we were proposing a rate of destruction which would be faster than the rate of obsolescence. He reiterated that both of our countries would reach a stage of development of sophisticated weapons where we would not want to see those weapons get into the hands of others.

*Mr. Gromyko* asked whether the Secretary was advancing this idea as a method which could be applied to armaments in general or only to a specific category.

*The Secretary* commented this proposal had two advantages in our view: 1) it would not require broad inspection because all that would have to be verified would be that a certain specified number of designated armaments had been actually destroyed, and 2) this would be useful from the standpoint of our concern about the possibility of such weapons being distributed to other nations. The Secretary thought that perhaps other weapon classes could be handled in the same way, although he did not know. This matter could be studied. As to our proposal regarding B-47's and "Badgers", if these aircraft should become obsolete in five years for example, why couldn't we destroy them in three years? That would give us some disarmament and would also be beneficial in other respects. For instance, it was interesting to note that the cost of one supersonic bomber was equivalent to the cost of maintaining a whole university in an underdeveloped country; consequently, it would be nonsense to give such bombers to the less developed countries.

*Mr. Gromyko* commented that if, for example, five hundred bombers were destroyed but one hundred rockets were built in their place, where would that lead us?

*The Secretary* agreed we ought to work on the problem of rockets as well, but pointed out that rockets without bombers would still amount to less armaments than if we had both. He also reminded *Mr. Gromyko* that the United States was prepared to discuss the question of nuclear delivery vehicles across the board. We had proposed in Geneva that all major armaments be reduced in stage one by thirty per cent. If the USSR felt that this was a strategic problem, we were prepared to discuss it.

*Mr. Gromyko* said that perhaps the most realistic approach to disarmament was that of general and complete disarmament, because such an approach would avoid the problem of balance and/or correlation

of forces. We would begin at some point and end at zero, so that the only problem would be to keep the balance during the process. Of course he realized that all this would take some time.

*The Secretary* said that in theory we agreed that total disarmament was our goal but pointed out that we must start somewhere and move ahead.

*Mr. Gromyko* said this was true, but those steps must be part of a whole and agreed program, so that everybody would know what would happen tomorrow.

*The Secretary* observed that he had reviewed the disarmament proposals which had been made since 1920. All of those proposals had bogged down in technical problems which arose as soon as one tried to match one weapon against another. As far as our proposals for the destruction of bombers was concerned, he could confide to *Mr. Gromyko* that our military believed that their destruction would result in a strategic disadvantage to the United States. However, the Government view had prevailed and we had advanced the proposal. Perhaps the military in the Soviet Union felt the same way as ours. *The Secretary* then said that as far as other weapons were concerned, perhaps we could find some which would lend themselves to a similar approach.

*Mr. Gromyko* inquired whether this meant that the Secretary was mentioning bombers only as an example.

*The Secretary* replied he had mentioned bombers because we had fully analyzed this problem. We could study whether this approach could be applied to some other weapons and perhaps we could find some additional weapon classes which would lend themselves to a similar treatment.

*Mr. Gromyko* then asked whether this approach could, in the US view, be applied to any bombers or only to a specific type.

*The Secretary* said we had proposed B-47's and "Badgers" because we believed that they balanced. He did not know whether this approach could be applied to all bombers and said that this matter would have to be studied.

*Mr. Gromyko* then raised the question of bases, noting that when the Soviet Union referred to nuclear delivery vehicles in stage one it also mentioned bases, a subject which the United States was reluctant to discuss.

*The Secretary* suggested that *Mr. Gromyko* ask his Defense Ministry how many bases the United States had abandoned in the last fifteen years. He thought *Mr. Gromyko* would be amazed when he heard the figure. *The Secretary* remarked that if this job should be too big for the Soviet Defense Ministry he would give *Mr. Gromyko* the figures.

*Mr. Gromyko* commented that perhaps the United States had abandoned weak bases and kept the strong ones. He said he had raised the



question of bases because it had been a sensitive spot in the relations between our two countries since the war, although sometimes both the US and the USSR refrained from mentioning it.

*The Secretary* suggested that Mr. Gromyko should note that the US had supported the Iranian commitment not to have any missiles stationed in Iran. We had done so because we knew the Soviet sensitivity on this point.

*Mr. Gromyko* said he appreciated this statement and commented that the Soviet Government had guessed that this was so, even at the time the Iranians had made their commitment, although of course the Soviet Union could not be completely certain at that point. He wished to point out, however, that while the United States was perhaps abolishing land bases it was building sea bases.

*The Secretary* rejoined that the Soviet Union was building submarine upon submarine.

*Mr. Gromyko* asserted that Soviet submarines remained in closed seas.

## December 1963

### 225. Table Comparing FY 1964 Effort and Proposed Program for FY 1965<sup>1</sup>

		Undated	
		FY-64	FY-65
		(Millions of Dollars)	
<i>Safeguard No. 1</i>			
RDT&E, Defense Agencies			
(DASA)		<u>9.5</u>	<u>22.6</u>
	Sub Total	9.5	22.6
<i>Safeguard No. 2</i>			
RDT&E, Defense Agencies			
(DASA)		33.0	36.0
RDT&E, Army		7.6	8.4
RDT&E, Navy		<u>5.3</u>	<u>5.2</u>
	Sub Total	45.9	49.8
<i>Safeguard No. 3</i>			
RDT&E, Defense Agencies			
(DASA)		44.4	49.3
RDT&E, Air Force		23.6*	24.0*
Military Construction, Defense			
Agencies (DASA)		<u>20.0**</u>	<u>4.1</u>
	Sub Total	88.0	77.4
<i>Safeguard No. 4</i>			
RDT&E, Defense Agencies			
(ARPA)		51.0	62.0
A/C Procurement, Air Force		1.2	2.8
Other Procurement, Air Force		11.5	15.9
Military Construction, Air			
Force		8.6	9.1
O&M, Air Force		20.6	27.6
Military Personnel, Air Force		<u>8.2</u>	<u>10.2</u>
	Sub Total	101.1	127.6
	GRAND TOTAL	244.5	277.4

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\*Included under Advanced Ballistic Reentry Systems.

\*\*Excludes \$16.5 FY-63 funds.

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<sup>1</sup> Represents DOD's portion of the "safeguards" program. Secret. 1 p. Washington National Records Center, RG 330, OSD/OATSD (AE) Files: FRC 69 A 2243, 388.3, 58 AWT USSR Tests, 1961-1963.

# National Security Policy

January 1961

## 226. Memorandum Prepared by Boggs, January 5<sup>1</sup>

January 5, 1961

### SUBJECT

Discussion at the 473rd Meeting of the National Security Council, Thursday,  
January 5, 1961

Present at the 473rd NSC Meeting were the President of the United States, presiding; the Vice President of the United States; the Secretary of State; the Secretary of Defense; and the Director, Office of Civil and Defense Mobilization. Also present at the Meeting and participating in the Council actions below were the Secretary of the Treasury and the Director, Bureau of the Budget. Also attending the Meeting were the Chairman, Joint Chiefs of Staff; the Director of Central Intelligence; the Chairman, Atomic Energy Commission; the Under Secretary of State for Political Affairs (Merchant); Assistant Secretary of State Gerard C. Smith; the Deputy Secretary of Defense (Douglas); Assistant Secretary of Defense John N. Irwin, II; the Secretary of the Army; the Assistant to the President; the Special Assistants to the President for National Security Affairs, for Science and Technology, and for Foreign Economic Policy; Mr. Huntington Sheldon, Central Intelligence Agency; the White House Staff Secretary; the Assistant White House Staff Secretary; the Executive Secretary, NSC; and the Deputy Executive Secretary, NSC.

There follows a summary of the discussion at the Meeting and the main points taken.

### 1. NATIONAL SECURITY COUNCIL INTELLIGENCE DIRECTIVES

Mr. Gray said he wished to bring up first a matter which was not on the formal agenda. The Joint Study Group on Foreign Intelligence Activities, composed of representatives of the Director of Central Intelli-

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<sup>1</sup> Discussion at 473d National Security Council meeting on intelligence directives. Top Secret. 13 pp. Eisenhower Library, Whitman File, NSC Records.

gence, the Secretaries of State and Defense, the Director, Bureau of the Budget, and the Special Assistant to the President for National Security Affairs, had submitted its report and was now preparing a list of recommendations on which the Principals had agreed, as well as a list of recommendations which had not been concurred in. A question had arisen whether a revision of the NSCID's would be necessary as their provisions affect the authority of the Secretary of Defense in the intelligence field. At the present time, the NSCID's refer to the Military Services, not to the Secretary of Defense. The suggestion had been made that the Secretary of Defense be given authority by amendment of the NSCID's to proceed with reorganization of military intelligence within the Department of Defense.

Secretary Gates said this matter would affect the next Secretary of Defense. The first issue involved in the report of the Joint Study Group was the one Mr. Gray had mentioned, namely, the question of amending the NSCID's. Another issue, however, was also involved, namely membership on the U.S. Intelligence Board. The report by the Joint Study Group recommended that the Secretary of Defense and the Joint Chiefs of Staff rather than the Military Services be represented on the USIB. Secretary Gates was in favor of this recommendation but understood the Military Services were opposed. Mr. Dulles said he was also opposed to this recommendation. Secretary Gates said this matter affected the NSCID's since the organization of the USIB was covered in the NSCID's.

The President said he had been told that about [text not declassified] was being spent for the intelligence function in the Department of Defense. He believed we were not good administrators if we could not perform this function at less expense. He also believed that we were not doing everything that could be done to implement the concept of integrated strategic planning unless military intelligence could be placed under the Joint Chiefs of Staff. He was unable to understand why the antiquated system of separate intelligence organizations for each Military Service was retained.

Mr. Dulles pointed out that the Military Services at the present time had the personnel, the competence, and the background in intelligence. Until this situation was changed, he would rather deal with representatives of the Military Services, who know intelligence, than with the representative of the Secretary of Defense, who would not have the experience, the personnel, and the background judgment required. When organizational changes were made so that the representative of the Secretary of Defense had competent collectors and analysts working for him, then Mr. Dulles would not disagree with the recommendation for a change in the membership of the USIB, but at present, he repeated, the change suggested would merely result in putting on USIB representatives with inadequate intelligence support.

The President believed that the Services should collect battlefield intelligence but did not see the necessity for strategic intelligence in the Services. He wondered what intelligence officers in the Services could do to get information from the center of the USSR and correlate it with intelligence on the rest of the world. He said when he supported the establishment of the Central Intelligence Agency in 1947, he did it on the basis that the function of strategic intelligence should be in CIA and that duplication should be eliminated. General Lemnitzer felt that the acquisition of technical intelligence, e.g. information about enemy nuclear submarines, required officials who know nuclear submarines. The Services would be very much concerned if they were not represented on USIB. The President believed that the information referred to by General Lemnitzer was battlefield intelligence, whereas the discovery of the shipyards where nuclear submarines are being constructed was the business of CIA. He did not see why four intelligence services should attempt to find out where the submarines were made. He believed it was the function of CIA to acquire strategic intelligence. General Lemnitzer believed that each Military Service was working on a different intelligence target.

Mr. Gray pointed out that a substantive discussion of the material in the Joint Study Group report seemed to be underway. The President said that perhaps the membership of USIB could not be changed at once but that a different type of intelligence board could be organized once military intelligence within the Department of Defense was reorganized. Secretary Gates did not agree that the membership of USIB could not be changed immediately. A Defense representative on the Board could do his homework in the Pentagon and bring the Defense position to the Board in the same way a Defense representative on the Planning Board reports the Defense position. The President felt that changes in the membership of USIB must be correlated with changes in the military intelligence organization. Mr. Gates said that thus far intelligence has not been affected by reorganization of the Department of Defense. Mr. Dulles said when changes were made in the organization of military intelligence, there would be a reason for changing the membership of USIB, since there would then be one high-ranking official who knows intelligence representing the Department of Defense. The President said that there would in any case remain the need for technical intelligence gathered in connection with the normal deployment of forces.

Mr. Dulles said the figure of [text not declassified] had been mentioned occasionally as the sum spent by this government on intelligence activities. He wished to point out, however, that this figure included support of the radar station at Thule, support of SAMOS, etc., all of which were really early warning functions.

The President said he had read a summary of the report by the Joint Study Group. He felt that up to now we had not accomplished all it was possible to accomplish in integrating all our intelligence activities. Secretary Gates said there was no review in the Department of Defense of intelligence requirements. General Lemnitzer said the JCS agreed on the need for Defense review of intelligence requirements.

Secretary Gates believed the policy question before the Council now was, how far would this Administration wish to go in reorganizing intelligence during its last two weeks in office. The President said he felt a directive on agreed matters could be issued and that he could pass on to his successor his views on other intelligence questions. Mr. Dulles said he would like to see the matter of the pictorial center worked out soon.

The President then remarked that soon after Pearl Harbor, he was engaged in an operation which required him to have certain information which he was unable to obtain from the Navy, i.e. the strength the Navy had left in the Pacific. The President also noted that the U.S. fought the first year of the war in Europe entirely on the basis of British intelligence. Subsequently, each Military Service developed its own intelligence organization. He thought this situation made little sense in managerial terms. He had suffered an eight-year defeat on this question but would leave a legacy of ashes for his successor.

Mr. Gray said language would be prepared to permit agreed recommendations from the report of the Joint Study Group to be put into effect.

The President pointed out that in military history a single man usually dominates the intelligence service of a country at any given time. He felt that a strong central position with respect to intelligence was necessary. The Joint Chiefs of Staff should not be required to consult individually each of the Services, as well as CIA, in formulating their strategic plans; they should have their own intelligence service.

The National Security Council:

*a.* Discussed the question raised by the Secretary of Defense as to revising the National Security Council Intelligence Directives in the light of the recommendations relating to the military intelligence organization within the Department of Defense and to the membership of the U.S. Intelligence Board, submitted on December 15, 1960, by a Joint Study Group on Foreign Intelligence Activities, composed of representatives of the Director of Central Intelligence, the Secretaries of State and Defense, the Director, Bureau of the Budget, and the Special Assistant to the President for National Security Affairs.

*b.* Agreed that the Secretary of Defense should submit his recommendations for appropriate revisions in the NSCID's directive to the

authority of the Secretary of Defense over the military intelligence organization within the Department of Defense in consonance with the Defense reorganization Act of 1958.

c. Noted that the recommendations of the Secretary of Defense pursuant to *b* above, together with the views of the Principals of the Joint Study Group regarding the Group's report which are being consolidated by the Director of Central Intelligence, would be considered at the next NSC meeting on January 12, 1961.

NOTE: The actions in *b* and *c* above, as approved by the President, subsequently transmitted to the Secretary of Defense and the Director of Central Intelligence.

[Here follows discussion of U.S. Policy on the Panama Canal and an intelligence briefing on developments in Cuba, the Congo, Ethiopia, Algeria, Laos, and China. The briefing was treated as two items.]

#### 5. POSSIBLE DEFICIENCIES IN THE U.S. POSTURE FOR LIMITED MILITARY OPERATIONS

(Memo for NSC from Executive Secretary, subject: "Capabilities of Forces for Limited Military Operations", dated June 18, 1958; NSC Action No. 1934; Memo for NSC from Executive Secretary, subject: "U.S. and Allied Capabilities for Limited Military Operations to 1 July 1962", dated September 28, 1960; NSC Action No. 2317-c; Memo for NSC from Executive Secretary, subject: "Possible Deficiencies in the U.S. Posture for Limited Military Operations", dated December 30, 1960)

Mr. Gray explained the background of this subject to the Council and called upon General Lemnitzer to make a presentation. (A copy of Mr. Gray's Briefing Note is filed in the Minutes of the Meeting and another copy is attached to this Memorandum).

General Lemnitzer recalled the study on limited war (transmitted to the Council on September 28, 1960) which had dealt with hypothetical situations in five areas—Berlin, the Taiwan Strait, Iran, Southeast Asia, and Korea. Contingency plans of some magnitude had been prepared for possible operations in these key areas. The JCS had prepared a report on possible deficiencies in the U.S. posture for limited military operations, pursuant to NSC Action 2317. The JCS report had first made certain overall comments on studies of this nature: (1) limited war studies are not a valid basis for programming or decision-making; (2) the adequacy of forces to cope with any one limited war situation depends on prompt action to initiate partial mobilization, augment existing lift capabilities, expand the war production base, and waive financial limitations; (3) the U.S. overall capability for general war would not be unacceptably degraded by participating in one of these limited operations. In fact, it could be argued that one limited war

situation would increase U.S. readiness for general war because of the measures which would be taken to meet the limited situation; (4) any weakness in the U.S. posture is due to acceptance of calculated risks pertaining to the balance of forces and their supporting elements; (5) the early use of relatively small military forces in limited war situations would be more effective than the subsequent use of much larger forces; (6) many factors others than the purely military factors affect our limited war posture.

General Lemnitzer then summarized the comments by the JCS on the specific possible deficiencies in our limited war posture. With respect to airlift, a resumption of hostilities on the scale of Korea would result in a shortage during the first twenty days but after that airlift would be adequate. Two actions to improve airlift had been taken since the date of the limited war study: (1) funds for purchasing additional C-130's had been made available; and (2) additional allocations had been made to the Civil Reserve Air Fleet. General Lemnitzer pointed out that terminal facilities constituted an extremely important factor in airlift. With respect to sea lift, the JCS had concluded that our capabilities were generally adequate, although there might be some shortage in the first sixty days of hostilities.

Turning to military logistics base plans, General Lemnitzer noted that specific guidance had been issued last March but there had not been time for its full implementation. If this guidance is implemented, our capability to support limited war situations should be improved in the near future without degrading general war readiness. The Army has problems connected with the availability of units, the modernization of equipment, and the maintenance of readiness for general war. The Navy is unable to fulfill certain mobilization plan objectives connected with modern conventional weapons and ammunition. The Air Force is generally ready for limited war operations, having distributed its assets around the world near possible limited war areas, with the striking force, of course, remaining in the U.S. The Marines have problems with reserves and with reconstituting reserve stocks.

General Lemnitzer then summarized the JCS comments on Southeast Asia. Limited operations there, he said, were handicapped by logistical limitations stemming from lack of communications, lack of transportation, and lack of port and terminal facilities. Furthermore, the existing facilities were extremely vulnerable to disruption and are inadequate to support sustained operations. These limitations, however, have been offset to some degree by countermeasures. The Pacific Command has recently been augmented by an airborne battle group and an aircraft carrier. Equipment has been pre-stocked in the Pacific area. Periodic mobility training exercises are planned. The Air Force modernization program will improve our limited war capability in the



Pacific. We now have authority for overflights in the Pacific area. Other corrective action which is, or could be, taken will enable us to use additional bases and improve strategic signal communications and strengthen over-the-beach supply methods.

In concluding, General Lemnitzer said that most of the problems adverted to in the limited war study were not new. Additional funding would alleviate many of the deficiencies pointed out in the study but in the light of total requirements, not all of the deficiencies could be remedied at once.

The President said this was the kind of report he could understand. Secretary Herter said the JCS report was very encouraging, especially as regards airlift. However, Secretary Herter felt he must take exception to Paragraph 9 on Page 6 of the JCS report. This paragraph indicated that indecision and lack of clear-cut policies could contribute to starting a conflict we desired to avoid and then went on to say "a pertinent example is the recent conflict of judgment between the Department of Defense and the Department of State concerning the proper implementation of U.S. policy in Laos." General Lemnitzer said this paragraph appeared in the JCS report because the JCS thought that last August when Kong Le rebelled, the U.S. should have built up the Phoumi forces. At that time the State Department embarked on a course of building up Souvanna Phouma. This issue was not settled and as a result Kong Le had several months in which to build up his forces. Secretary Herter replied that the Phouma government became the recognized government of Laos and therefore the government with which the U.S. had to deal. Moreover, our allies supported Souvanna Phouma and were opposed to Phoumi. We had been successful in continuing military assistance to Phoumi even when he was a rebel against the recognized government. Moreover, we had worked constantly to shift power from Souvanna Phouma to Phoumi and had finally succeeded. If the U.S. had armed Phoumi last August, it would have been arming rebels against the recognized government.

The President said the word "indecision" must be eliminated from the JCS report. No agency of the government had the right to say that another agency was indecisive and did not know what it was doing. It was proper to say that the problems were such that decisions could not be made immediately but dereliction of duty should not be imputed to another agency. The President said that even now we did not know what we could do about Laos because of the attitude of our allies. The Joint Chiefs of Staff were correct from the military point of view in stating that it was better to use small forces promptly than to use larger forces later but the question of when small forces can be used involved a political judgment.

General Lemnitzer said the JCS had experienced for some time a feeling of frustration about Laos. The President asked to whom the

JCS report was made. Secretary Gates said the report was made to him and would be a part of the NSC files. The President said the criticism in the report of another government department must be removed.

Mr. Gray noted that the JCS report spoke of allied cooperation in sea lift but made no mention of such cooperation in airlift. General Lemnitzer said it had been proved in the Congo that the U.S. has the only real airlift capability. The President agreed that we should plan on allied assistance in sea lift. He said that if we could not get cooperation from our allies, we were foolish in attempting to establish a collective defense posture in peace time.

Secretary Gates said he had not, during his tour of duty in the Pentagon, noted any deficiencies in our limited war capabilities. The JCS had never pointed out any deficiencies to him. The President said he would like to see two divisions redeployed from Europe to the U.S. He believed these divisions were too much on the front line in Europe. He said that the Secretary of State should brief the Secretary of State-designate on the situation in NATO and on the desirability of inducing the European countries to do their full share with respect to the support of ground forces.

Mr. Gray referred to a draft Record of Action which had been distributed at the meeting. Mr. Stans felt the word "improving" was rather weak in the light of the JCS report. It was impossible to improve starting from "0". Mr. Douglas agreed. The President suggested that a word should be used to indicate that our limited war capabilities were good now but were still improving. Mr. McCone proposed that the word "substantial" be used for this purpose. The President said our estimate of the situation was that a balanced military program did not require a radical allocation of additional resources to limited war but that some additional improvements would be made in our capabilities for limited war.

Mr. Stans said that Paragraph *c* of the draft Record of Action might give a misleading impression. He believed the phrase "without degrading our capabilities for general war" should be inserted in this sub-paragraph.

The President suggested that General Lemnitzer's summary of the report should be retained in the official minutes of the National Security Council.

Secretary Herter inquired about progress on the limited war study directed by NSC Action 2317-*b*. Secretary Gates said this study was underway but that problems had arisen in connection with formulating the assumptions on which to base the study.

The National Security Council:

*a.* Noted and discussed the memorandum from the Deputy Secretary of Defense on the subject and the report attached thereto from the

Joint Chiefs of Staff (transmitted by the reference memorandum of December 30, 1960); as summarized at the meeting by the Chairman, Joint Chiefs of Staff.

b. Agreed that U.S. capabilities to conduct limited war are substantial and will show a further improvement on the basis of the FY 1962 budget as submitted and other actions taken since the completion in July 1960 of the Limited War Study. Agreed that a balanced military program does not require a radical allocation of additional resources to limited war capabilities.

c. Noted further that planned logistics support capability is, or will be, adequate to meet any one or combination of contingencies without degrading to an unacceptable degree U.S. overall capability for general war, provided in sum they do not exceed the general order of magnitude contained in the Korean contingency plan.

d. Noted that President's directive that the summary by the Chairman, JCS, of the report by the Joint Chiefs of Staff (enclosed with the reference memorandum of December 30, 1960) be included in the official files of this NSC meeting.

NOTE: The above actions, as approved by the President, subsequently transmitted to the Secretary of Defense and the Chairman, JCS.

#### 6. MISSILES AND MILITARY SPACE PROGRAMS

(NSC Actions Nos. 1433, 1484, 1615–c, 1653, 1690, 1733, 1765, 1800, 1846, 1956, NOTE following 2013, 2081, 2118, 2168, 2207, 2208, 2238–b–(9), 2300–g, and 2315; Memo for NSC from Deputy Executive Secretary, same subject, dated December 14, 1960; NSC 6021; Memos for NSC from Executive Secretary, same subject, dated December 30, 1960, and January 4, 1961)

Mr. Gray briefed the Council on this subject (A copy of Mr. Gray's Briefing Note is filed in the Minutes of the Meeting and another is attached to this Memorandum). The President asked how many POLARIS submarines would be operational by mid-1964. Secretary Gates said he believed fifteen would be operational by then and added that almost all of those now approved would be operational by the end of 1964. The President felt that with 540 MINUTEMEN missiles, 320 POLARIS missiles (3/5 of which would be on station) plus ATLAS, TITAN, and our IRBMS, we would be in a good missile position in 1964. At that time we should certainly have enough missiles to destroy the USSR in the event we are attacked. Secretary Gates said he had never at any time been worried about the situation after 1963. In fact, the farther into the future we look, the better off we will be. General Lemnitzer pointed out that in addition to the forces mentioned by the President, a great bomber force would be available. The President said he understood we also had 23,000 megatons. Mr. Gray then pointed

out that the Joint Chiefs of Staff had some problems with the adoption of NSC 6021. He was not clear whether these problems were substantive or procedural. General Lemnitzer said that some statements incorporated in NSC 6021 were actually statements made in 1955. Accordingly, if these statements are now adopted and sent out for implementation, the impression would be fostered that we are just beginning to implement the policy contained therein. The President felt that a policy adopted some years ago could be repeated in a later policy paper if it had been reviewed.

Secretary Gates then read Paragraph 2 of NSC 6021 and pointed out that it could be considered out of date at this time since it referred to the early development of the IRBM program. The President said we might need to note that some of the missiles referred to in this 1955 paragraph were now operational.

Mr. Douglas was not sure that the end of Paragraph 3, which referred to a statement by Khrushchev at the Paris meeting, was entirely accurate. Secretary Gates added that the statement in NSC 6021 appeared to be broader than the statement Khrushchev had actually made. The President disagreed, saying that at the Paris meeting De Gaulle had stated that a Soviet satellite had passed over France seventeen times and might, for all he (De Gaulle) knew, be taking pictures. Khrushchev had replied that he did not care how many satellites took pictures over the USSR. Mr. Gray recalled that the language at the top of Page 3 of NSC 6021 had come from two NSC actions which the Departments of State and Defense had checked against the records last spring. The President had approved that Record of Actions at that time because it had turned out to be a correct statement. The President said he realized, of course, that Khrushchev, if it suited his purposes, would deny saying what he did say.

Secretary Herter said he had certain editorial revisions to suggest in NSC 6021. Mr. Gray said the paper could be referred back to the Planning Board for revision in the light of the discussion.

The President asked whether the Council would meet only one more time during this Administration. Mr. Gray said there would be a long meeting next Thursday. The President agreed and added that no NSC meeting should be scheduled on the 19th.

In response to a question from the President, Mr. Dulles said he had not held a personal briefing for the President-elect during the last three or four weeks. The President asked whether the President-elect had conveyed any distress or disagreement with U.S. policy to the Department of State, particularly as regards Cuba. Secretary Herter said the President-elect had taken no position on our policy and, indeed, had not been asked to take such a position. The Department of State had confined itself to informing the President-elect of developments.

The National Security Council:

*a.* Concurred in the recommendation of the Deputy Secretary of Defense (transmitted by the reference memorandum of December 30, 1960) that NSC Action No. 2207 be revised to provide:

“An operational force objective which specifies the achievement of 540 MINUTEMAN operational missiles by mid-calendar year 1964.”

*b.* Concurred in the recommendation of the Deputy Secretary of Defense (transmitted by the reference memorandum of December 30, 1960) that NSC Action No. 2315 be revised to provide:

“*a.* A total of 19 POLARIS submarines authorized for construction (5 included in the FY 1962 budget submission).

“*b.* Long lead time planning and procurement actions authorized to permit the construction of 5 additional POLARIS submarines (included in the FY 1962 budget submission).”

*c.* Discussed the draft statement of policy on the subject contained in NSC 6021, in the light of the views of the Joint Chiefs of Staff, transmitted by the reference memorandum of January 4, 1961; and referred it to the NSC Planning Board for revision in the light of the discussion at this meeting.

NOTE: The actions in *a* and *b* above, as approved by the President, subsequently transmitted to the Secretary of Defense.

**Marion W. Boggs**

227. Record of Action, January 10<sup>1</sup>

January 10, 1961

The Deputy Secretary of Defense, the Acting Secretary of the Treasury, the Secretary of Labor, and the Director, Bureau of the Budget, participated in the action below.

ACTION

NUMBER

SUBJECT

## 2373. RESERVE MOBILIZATION REQUIREMENTS

(NSC 5420/3; NSC Action No. 2215-c; Memo for NSC from Executive Secretary, same subject, dated November 25, 1960)

Concurred, with the exception of the Secretary of Labor, in a recommendation to the President (as proposed by the NSC Planning Board in the reference memorandum of November 25, 1960) that, because the objectives thereof have been accomplished, NSC 5420/3 be rescinded. The Secretary of Labor dissented on the grounds that the following inherent and fundamental problems requiring administrative action of a high order have still not been resolved to his knowledge:

*a.* A complete review of the capabilities of the Officer Corps of the National Guard and the Reserves, followed by a determined "weeding-out" of incompetent personnel.

*b.* A constant, continuing review of the unit structure of the National Guard and the Reserves, so as to keep the structure coordinated with mobilization plans.

*c.* Continual scrutiny to ensure that there is a qualitative distribution of personnel in accordance with the realistic requirements of the three Services.

NOTE: The above action was subsequently submitted to the President. The President rescinded NSC 5420/3 on the grounds that the policy therein was no longer valid. The President, referring to his comment in NSC Action No. 2342-b, indicated that he was asking the Secretary of Defense to call to the attention of his successor the value of continuing studies along the lines of the three points made by the Secretary of Labor. The Council action and the Presidential decision subsequently transmitted to all holders of NSC 5420/3.

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<sup>1</sup> NSC Action No. 2373 on reserve mobilization requirements. Confidential. 1 p. Department of State, S/S-NSC (Miscellaneous) Files: Lot 66 D 95, Records of Action by the National Security Council.

**228. Memorandum Prepared by Boggs, January 13<sup>1</sup>**

January 13, 1961

**SUBJECT**

Discussion at the 474th Meeting of the National Security Council, Thursday,  
January 12, 1961

Present at the 474th NSC Meeting were the President of the United States, presiding; the Vice President of the United States; the Secretary of State; the Secretary of Defense; and the Director, Office of Civil and Defense Mobilization. Also present at the Meeting and participating in the Council actions below were the Secretary of the Treasury; the Director, Bureau of the Budget; the Attorney General and the Chairman, Atomic Energy Commission (Items 2, 4 and 5); and the Administrator, Housing and Home Finance Agency (Item 5). Also attending the Meeting were the Chairman, Joint Chiefs of Staff; the Director of Central Intelligence; the Acting Director, U.S. Information Agency; the Assistant to the President; the Special Assistants to the President for National Security Affairs, for Science and Technology, and for Foreign Economic Policy; Assistant Secretary of State Gerard C. Smith; Assistant Secretary of Defense John N. Irwin, II; Mr. Robert Amory, CIA; the White House Staff Secretary; the Assistant White House Staff Secretary; the Naval Aide to the President; the Executive Secretary, NSC; and the Deputy Executive Secretary, NSC.

There follows a summary of the discussion at the Meeting and the main points taken.

**1. SCOPE OF OPERATIONAL CAPABILITY OF THE POLARIS PROGRAM**

(Memo for Special Assistant to the President for National Security Affairs from Secretary of Defense, same subject, dated January 10, 1961)

Mr. Gray introduced this subject to the Council. (A copy of Mr. Gray's Briefing Note is filed in the Minutes of the Meeting and another copy is attached to this Memorandum).

Secretary Gates remarked that this was a controversial subject on which the Joint Chiefs of Staff had submitted "split papers". Some time ago a program involving the installation of POLARIS missiles on some

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<sup>1</sup> Discussion at 474th National Security Council Meeting. Top Secret. Polaris program, codification of U.S. arms control/nuclear testing policy, disclosure of classified information to foreign governments, foreign intelligence activities, shelter from radioactive fallout, and rental payments for overseas bases. 25 pp. Eisenhower Library, Whitman File, NSC Records.



six to eight cruisers had been evaluated in the Department of Defense. According to the Weapons Systems Evaluation Group (WSEG) studies, from the standpoint of cost, effectiveness and other criteria, the cruiser was not as effective as the submarine or the mobile MINUTEMAN as a missiles weapons system. Finally, he had accepted the view of the Chairman of the Joint Chiefs of Staff that POLARIS missiles should be installed on one cruiser only; namely, the LONG BEACH. He had informed the Navy that it must absorb the estimated \$58 million cost of installing these missiles on this cruiser; moreover, he had reaffirmed a Department of Defense directive which says explicitly that the larger program for installing POLARIS missiles on cruisers was not approved, the LONG BEACH being the exception to his disapproval of the cruiser program. Secretary Gates added that the LONG BEACH was a nuclear-powered cruiser of great endurance which had cost \$300 million; hence he felt it was almost criminal not to provide this expensive vessel with offensive capabilities. Both he and the Chairman of the Joint Chiefs believed a great deal might be learned from the experiment. He also felt that the experiment was unlikely to expand into a program of equipping six or eight cruisers with POLARIS missiles, even though he admitted that the advocates of the larger program now had a foot in the door. After conferences with the Chief of Naval Operations, he had concluded that the LONG BEACH would not be a "white elephant." In conclusion, Mr. Gates emphasized that he had not approved the expenditure of additional funds on this program and that the installation of POLARIS missiles on the LONG BEACH was an exception to the general principle that such missiles would not be installed on cruisers.

General Lemnitzer added that the LONG BEACH was originally designed as a missile cruiser; that is, it was intended to carry REGULUS II vehicles, which had since been cancelled. The President said he had approved the installation of POLARIS missiles on the LONG BEACH, even though he was skeptical as to the use which would be found for a surface ship carrying eight missiles when a submarine could carry sixteen. He noted that a great many people had become almost hysterical in their praise of any ship that was nuclear-powered. Secretary Gates said the high cost of the LONG BEACH was due, not to its nuclear power plant, but to the fact that it carried the most modern sonar, radar, and other equipment.

Mr. Stans inquired about the relative cost of placing missiles on the LONG BEACH versus the cost of using other missile launching platforms. Secretary Gates said that compared to the mobile MINUTEMAN and the submarine, the cruiser was a great deal more expensive as a missile platform. The President noted that in discussing MRBM's for NATO, we had been thinking of small coastal ships as the launching



platforms. However, he could see the value of the LONG BEACH if it could be stationed in the middle of the Indian Ocean at the right time. Secretary Gates said the LONG BEACH was a very self-sufficient ship.

The National Security Council:

Noted and discussed the President's approval at the recommendation of the Secretary of Defense that, as an exception to the general policy of the Department of Defense of not placing POLARIS missiles on cruisers, the POLARIS program be extended by the installation of 8 missiles on the nuclear-powered USS LONG BEACH, as indicated in the reference memorandum distributed at the meeting.

NOTE: The above action, as approved by the President, subsequently incorporated in the revision by the NSC Planning Board of NSC 6021 (circulated as NSC 6108, "Certain Aspects of Missile and Space Programs").

## 2. CODIFICATION OF U.S. POLICY ON ARMS CONTROL AND U.S. POLICY ON NUCLEAR TESTING

(NSC 112; NSC 5906/1, paragraph 52; NSC Action No. 2215–c)

Mr. Gray briefed the Council on this subject. (A copy of Mr. Gray's Briefing Note is filed in the Minutes of the Meeting and another copy is attached to this Memorandum).

Secretary Herter said he had no disagreement with the desirability of codification in this field but he wondered if sufficient time remained to complete the codification before January 20. He added that the Department of State had submitted a paper to the Department of Defense but the latter had not yet had time to study it. The President wondered whether the project should not be referred to the Planning Board. Mr. Gray said that this was his fall-back position but before falling back to that position, he wondered whether the President might request State, Defense, and AEC to make another effort to complete the codification during the next week. The President agreed that such an effort should be made. Secretary Gates said a Defense paper on the subject was on its way to the State Department. It would be difficult to complete this codification during the next week but he was willing to try.

The National Security Council:

Noted the President's request that the Secretaries of State and Defense, in collaboration as appropriate with the Chairman, Atomic Energy Commission, expedite the preparation of the subject codifications in an effort to complete them during the next week.

NOTE: The above action, as approved by the President, subsequently transmitted to the Secretaries of State and Defense and the Chairman, AEC, for appropriate implementation.

### 3. *DISCLOSURE OF U.S. CLASSIFIED MILITARY INFORMATION TO FOREIGN GOVERNMENTS AND INTERNATIONAL ORGANIZATIONS*

(NSC Action No. 2125-*b*)

Mr. Gray briefed the Council on this subject. (A copy of Mr. Gray's Briefing Note is filed in the Minutes of the Meeting and another copy is attached to this Memorandum).

Secretary Gates said he had experienced a certain amount of difficulty in his own department and with the Atomic Energy Commission in connection with the SD-MICC statement of policy referred to by Mr. Gray. A jurisdictional row was in progress. Mr. Gray wondered whether a directive by the President would help to solve the jurisdictional problem. The President said he believed a little pressure should be applied to this project. Mr. Dulles pointed out that the exchange of intelligence was not affected by the statement of policy referred to by Mr. Gray.

The National Security Council:

Noted the President's request that the Secretaries of State and Defense expedite the preparation of the statement of policy on the subject pursuant to NSC Action No. 2125-*b* in an effort to complete it during the next week.

NOTE: The above action, as approved by the President, subsequently transmitted to the Secretaries of State and Defense for appropriate implementation.

### 4. *FOREIGN INTELLIGENCE ACTIVITIES*

(NSC Action No. 2367; Memo for NSC from Executive Secretary, same subject, dated January 9, 1961, SPECIAL LIMITED DISTRIBUTION ONLY)

Mr. Gray introduced this subject to the Council. (A copy of Mr. Gray's Briefing Note is filed in the Minutes of the Meeting and another copy is attached to this Memorandum).

After indicating that the 43 recommendations of the report of the Joint Study Group on Foreign Intelligence Activities and the recommendations by the Department of Defense for revision of the National Security Council Intelligence Directives (NSCIDs) were before the Council, Mr. Gray turned to the recommendations of the Joint Study Group in the order in which they appeared in the January 9 memorandum of the Director of Central Intelligence on the subject.

The first category of recommendations consisted of those, 28 in number, on which all of the Principals of the Joint Study Group were in agreement. The Council concurred in these 28 recommendations.

Mr. Gray then turned to the second category; namely, 7 recommendations on which the Principals were in substantial agreement with

the exception of dissents or reservations on each such recommendation by single agency head (See Paragraph 5 of the Briefing Note). Recommendations 21, 22 and 23 called for the establishment of a central requirements facility by the U.S. Intelligence Board (USIB). Defense felt that these recommendations should be given further study. Secretary Gates said he had not had time to thrash this matter out with the Joint Chiefs of Staff. He felt that he would personally be able to agree to Recommendation 21 at least, but the JCS felt that a problem was involved concerning the general relation of military influence to operational intelligence. General Lemnitzer said the JCS were not so much in disagreement with the objectives of the recommendation as they were inclined to feel the need for further study in the field. He added that problems as to where the central requirements facility might be located, etc. had been raised. Secretary Gates said the purpose of the recommendation was to remedy the present situation in which intelligence requirements can be issued without being checked in a central clearing house to see whether someone else has the same requirements. Mr. Dulles noted that a great volume of requirements were issued. The President wondered why the JCS objected to this recommendation. He felt finding out the exact requirements in intelligence was the road to efficiency. Secretary Gates said the JCS had lumped Recommendations 21, 22 and 23 together. He believed their dissent was a matter of the details rather than the philosophy. Mr. Dulles suggested that the three recommendations be accepted in principle and referred to the USIB for implementation and consultation with Defense and the JCS. Secretary Gates endorsed this proposal and the Council adopted it.

Mr. Gray then turned to Recommendation 24 which would place on U.S. Mission Chiefs overseas the responsibility for coordinating all overt and clandestine intelligence requirements in their area. Mr. Gray said he suggested granting an exception in instances where State and CIA agreed that the Chief of Mission should not exercise this responsibility. Mr. Dulles said Mr. Gray's exception was acceptable to him. The President agreed.

Mr. Gray then suggested that Recommendation 31 be passed over until Recommendation 29 was taken up. Mr. Gray then turned to Recommendation 34 which would require that military agencies intelligence instructions to components of unified commands be transmitted through the JCS. Mr. Dulles said he concurred in this recommendation, subject to the proviso that it did not include NSA communications to the service cryptographic agencies in the field. General Lemnitzer said this recommendation involved a problem because of the vast volume of requirements in the technical intelligence field. The JCS were not organized for transmission of this vast volume of requirements. He felt there must be some middle ground; perhaps broad operational

requirements as distinct from technical requirements could be transmitted through the JCS. The President pointed out that the recommendation referred to "instructions". Mr. Dulles suggested that the recommendation be amended to indicate that instructions be transmitted through the JCS or as the JCS may direct. General Lemnitzer and Secretary Gates and the President agreed with Mr. Dulles' suggestion.

Mr. Gray next took up Recommendation 37 which would continue the responsibility of CIA stations abroad to coordinate clandestine activities but would relieve CIA case officers of the authority to veto proposed clandestine operations of another agency. Mr. Dulles said he believed this recommendation unnecessary and distinguished between the final decision to approve and the final decision to veto. He said if a military service wishes to appeal the veto of a CIA case officer, the matter would be decided in Washington by the Director of Central Intelligence and the Chief of the Military Intelligence Service. He pointed out also that if a field commander considers an operation essential to the security of his command, he can go ahead with the operation pending Washington's decision regardless of the objection of the CIA case officer in the field. General Lemnitzer said the JCS agreed with this recommendation. Mr. Dulles said he had no further objection to the recommendation.

Mr. Gray then turned to a category of recommendations, two in number, on which there is disagreement but with respect to which the DCI recommends a decision at this time. The first recommendation in this category was No. 16 which called for the issuance of a new NSCID No. 8 establishing a National Photographic Intelligence Center. Mr. Gray pointed out that the Secretary of Defense and the DCI were in disagreement on this recommendation, each feeling that his agency should have responsibility for administering the proposed Center. General Lemnitzer believed the Center should operate under the general direction of the Defense Department because the vast amount of the input would be produced by the Military Services. Moreover, the Military Services would be required to provide training for and would be the principal customers of the Center, which would be especially important in time of war. He recognized the need of other agencies for photographic intelligence and such intelligence would be made available. He gave assurance that the Center would not be removed from Washington if it were placed under the Department of Defense. Vast quantities of photographic intelligence were now being acquired. No photographic center was available at the present time and the Joint Chiefs of Staff wished to avoid duplicate centers. The Chiefs feel that the center could most effectively be operated by the Department of Defense with the participation of CIA. Secretary Gates added that Mr. Dulles had agreed that the Center should be operated by Defense in

time of war but he (Mr. Gates) felt the need of continuity in the quick transition from peace to war which might occur in the future. This problem was not one of intelligence interpretation but was one of management. Every user agency could interpret the intelligence. Secretary Gates added that the existing Center would have to be expanded in the near future.

Mr. Dulles said some misinterpretation appeared to exist on this subject. The present photographic Center was a joint enterprise consisting of 140 CIA officials, 100 Army officers, and a small but competent Navy contingent of 10 and 7–15 Air Force officers. The Center had been a joint operation for five years and had handled mostly U–2 photography under the management of CIA. The President asked whether the Defense suggestion was that the Center be under J–2. General Lemnitzer replied, no, under the Department of Defense. Secretary Gates added, directly under the Secretary of Defense just as NSA is. The President thought the three Military Services should not be separately involved in this Center. Since the basic danger to be detected by the Center is military, he believed it would be satisfactory for the military to give central direction to the operation.

Mr. Dulles said the information obtained through this Center was chiefly military only in the targeting field. Photographic intelligence had tremendous political significance and was a matter of common concern to the Washington agencies. The matter was one which fell within the field CIA was established to coordinate. In its five years of operation the Center had developed a group of career officials who intended to make photographic intelligence their life work. If the Center were placed in the hands of the military, rotation of personnel would be the principle followed, if past practice is any guide. The President felt rotation would be fatal to an operation of this kind. Secretary Gates said that if the Center were placed under Defense, a career staff would be retained and developed. Mr. Dulles said abandonment of rotation was a new idea for the military. He added that the Center had been operated for five years without a leak. Preliminary analysis of photography is made by the Center and information is then disseminated to user agencies. Some of this information is vital to the Department of State. Mr. Dulles felt it would be very damaging to morale to disrupt this going concern at the present time. The President said he would like to inquire into the time element. While some of the information coming from the Center might be vital to the Department of State, he wondered whether it was not the military rather than the State Department which had an instant need for the information. Mr. Dulles said the information developed by the Center was important to the military but was also important to other agencies such as State because of its effect on policy. The President said the information was important

but need not reach State as soon as it reached the military. The information might be needed in a matter of seconds by the military.

Secretary Gates said the Center would be considerably expanded in the future and the operation would be different from the U-2 operation. The President believed that the Center must be operated by an expert career staff. This was a question of management which, perhaps, should be studied before being decided so quickly. If he had to decide at the present time, however, he would say, since the present Center is doing well, let it alone except for its enlargement. He understood that the Department of Defense and the JCS had no complaints about the operation of the Center.

Mr. Stans said one difficulty was that the Air Force was establishing its own Center. Secretary Herter said he understood that the film was processed by the Air Force before it went to the Center. Mr. Dulles said this understanding was erroneous. The film is developed by a private company, which has the greatest competence in this field. This company has been developing this film for five years in the greatest secrecy. The film goes to a special branch of the company and is then flown to Washington. The Air Force gets the film at the same time as the Center.

The President said there should be only one Center and that no Service should establish a separate center. Matters of this kind were placed under CIA by the National Security Act because of their common usefulness. Secretary Gates said Mr. Stans was correct in his statement that the Air Force intended to have its own center. When great masses of photographic data were involved, there was a question of what should be looked at first and how soon. Mr. Gray said he felt the discussion was getting on to very sensitive grounds. The issue was whether there should be a single center or not. The President said there must be a single photographic center. Since CIA was the principal user and collector, he believed the center should be under CIA management as a principle of organization even though the time element still bothered him.

On being called on by the President, Dr. Kistiakowsky said that the existing photographic Center under CIA provided copies of its material without delay to all Services which concentrated on tactical intelligence. The Center does not retain the matter until it makes an exhaustive analysis; it passes it on immediately. Dr. Kistiakowsky felt the existing Center was a revolution in photographic techniques. In a year we would be able to obtain as much information from photographs taken 200 miles above the earth as we were able to get from our best reconnaissance plane in World War II. Operation of the Center required expertise. CIA had taken the lead in managing and developing this Center in the past. Dr. Kistiakowsky felt it would result in delay and

loss of progress to disturb the Center at the present time. From the technical point of view, he would much prefer an expansion of the present Center to a transfer of the Center away from CIA management.

Mr. Stans raised the possibility of joint CIA/DOD management. The President said he disliked divided responsibility. He believed Defense had not shown any unhappiness with the existing Center. While he knew how important the time element was, he believed the present Center should be kept under CIA management and expanded. The DOD should state its requirements for photographic intelligence. There should be a single center and no Service should be allowed to set up its own center. Mr. Dulles pointed out that the draft NSCID No. 8 provided that the Director of the Center would be chosen by agreement between the DCI and the Secretary of Defense.

Mr. Gray then turned to Recommendation 29 which would provide the DCI with a Coordinating Staff. The sole dissent on this recommendation was that of the Secretary of Defense who feels that the DCI should be separated from the CIA without further delay. Mr. Gray also mentioned the views of the Hull Board on this matter (bottom of Page 3 of the Briefing Note). Secretary Gates said the Defense view mentioned by Mr. Gray was the view of the Defense representative on the Joint Study Group. He (Mr. Gates) did not feel that he should comment on the organization of CIA; accordingly, he would take no strong position on this recommendation. The President believed the Defense Department should be interested in getting the best administration possible in this field and therefore should take a position. Secretary Gates said the Department of Defense had taken a position favoring the separation of the DCI from CIA. The President said he had believed for some time that the structure of our intelligence organization was faulty. He thought the Services should confine themselves to gathering combat intelligence while strategic military intelligence should be collected by an organization under J-2. He was convinced that better intelligence would be obtained by a centralized intelligence organization. Such an organization, however, needed to be streamlined.

Mr. Dulles said a great deal had been accomplished in the intelligence field over the past ten years. He believed coordination and cooperation was now better than it had ever been. He noted that no country had succeeded in achieving complete intelligence coordination, not even the U.K. and certainly not Germany under Hitler. Mr. Dulles was compelled to dissent from the Hull Board proposals because they were illegal until the law is changed. The DCI was responsible under the law for intelligence coordination and he could not delegate that responsibility. A body floating in thin air could not be created for the purpose of intelligence coordination until the statutes were amended. He doubted that such a body could accomplish coordination even if the



law were amended to permit it to try. The President said he was convinced that some streamlining of our intelligence organization was needed. The streamlining probably should have been undertaken three years ago rather than at the last minute. Mr. Gray said the recommendation of the Joint Study Group was for a Coordinating Staff under the DCI. If the Secretary of Defense did not wish to press the proposal for a complete separation of the DCI from CIA, then a first step could be taken by adopting the Joint Study Group recommendation. Mr. Dulles said he concurred in the Joint Study Group recommendation. General Lemnitzer said the JCS agreed with the Secretary of Defense; they felt a separation of the DCI from CIA was to be preferred. Mr. Dulles said the objective of the Defense Department would be accomplished to a considerable extent by adopting the Joint Study Group proposal, particularly if Defense would assign a top-level official with real authority to the Coordinating Staff. Mr. Gray said the recommendation was not intended to fix intelligence organization for all time but would be a step forward.

Mr. Gray then proposed that the Council turn back to Recommendation 31 which would establish a management group under USIB. The President wondered whether the Coordinating Staff would not have to manage. Mr. Gray referred to the complicated committee structure under USIB but said no committee was charged with management problems. The Joint Study Group felt the need for a group which would deal with management matters. The DCI had suggested that this function be performed by the Coordinating Staff called for in Recommendation 29, which had just been discussed. The President wondered whether there was a difference between intelligence coordination and management. He felt that two separate bodies might clash. Mr. Dulles pointed out that he proposed a single group, namely, the Coordinating Staff. Secretary Herter suggested that the Coordinating Staff under the DCI be charged with management problems for six months after which the matter could be reviewed.

Secretary Gates referred to a new coordinating board which would be responsible for intelligence planning and estimating. Mr. Dulles felt that Secretary Gates was confusing two things, the membership of USIB and the recommendation of the Joint Study Group for a management group. Secretary Gates said he favored a change in the membership of USIB. He believed Defense, not the Services, should be represented on USIB and that the Defense representative should have a Defense position in the same way he has a Defense position when he comes to an NSC meeting. Mr. Dulles said that as soon as the necessary intelligence reorganization took place in the Pentagon, he would concur in a reorganization of USIB but not before.

Mr. Gray asked whether the Council agreed to give the Coordinating Staff referred to in Recommendation 29 the management function.



The Council, including the President, indicated that it did agree with this proposal.

The President said the job of streamlining intelligence had not yet been seriously tackled. He had received a body blow when he learned that USIB consisted of ten people. Mr. Gray asked whether the Secretary of Defense wished to speak further on the membership of the USIB. Secretary Gates said he had recommended a change in USIB membership and he believed this change could be made at the present time. Accordingly, he had submitted proposed amendments to the NSCID's. The President asked why Defense could not effect the necessary reorganization without the blessing of the Council. Secretary Gates replied that the NSCID's had been adopted by the Council. The President said that the Council was only advisory to the President and that he (the President) as Commander-in-Chief looked to the Secretary of Defense to effect proper organization of intelligence in the Pentagon. The President added, however, that until intelligence in the Pentagon was reorganized, Defense would have to go along with the idea of changing the membership of USIB in phase with changes in Defense. Secretary Gates said he believed the changes he had proposed would force the Department of Defense to do its homework in intelligence. Mr. Dulles said if the Secretary of Defense wanted to assume the task of coordinating Army, Navy, and Air Force views on such a subject as missiles, he would be delighted. He felt, however, that such coordination would consume a great deal of the time of the Secretary of Defense. He believed he had more time than the Secretary of Defense to attempt this coordination. Secretary Gates said that USIB with Army, Navy, Air Force, DOD, and JCS representatives was a discussion board. No Defense position and no ironing out of Service positions was possible. The whole Defense position was turned over to USIB by default. The President said we were groping toward improvement in our intelligence organization. However, he wondered where the Services obtained the information which Mr. Dulles found so important. He did not believe the Services could find out how many missiles the Soviets have. Mr. Dulles said a distorted estimate would result if it were not for all the Services. For example, the Army had a great deal of experience in the amount of factory floor space required for the building for particular numbers of missiles. An acceptance of an Air Force point of view without regard to this Army experience would result in distortion. The President said he was talking about the views of the Secretary of Defense. He believed technical and tactical intelligence should be in the hands of the Services but broad strategic matters were different. He felt a better definition of the responsibility of each Service as to collection was needed, after which coordination should be less difficult. He believed military strategic intelligence should be centralized in Defense or JCS. General

Lemnitzer said intelligence was different from other matters since intelligence estimates were based on a wide variety of information. He pointed out that the proposal by the Secretary of Defense would result in two Defense representatives on USIB, one from the Office of the Secretary of Defense and one from J-2. These two Defense representatives might have a difference of opinion. Moreover, the Secretary of Defense did not have an intelligence staff to help him resolve differences of view. Secretary Gates said he did a great deal of homework on NSC papers before a Council meeting. He believed it should be part of his job to spend time also in resolving intelligence differences. The President said he could not agree more. His inclination would be to put Pentagon intelligence under the JCS and let the latter send one man, not two, to USIB. Secretary Gates said his recommendation involved setting up one intelligence organization in the Pentagon. The President said that, nevertheless, the present system, even if it worked creakingly at present, could not be radically changed until the necessary people were trained. The President, therefore, felt that the language in the Joint Study Group recommendations as to phasing was correct with respect to the membership of USIB. He hoped, however, that the phasing would not require eight years.

Mr. Gray turned next to another category of recommendations, six in number, on which there were differences of view among the Principals and on which the DCI recommends deferral of action. The first recommendations in this category were Nos. 1, 2 and 35 which would require a reorganization of intelligence within Defense and in field commands, with particular reference to the role of the Joint Staff and the unified commands in relation to military intelligence services. The Secretary of Defense approves these recommendations in principle but feels that Recommendation 35 should be deferred until experience is gathered in implementing Recommendations 1 and 2. The DCI objects to Recommendation 1(b)(2), which would require the JCS to coordinate intelligence views within Defense. Secretary Gates said this was a matter of internal directives within the Department of Defense and was related to the discussion just concluded. He felt the matter should be deferred.

The President said he was impressed by Recommendations 1 and 2 but felt that Recommendation 35 should be deferred. Mr. Gray then referred specifically to Recommendation 1 (b)(2). Mr. Stans said that there was no need for three military medical services, three military procurement services, or three military intelligence services. He believed a single military intelligence service should be achieved ultimately and the sooner the better. The President thought this matter would be settled by the reorganization of military intelligence which the Secretary of Defense would undertake. However, he thought intelli-

gence direction by the JCS would have to be phased; such direction could not be accomplished until the intelligence organization in the Pentagon was changed. Secretary Gates said the amendments he had proposed to the NSCID's would permit a reorganization of intelligence in the Pentagon.

At this point Mr. Gray asked the Council to consider the amendments to the NSCID's proposed by the Deputy Secretary of Defense. Mr. Gray explained these proposed amendments.

In connection with NSCID 3, Mr. Stans noted that the Secretary of Defense proposed that Defense undertake the collection of economic information pertinent to the Department of Defense. Mr. Stans thought it would be possible to interpret this provision as including almost any type of information; accordingly, he felt the provision should be eliminated or limited. The President said that Military Attaches would inevitably collect some economic information. If an attempt were made to put intelligence in rigid compartments, some information would be lost. He was ready to admit that the primary responsibility for economic intelligence rested with State and CIA, but he believed the Military Services could not be denied the right to get any information they could obtain. Secretary Gates said his proposal merely updated the language of the existing NSCID, which permitted the three Services to collect economic intelligence. General Lemnitzer pointed out that the Military had to gather certain types of economic intelligence; for example, in order to evaluate Soviet missile capabilities, it was necessary to analyze the floor space of factories. Mr. McCone thought it would be unwise to exclude the Military from economic intelligence activities. Mr. Stans said Budget officials feared that each Military Service would attempt to collect all the economic information it was possible to collect. Mr. Gray pointed out that if the Defense proposals were adopted, Mr. Stans would need to deal only with the Secretary of Defense, rather than the three Services, in attempting to keep intelligence collection within bounds. The President said we should be content with the progress represented by the Defense amendments to NSCID 3. Mr. Stans suggested that the word "directly" be inserted in the provision under discussion so that Defense would collect "economic information directly pertinent to the Department of Defense." Mr. Gates said he would not argue over an adverb and the President approved Mr. Stans' suggestion.

In connection with NSCID 5, the President saw no reason to object to designating the Secretary of Defense as the agent with whom the DCI would negotiate coordination of espionage and clandestine counter-intelligence activities in active theaters of war. He felt, however, that while the JCS should not be held responsible, the Secretary of Defense should lean on them for advice in this field.

Secretary Herter said that the Defense proposals for amendment to NSCID 6 were worded in such a way as to exclude the Department of State, the FBI, and AEC from COMINT and ELINT activities. In response to a question from the President, he indicated that State negotiated international agreements for ELINT stations, for example. Secretary Herter suggested that NSCID 6 might be amended simply by indicating that "only the Secretary of Defense shall exercise or delegate this authority within the Department of Defense." Mr. Dulles concurred in Secretary Herter's suggestion.

Mr. Gray then reverted to the two remaining Joint Study Group recommendations. He said that Recommendation 5 would have military intelligence agencies develop a capability for war-time clandestine intelligence collection, to be carried out under coordination of the DCI. The President said he could speak with the authority of a former theater commander in time of war in saying that the theater commander could not be responsible to anyone but the Joint Chiefs of Staff. Secretary Herter believed Recommendation 5 required further study. The President said that rather than providing for coordination by the DCI, the recommendation might say that the DCI would be kept completely informed. Mr. Dulles pointed out that Recommendation 5 referred to peace-time, not war-time. The President said he was inclined to agree with Recommendation 5, on the understanding that it applied to peace-time activities only. He did not wish to see developed the theory that a theater commander could be interfered with in time of war.

Mr. Gray then noted that Recommendation 18 would have the DCI focus the attention of the intelligence community on counter-intelligence and the security of overseas personnel and installations with periodic reports to USIB. Secretary Herter said this matter was under intense study at the present time. He believed it would be premature to take action on this recommendation until study and research had been completed. The President said the report referred to in Recommendation 18 could be made through channels. Secretary Herter noted that State Department officials did not wish State Department research activities in this field curtailed as a result of a directive for a joint operation. Mr. Dulles said he hoped some action would be taken on Recommendation 18. He believed coordination was important in this field. The recommendation was not meant to upset the research and study already under way. Mr. Gray suggested that the agencies concerned should make periodic reports to the agency heads.

The President said he hoped this Administration would recommend to the new Administration that the Hull Board be kept in existence. Mr. Dulles concurred. The President added that in his view, the recommendation for continuance of the Hull Board should be made to the new Administration by the DCI and the Secretary of Defense

rather than by him (the President) in view of the apparent tendency of the incoming Administration to downgrade the record of the outgoing Administration. Mr. Gray said that in a conversation with his successor, Mr. McGeorge Bundy, he had formed the impression that Mr. Bundy agreed that the Hull Board should be retained. Mr. Bundy's only question about the Board seemed to be concerned with its relationship to the President. The President said a great many relationships which had been working satisfactorily for a long time were now being questioned by people new to the job.

The National Security Council:

a. Discussed the views of the Principals of the Joint Study Group regarding the Group's report, as consolidated by the Director of Central Intelligence (transmitted by the reference memorandum of January 9, 1961); and took the following actions with regard to the recommendations of the Joint Study Group:

(1) Concurred in Recommendations Nos. 3, 4, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 17, 19, 20, 25, 26, 27, 28, 29, 32, 33, 36, 37, 38, 39, 40, 41, 42 and 43.

(2) Concurred in Recommendations Nos. 1, 2 and 30, provided that:

(a) Implementation of Recommendations Nos. 1 and 2 should take place after study by the Joint Chiefs of Staff and in a manner to be established by the Secretary of Defense.

(b) The implementation of Recommendations Nos. 1, 2 and 30 with respect to the organization and functions of the USIB should be taken in phase with the carrying out of the related internal adjustments within the intelligence components of the Department of Defense.

(3) Concurred in Recommendation No. 5, with the understanding that this recommendation did not modify the arrangements in this field under wartime conditions.

(4) Concurred in Recommendation No. 16 and approved draft NSCID No. 8 as submitted, with the provision that the National Photographic Intelligence Center (NPIC) should be under the Central Intelligence Agency; and noted the President's statement that there should be no other center duplicating the functions of the NPIC, and that the military services and other departments and agencies should state clearly to the NPIC their particular requirements.

(5) Concurred in Recommendation No. 18, subject to the deletion of the words "and assign responsibility for periodic reports to the United States Intelligence Board" and the addition of the words "and the agencies concerned should make periodic reports to their agency heads."

(6) Concurred in principle with Recommendations Nos. 21, 22 and 23, and referred them to the USIB for implementation in consultation with the Secretary of Defense and the Joint Chiefs of Staff.

(7) Concurred in Recommendation No. 24, subject to the addition of the words "except in situations with respect to which the Secretary of State and the Director of Central Intelligence may agree do not warrant such allocation of responsibility."

(8) Agreed that, in lieu of establishing the management group proposed in Recommendation No. 31, the functions recommended for that group should be performed by the coordination staff proposed in Recommendation No. 29.

(9) Concurred in Recommendation No. 34, subject to the addition of the words "or as the Joint Chiefs of Staff may direct, subject to the understanding that National Security Agency communications to service cryptologic agencies in the field are excepted from the provisions of this recommendation."

(10) Deferred action on Recommendation No. 35.

*b.* Discussed the recommendations of the Deputy Secretary of Defense (transmitted by the reference memorandum of January 9, 1961), and adopted the following amendments to National Security Council Intelligence Directives:

(1) *NSCID No. 1, paragraph 4-a, 3rd sentence:* Delete the words "with intelligence production responsibilities."

(2) *NSCID No. 2, paragraph 3:* Delete this paragraph and substitute the following:

"3. The Department of Defense shall have primary responsibility for, and shall perform as a service of common concern, the collection of military intelligence information. Owing to the importance of scientific and technical intelligence to the Department of Defense and the military services, this collection responsibility shall include scientific and technical, as well as economic, information directly pertinent to Department of Defense missions."

(3) *NSCID No. 3, subparagraph 7-b:* Delete this subparagraph and substitute the following:

"b. The Department of Defense shall produce military intelligence. This production shall include scientific, technical and economic intelligence directly pertinent to the missions of the various components of the Department of Defense."

(4) *NSCID No. 5, subparagraphs 8-a, -b and -c:* Substitute the words "Secretary of Defense" for the words "Joint Chiefs of Staff".

(5) *NSCID No. 6, paragraph 2:* Add the following words: ", except that only the Secretary of Defense shall exercise or delegate this authority within the Department of Defense."

*c.* Noted the President's conviction that further streamlining of the entire foreign intelligence organization still needs to be accomplished.

NOTE: The action in *a* above, as approved by the President, subsequently transmitted to the Director of Central Intelligence, the Secretary of State and the Secretary of Defense for appropriate implementation.

The amendments in *b* above, as approved by the President, subsequently incorporated in revised NSCID's.

#### 5. MEASURES TO PROVIDE SHELTER FROM RADIOACTIVE FALLOUT

(NSC 5802/1; NSC 5807; NSC 5807/2; Memo for NSC from Executive Secretary, subject: "U.S. Policy on Continental Defense", dated July 14, 1960; NSC Action No. 2300-*e*; Memos for NSC from Deputy Executive Secretary, subject: "Measures for the Passive Defense of the Population, with Particular Regard to Fallout Shelter", dated December 7 and 8, 1960; NSC Action No. 2361; NSC 6104; NSC 6104/1)

Mr. Mason, Administrator, Housing and Home Finance Agency, joined the meeting at this point. Mr. Gray presented NSC 6104/1 to the Council. (A copy of Mr. Gray's Briefing Note is filed in the Minutes of the Meeting and another copy is attached to this Memorandum). In the course of his briefing, Mr. Gray noted that the split in sub-paragraph *h* on Page 6 of NSC 6104/1 had been settled by agreement between the Budget and OCDM Directors. The Financial Appendix treatment of the same point, however, (fall-out shelter in military buildings) still contained a split between the majority version providing for \$30 million a year to be funded by new appropriations and the Budget version which would provide for \$10 million in FY 62 to be absorbed within regular military appropriations.

Mr. Gates said this was entirely a question of money. The Department of Defense feels that this small amount should be included in a supplemental appropriation request rather than absorbed by the Department of Defense. Mr. Stans said his proposal relied on the uncontroverted statement he had made in a previous meeting of the Council that Defense could absorb \$10 million but not \$30 million for this purpose. Mr. Stans felt that \$10 million was adequate to get the program underway. In response to a question from the President, Mr. Stans reported that the new budget had already been prepared but that the specifics of money for shelter in military buildings had not been included. The President said that if perhaps some of the marble columns could be eliminated from new buildings, the \$10 million could be absorbed. Secretary Gates said that adoption of a policy of putting fall-out shelters in old and new military buildings meant that the first step was being taken in a program which would cost a great deal of money. In his view, requests for this money should be incorporated in the national budget, not absorbed in the Defense budget.

Governor Hoegh calling attention to Footnote 1 in the Financial Appendix, pointed out that no funds have to be provided until fall-



out shelter legislation is passed by the Congress. The President believed that in the light of the billions of dollars being spent for other purposes, it would be inconsistent to eliminate all money for construction of fall-out shelters from the budget. The cost of shelters in new buildings would not be great if appropriate changes in design were made. The President, however, was worried about the cost of providing fall-out shelters in existing buildings such as the Pentagon. Mr. McCone said it had cost a great deal to add fall-out shelters to the new AEC building.

In reply to a question by the President, Governor Hoegh said that two feet of earth or sixteen inches of concrete—in fact, eight inches of concrete—provided shielding from fall-out. It would not be expensive to provide this amount of shielding during the initial construction of a building. Governor Hoegh then again called attention to the footnote which indicated that funds need not be provided until Congress passes the necessary legislation.

Mr. Gray called the attention of the Council to the split in subparagraph *i* on Page 7 of NSC 6104/1. This subparagraph dealt with shelters as a condition for federal grant aid and provided for funding from new appropriations. Mr. Stans called attention to the Budget footnote indicating doubt that any specific estimate of cost is feasible and proposing that the cost be absorbed within regular appropriations. As an example, he mentioned the grant-in-aid program for hospitals. Congress regularly raises the budget request for this purpose from \$100 million to \$180 million. Mr. Stans felt the cost of shelters in hospitals affected by the program could be readily absorbed in this sum. The President agreed that hospitals constructed under this grant-in-aid law should be required to make provision for fall-out shelters within the regular appropriations. Governor Hoegh had no objection.

Mr. Gray then turned to the split in subparagraph *j* on Page 8 which would require fall-out shelters as a condition for five categories of federal loans and guarantees. Mr. Mason believed that if shelter in housing was to be required, it should be required in all housing, nor merely in low-cost housing covered by this paragraph. He would like to encourage the building of shelters but he did not want to penalize low-cost housing. Secretary Gates felt the provision in subparagraph *j* might be very difficult to administer equitably. Secretary Anderson agreed, saying that we are singling out people with low income and telling them how they must spend their housing money as a condition for obtaining a loan. Governor Hoegh said that housing was now required to have bathrooms and running water. He felt the requirement that housing have fall-out shelters was based on the same principle. Implementation of a policy in this field would require Congressional approval but submission of the proposal to Congress would show that the Administration means business. Mr. Stans said only the person



who had to finance his house with a government loan would have to build a shelter. The President said he was opposed to this provision because he was an individualist. Mr. Mason said he had no objection to require fall-out shelters in cases where a direct government loan was granted; his objection was to requiring fall-out shelters in cases of government-guaranteed loans.

The President observed that people who had fall-out shelters would, in the event of an alert, be under great pressure to share their shelters with people who do not have them.

Mr. Mason thought that fall-out shelters should be public shelters rather than parts of individual houses. Governor Hoegh pointed out that seven NATO countries now require shelters to be incorporated in new houses. Secretary Anderson said he would have no objection to our adopting a policy of this kind. Secretary Herter believed the Federal Government had no authority for laying down a requirement of this kind.

Mr. Stans agreed with Mr. Mason that shelters might be required in cases of direct federal loans, but that a requirement of shelters would be undesirable in the case of guarantees. Mr. Stans also felt that any proposal for a law to require shelters in all new housing should be dealt with apart from NSC 6104/1. Governor Hoegh felt this was a key provision which should be incorporated in legislation. The President said he could agree with Governor Hoegh's proposal with respect to direct government loans but he did not agree with Governor Hoegh on guaranteed loans. He concluded the discussion by saying that the whole matter of fall-out shelters should be put before Congress once more.

The National Security Council:

*a.* Discussed the draft statement of policy on the subject contained in NSC 6104/1, prepared by the NSC Planning Board as a revision of the report submitted by the Office of Civil and Defense Mobilization pursuant to NSC Action No. 2361-*d* (NSC 6104).

*b.* Adopted the statement of policy in NSC 6104/1, subject to the following amendments:

(1) *Pages 6 and 7, paragraph h:* Delete the brackets and the footnote thereto; change the second sentence to read as follows: "In addition, fallout shelters should be incorporated in selected existing military buildings."; and delete the third sentence.

(2) *Page 8, paragraph j:* Delete the brackets and the footnote, "and guarantees" from the title, and revise the third sentence to read as follows: "Programs which would be affected include: (1) HHFA/CFA—loans for college housing; (2) HHFA/CFA—public facility loans; and (3) HHFA/CFA projects planned under project planning advances must, where applicable, provide for fallout shelters."

(3) *Page 10, paragraph m:* Delete the brackets and the footnote thereto, and substitute the word “continuously” for “fully” in that sentence.

(4) *Pages 11 and 12:*

(a) Delete the figures “16.0” and “80.0” opposite Item *i* and substitute dashes.

(b) Delete footnotes 2/ and 4/.

(c) Revise footnote 3/ to read: “To be absorbed within regular appropriations.”

*c.* Noted the President’s statement that legislation should be sought, as appropriate, to support the principle that all new housing include fallout shelter.

NOTE: NSC 6104/1, as amended by the action in *b* above, subsequently approved by the President; circulated as NSC 6104/2 for implementation by all appropriate Executive departments and agencies of the U.S. Government, under the coordination of the Director, OCDM. The action in *c* above, as approved by the President, subsequently transmitted to the Director, OCDM and the Director, Bureau of the Budget.

#### 6. RENTAL PAYMENTS FOR MILITARY RIGHTS AND FACILITIES

(NSC 6004/1, paragraph 24; NOTE to NSC Action No. 2192; Footnote to paragraph 18 of NSC 6002/1; Memo for NSC from Executive Secretary, same subject, dated January 11, 1961)

The Council concurred in Mr. Gray’s suggestion that the study prepared by the Department of Defense on “Rental Payments for Overseas Bases” be referred to the Planning Board for further consideration.

The National Security Council:

Referred to the NSC Planning Board for further consideration the study on “Rental Payments for Overseas Bases”, prepared by the Department of Defense as a response to paragraph 24 of NSC 6004/1, the NOTE to NSC Action No. 2192, and the footnote to paragraph 18 of NSC 6002/1 (transmitted by the reference memorandum of January 11, 1961).

#### 7. SIGNIFICANT WORLD DEVELOPMENTS AFFECTING U.S. SECURITY

[Here follows an intelligence briefing on developments in the Soviet Union, the Congo, and counterintelligence activities.]

Mr. Gray said that some of those participating in the meeting were about to become statistics. Mr. Gray said the meeting about to be concluded was the last Council meeting of this Administration. During President Eisenhower’s Administration 366 Council meetings had been held. The President had presided over 329 of these meetings, or 89.897 per cent.

The President said his experience with the National Security Council had been a most gratifying one. The Council is a body in which views were frankly and openly expressed. This was due in part, he believed, to the feeling that what was said in the room was secret. He could remember only one occasion when a remark made in the Council room during his Administration had been quoted publicly outside. This was a really remarkable achievement.

Mr. Gates felt sure the other members of the Council would join with him and the President in thanking Mr. Gordon Gray and his staff in performing conscientiously a difficult and painstaking task.

Marion W. Boggs

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229. National Intelligence Estimate, NIE 1–61, January 17<sup>1</sup>

January 17, 1961

ESTIMATE OF THE WORLD SITUATION

TABLE OF CONTENTS

I. INTRODUCTION—The Decade of the 1950’s . . . . . Paras. 1–12

A review of the fundamental changes in the structure of world power which occurred in the 1950’s—The drawing of lines between the blocs—The major powers’ reassessment of their military capabilities and strategies—Changes in Soviet leadership and policy—The vast improvement in Soviet military posture—The new opportunities for the USSR in the underdeveloped areas—The imposing position of the USSR at the end of the decade—The relative decline in the US world position.

II. THE COMMUNIST WORLD . . . . . Paras. 13–30

A. Soviet Progress and Policy. . . . . Paras. 13–19

Soviet economic growth and economic power—Soviet belief that the USSR can challenge the US on disputed issues—The peaceful co-existence policy—The basis of the dispute with China.

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<sup>1</sup> “Estimate of the World Situation”; introduction and report on Soviet progress and policy. Secret. 22 pp. CIA Files, Job 79R01012A, ODDI Registry.

- B. Chinese Communist Growth and Aspirations . . . . .Paras. 20–24
- The growing self-confidence of China—Chinese economic growth and economic problems—The Chinese nuclear development program—Chinese revolutionary élan—The Chinese view of Communist world strategy.
- C. Sino-Soviet Relations and the Future of Communism .Paras. 25–30
- The issues between the USSR and China—Unlikelihood of a clear resolution—Consequences of continuing disagreement—Probability that the USSR will continue seeking to avoid serious risks—Possibility Soviet leaders will misjudge Western will—Probability China will persist in its militancy—Dangers involved.
- III. THE EMERGING AREAS. . . . .Paras. 31–45
- A. The Political and Social Milieu . . . . .Paras. 31–38
- The objectives of the nationalist revolutions—The motivations of the revolutionary intelligentsia—Their wariness of communism and their attempt to carve out their own destinies—Political and social instability in the underdeveloped countries—The enormity of their problems—Tendency toward authoritarianism and socialism—Effect of population growth—Need for outside aid—Danger to the present revolutionary leaders.
- B. International Outlook . . . . .Paras. 39–45
- Outside world viewed largely in terms of local problems—Choice of neutralism by those who thought they could safely choose it—The tendency to compensate for years of Western influence by accepting closer relations with Sino-Soviet Bloc—Likelihood that trend toward neutralism will become stronger—Political consequences for US, including decline of US influence in the UN—Opportunities for Communist penetration and subversion.
- IV. PROBLEMS OF THE WESTERN ALLIANCES . . . .Paras. 46–59
- West faces not only stronger Communist enemy but accumulating crises in the underdeveloped nations—Western assets still very great—Political weaknesses in the West—The condition of Western alliances—The problem in Japan—Weakness of CENTO and SEATO—By contrast, the greater strength of NATO—Military problems of NATO—Divergencies and rivalries within Atlantic community—Impact of colonial problems—Lack of a common view of world situation among NATO members.
- V. THE MILITARY PROBLEM . . . . .Paras. 60–78
- A. The Evolving Strategic Situation . . . . .Paras. 60–65
- Major problem of the 1960's posed by the accumulation of weapons

of mass destruction by the great powers—Each side capable of inflicting enormous destruction upon the other—General nuclear war not impossible, but highly irrational response to international disputes—Problem of assessing risks—Other serious problems posed by strategic situation.

B. Military and Political Implications of the Evolving Strategic Situation. . . . .Paras. 66–78

Existing uncertainty about present and future world military situation—Puzzlement over deterrents—Soviet efforts to improve their military position—Soviet view of strategic situation—The advantages the USSR derives from it—Limited war capabilities—Political and military problems of conducting limited war—Consequences of additional countries acquiring nuclear weapons—Possibility of general war coming about through miscalculation or accident—Pressure for disarmament—Conclusion that decade ahead will be an extremely dangerous one.

ESTIMATE OF THE WORLD SITUATION

THE ESTIMATE

I. INTRODUCTION—THE DECADE OF THE 1950's

1. The past several years have witnessed fundamental changes in the structure of world power. The coming of the space age, the Soviet bid for world leadership, the growth of Communist China toward world power status, the creation of new nations, and the rapid economic growth of some of the advanced countries have greatly altered the outlook for many of the world's peoples. We believe it would be useful, as the decade of the 1960's begins, to survey in a somewhat broader fashion than has been our custom the development of the world situation in the years which have gone by.

2. By the time the decade of the 1950's began, the major convulsions of the postwar years had come to an end. The Chinese Communists had seized control of the Chinese mainland, the colonial powers had relinquished their hold on most of the Near East and South and Southeast Asia, most of the Eastern European governments were in the hands of Communists responsive to Moscow control, and the Communist drive for political power in Western Europe had been curbed. The US had abandoned isolationism and had accepted the leadership of the Western world. Through NATO, the Marshall plan, aid to Greece and Turkey, and an active participation in world councils, the US had asserted its intention to use its economic and military power in the interests of world stability and the containment of communism. The major tests of that intention came in Berlin and above all in Korea; the firm and rapid US response in Korea made clear to all the world that

an attempt by the Communists to acquire territory by open military conquest was unprofitable and dangerous.

3. In retrospect, it can be seen that these US actions of the early postwar period were major factors in creating the conditions which dominated much of the decade. They led to the drawing of lines between Communist and non-Communist territory which could not be crossed by overt military forces without serious risk of retaliation. Thus the Communists were in effect deprived of one tactic for expanding their area of influence; they were obliged to confine themselves to the more devious and time-consuming methods of subversion, guerrilla action, and political and economic warfare. These US actions also gave courage and hope to many nations whose borders were being threatened and whose economic and political weaknesses made them subject to internal and external Communist pressure.

4. The war in Korea, following upon the events in Europe of the late 1940's and upon the Chinese Communist establishment of control in China, also aroused a lively sense of danger in the non-Communist world. There developed a general awareness of the worldwide aims of the Communist revolution. The US response was to rearm itself and to initiate a military assistance program designed not only to bolster countries on the periphery of the Bloc but also to identify unmistakably those areas which the US was taking under its protection. The two blocs became increasingly well armed and committed to the defense of particular areas.

5. The Korean War, also seen in retrospect, pointed up the need for the major powers to reassess their military capabilities and strategies. In that war, the Soviet leaders had avoided overt participation; a major factor in this decision was their recognition of US nuclear superiority and of the threat which this posed to the Soviet homeland and to the entire Communist position in the Far East. Similarly, the US limited its military operations to the area of Korea; a major factor in the US decision was recognition of Soviet conventional military superiority in Eurasia and of the threat which this posed to US allies in Europe and the Near East. Moreover, the US encountered the very great difficulty of bringing its superior nuclear capabilities to bear on a situation in which the enemy's immediate goals were limited and the non-Communist world was anxious not to expand the conflict.

6. The strategic reassessment and the reshaping of capabilities which took place on both sides were to some degree efforts to eliminate the shortcomings which the Korean War had made apparent. On the side of the West, this involved the establishment of NATO force goals to provide a larger ground army in Europe, and the development of a capability for tactical employment of nuclear weapons—both designed to offset Soviet ground superiority. In the USSR, the Soviet

leaders speeded up the development of their air defense capability, the production of strategic nuclear weapons, and the development of long-range delivery capabilities.

7. While these military developments were going forward, various political changes were taking place in the world. The Soviet dictator died and his great personal power passed to a group of his former subordinates; in the course of a few years Khrushchev emerged as the dominant personality. Under Khrushchev's leadership, the Soviet rulers apparently engaged in a comprehensive re-examination of the Soviet domestic scene and of the world situation. As a consequence, there were significant internal changes in the USSR, in the Eastern European satellite states, and in the conduct of Soviet foreign policy. The Soviet leaders evidently recognized that Stalinist rigidity had inhibited progress at home, antagonized the satellite peoples, caused a coalescence among the Western Powers, hindered the exploitation of political unrest in underdeveloped and colonial areas, and created dangerous tensions with the US. To correct these "errors," the Soviet leadership moderated its internal policies by easing police terror and by taking some steps to improve living standards, loosened the reins over the Satellites, began to cultivate a broader range of contacts with the Western Powers, developed a new policy of assistance to underdeveloped countries, and sought to reduce tensions with the US by personal diplomacy.

8. This new Soviet policy was not pursued with thorough consistency, nor did it meet with unqualified success. Loosening the reins over the Satellites and giving encouragement to anti-Stalinist elements in Eastern Europe led to anti-Soviet manifestations in Poland and popular revolution in Hungary. Reassertion of Soviet authority made Hungary a tragic battleground and discouraged other liberal forces within the Communist movement. Similarly, the denunciation of Stalin produced intellectual confusion at home, and the process of liberalization in the USSR was slowed down. Although Khrushchev's personal diplomacy succeeded in reducing international tensions intermittently between 1955 and 1959, no substantial international accommodation took place, and in this situation of stalemate an atmosphere of tension has revived.

9. Nevertheless, this new Soviet policy has greatly strengthened the Soviet world position. Among other things, its appearance coincided with developments in the emerging areas which gave the USSR new opportunities for expanding its influence. Most of the underdeveloped countries have been in a state of social and economic ferment during the past decade. Most of the peoples in these countries were preoccupied with a desire for modernization and self-government. They are less concerned with ideologies than with results, and more



concerned to gain tangible assistance and sympathetic understanding from both world power blocs than to associate themselves with either of them. They have become particularly sensitive to any remnants of colonialism or attempts by the West to influence or to control their domestic and foreign policies. On the other hand, the USSR, through its pose as the defender of Afro-Asian nationalism against "imperialism," as the exponent of disarmament, as the party offended by alleged US provocations and stubbornness, as the example and proponent of rapid economic development, and as an alternative source of immediate and unconditional aid, has gained much influence and prestige.

10. These Soviet gains in the underdeveloped countries coincided with the Soviet achievement of a vastly improved military posture. The USSR's achievements in space vehicles and missiles have not only enhanced Soviet prestige but promise to give the USSR capabilities roughly equivalent in their political and strategic impact to those possessed by the US. Thus, even while it possessed a less advanced economy than that of the US and still had only a toehold among the underdeveloped nations, the USSR had created by the end of the decade an imposing platform from which to challenge the Western position throughout the world. While the US still continues to dispose tremendous power and to wield enormous influence, it has appeared to many of its friends and enemies alike to be faltering in its hold upon that power and in its initiative and resourcefulness in wielding that influence. In the nature of things it was impossible that the US should retain for very long the unique position it occupied at the end of World War II. The world perceives that the US no longer enjoys military invulnerability, overwhelming economic strength, or unchallengeable world power.

11. At the same time, the world power position of the US's European allies had vastly deteriorated from what it was before World War II. These nations had been deprived of control over vast populations, enormous sources of raw material, and far-flung commercial and industrial enterprises. Their ability to move freely and to operate from widely dispersed bases was drastically curtailed. These enormous losses were accompanied by strong nationalist and neutralist tides running against them in their former possessions. In this situation the US-supported economic recovery of most of these states was not matched by a commensurate effort to develop an adequate national defense posture, or to share responsibility in dealing with world problems.

12. These facts signify that the world has entered into a new era. New leaders and new nations are arriving on the scene; there is a new relationship of military power; political and social instability have become epidemic in the southern two-thirds of the world; schisms and heresies have appeared within the Communist camp itself. There is no



longer any question that radical change will occur in the world, but only a question of what direction it will take. The future of the West will depend to a large degree upon the manner in which it mobilizes and employs its political, economic, and military resources to shape and guide the process of change. In the paragraphs below we describe the characteristics of the world situation in more detail and attempt to outline the problems for the future which are implied in this situation.

## II. THE COMMUNIST WORLD

### A. Soviet Progress and Policy

13. There can no longer be any doubt that the USSR is well on the road toward matching the US in many of the indices of national power. In 1950 Soviet gross national product (GNP) was a little over a third that of the US; in 1960 it was nearly half that of the US. During the remaining years of the Seven-Year Plan, the USSR will probably achieve an annual growth rate of slightly less than six percent. By 1965, Soviet GNP will be over half that of the US and about equal to the level which the US reached in 1947. Total investment in the USSR will probably reach about one-third of GNP by 1965, as compared with the present US rate of about one-fifth of GNP. Soviet industrial investment in 1958, measured in dollars, had already exceeded the record US figure, set in 1957.

14. Overtaking the US in total output is a distant prospect. But in more meaningful ways, the economic power of the USSR already compares favorably with that of its chosen competitor. By virtue of complete subordination to regime control, the Soviet economy, despite its smaller size, is presently supporting a military effort of approximately the same size as that of the US. By 1965, production levels in certain basic industrial products will probably approach and in some cases surpass present US records; for example, the USSR has announced and probably will achieve a steel production of 105 million metric tons in 1965, which approximates the US record of 106 million achieved in 1955.

15. There are and will remain certain elements of backwardness. Agricultural production, despite heavy investment, will still employ a very much higher proportion of manpower in the USSR than in the US. The individual Soviet consumer, although he will gain about four percent per year in overall consumption, will still have a standard of living far inferior to that of his US counterpart, especially in housing and in range of consumer choice. Soviet society even by 1970 will not be affluent in the sense of possessing a large service sector in the economy or having available a plethora of gadgetry, consumer choices, and stylistic improvements. Nevertheless, in the decade ahead industry will be expanding so rapidly that by the beginning of the 1970's the

Soviet leaders will be able to confer upon the Soviet citizen benefits considerably beyond those available today. Most important of all, however, the USSR already possesses an economy sufficiently strong and flexible to permit it to assign resources relatively freely and without agonizing self-denials to the major uses of national power—defense, science, and foreign political and economic operations.

16. The Soviet leaders obviously understand that science has become one of the key fronts in the world struggle, not only because of its relation to military and economic strength but also because it is a major element in great power prestige. The scale of the Soviet effort, thanks to a heavy investment in training scientists in past years, is probably now roughly on a par with that of the US in some fields of the basic sciences and in some critical areas related to weapons technology.

17. Soviet progress in the field of rocketry has probably had more effect upon world opinion and upon the world situation than any development of the past two or three years. This progress, together with the earlier Soviet achievements in nuclear weapons development, has created a new strategic situation in the world which will be discussed in greater detail in later paragraphs of this estimate. It is enough here to say that this new military capability is providing the Soviet leaders with a weapons system that is valuable in terms of both political exploitation and military deterrence.

18. The Soviet leaders consider themselves to be in a position of great strength. They probably believe that they now possess, or will soon have, a powerful counterdeterrent to the existing US deterrent force, and that this counterdeterrent will become more and more persuasive in the years ahead. They almost certainly feel that for these reasons they can frequently and vigorously challenge the US on disputed issues. They probably feel that the range of anti-Western actions which they can pursue with little fear of nuclear retaliation is growing, although they almost certainly recognize that they must act with caution lest they provoke the US into precipitate action. The Soviet leaders evidently recognize that a general nuclear exchange could mean the destruction of the fabric of modern society.

19. The “peaceful coexistence” policy of the Soviet leaders is partly the consequence of these cautionary judgments. It is also partly the consequence of the Soviet ideological outlook, which views history not primarily as a contest of military power between states, but as a long-term social revolutionary struggle. The total power position of the Communist world—including but not focusing exclusively around its military ingredient—is viewed as an encouragement and a guarantee of the success of revolutionary forces in the non-Communist states. In the Soviet view the situation especially in the underdeveloped states,

is now such that substantial and continuing gains can be won by vigorous pursuit of all forms of struggle short of war. The Soviets probably also feel that in carefully chosen circumstances they could wage limited war with Communist-supported, or even with Bloc forces, without themselves incurring serious risk of general war. The comparative caution implied in this strategy has led to open dispute between the USSR and Communist China. Before we can estimate the course of Communist policy in the years ahead, we should therefore examine the potential and the aspirations of Communist China.

#### B. Chinese Communist Growth and Aspirations

20. During the past two or three years the Chinese Communist regime has been exhibiting a growing self-confidence. This probably reflected, in part at least, the regime's increasing satisfaction over its political effectiveness within China and over a substantial consolidation of its economic program. In 1959, the second year of the Second Five-Year Plan, Chinese industrial production increased by about 33 percent. Especially dramatic increases were recorded in basic commodities—steel, coal, and electric power. There was also a better balance of product, a more rational distribution of the labor force, and an improvement in the quality of the output. In short, the Communists began to receive the dividends from 10 years of hard and concentrated effort on the expansion of heavy industry. GNP rose by about 18 percent in 1958; then by about 12 percent in 1959 and 10 percent in 1960. Investment in 1960 reached a peak of about one-third of GNP.

21. Despite such impressive gains, Communist China still has a long way to go before becoming a major industrial power. It is still largely an agricultural country with a small industrial base relative to its huge population. Eighty percent of the population is agricultural, and industrial production is less than 10 percent that of the US. Communist China's most serious problem for some years to come will be the lag in food production in the face of an annual population increase of 2.5 percent. In time some amelioration may occur, since a large part of the industrial expansion is directed toward the production of items—tractors, fertilizers, irrigation equipment—intended to support the agricultural sector. As a consequence of population increase and bad crop years in 1959 and in 1960, per capita food consumption in China has actually declined. GNP will probably continue to increase at a rapid rate, investment will continue to be heavy, and per capita consumption may increase somewhat. Any such gains, however, will be realized largely by the urban population, while the vast peasantry continues barely to subsist.

22. The Chinese Communist military establishment continues to improve. A substantial growth in the capacity to produce and assemble

complex military equipment is likely, and a nuclear development program is underway. In a few years, say somewhere between 1962–1964, the Chinese Communists may be able to test a nuclear device and soon thereafter build an elementary nuclear weapon deliverable by medium bombers. By the end of the decade, they could have a 200–500 mile missile with a fission warhead, and they might be able to produce longer range missiles. These dates could be moved forward or backward by increases or decreases in the amount of Soviet aid.

23. The most striking characteristic of Communist China is not its economic progress but its great revolutionary élan. The Chinese Communist leaders are men of intense ardor who are deadly serious about transforming Chinese society completely and irrevocably. They are determined to create a “new Communist man,” indeed even a “new Chinese Communist man,” and to give to the world the benefits of their “constructive contributions” to Communist dogma and social theory. Confident of their own righteousness and orthodoxy and reinforced in that confidence by what they regard as the great achievements of the past decade, they are pushing, not only toward great power status in the world, but also toward at least co-equal status with the USSR in the world of international communism. Indeed, it became clear during 1960 that Peiping was presenting a major challenge to Moscow’s position as the final authority in the Communist movement.

24. This Chinese Communist drive and sense of mission is reflected not only in such revolutionary social changes as the creation of the commune but also in foreign policy outlook. The Chinese Communists’ view of the world situation is strongly doctrinaire, Sino-centric, and—from the Soviet point of view—overoptimistic. The Chinese leaders evidently believe that “imperialism” is on its last legs, that the Sino-Soviet Bloc has surpassed the West in military power and political influence, and that the emerging peoples in Asia, Africa, and Latin America are ripe for Communist revolution, if only they are actively supported to that end. Whereas in recent years the Soviet leaders have preferred—within the general context of belief in the inevitability of a world Communist victory—a comparatively low-risk policy of peaceful competition, the Chinese Communists have urged a policy of greater militancy, even at considerable risk. They probably also find this policy useful in spurring the Chinese people to the sacrifices they are requiring of them.

### C. Sino-Soviet Relations and the Future of Communism

25. The character of Sino-Soviet relations in the years ahead will have a profound effect upon the future of communism and thereby on the world situation. The quarrel with Peiping has put the Soviet leaders in a difficult situation. They cannot condone Chinese contumacy with-

out losing control of the Communist movement. They cannot permit an open break without losing what influence they still possess over the Chinese and without gravely weakening the international Communist movement as a whole. The Soviet leaders would consider an open break calamitous, but we do not believe that they would go so far in trying to avoid it as to surrender to the Chinese position; both the USSR's determination to preserve its supremacy in the Communist movement and Soviet national interest in avoiding serious risk of general war would preclude such a course. We also do not believe that the Chinese would submit fully to the Soviet position; their pride, self-righteousness, and national aspirations are too heavily committed to permit it.

26. The issues between the partners are basic, and will probably not be resolved in any clear-cut fashion. The meetings in Moscow in November, 1960, clearly did not produce a complete agreement, or one which is likely to be lasting. The estrangement seems likely to continue, with ups and downs as new issues arise and temporary solutions are developed, and possibly moving toward a looser connection. If the Sino-Soviet relationship does in fact develop in this way, there will probably be a tendency for recurrent stresses and strains to weaken the Communist world posture and to diminish the effectiveness of world communism outside the bloc. In particular, factionalism would be stimulated in the Communist movement, with parties or factions in various countries tending to identify either with the USSR or with Communist China. The two countries would compete with each other for influence in a variety of arenas, from revolutionary movements to world organizations. A further widening of the Sino-Soviet split, if it should occur, would dim the image of the bloc as a great and growing power center and thus reduce the pressure upon peripheral countries to accommodate to the Communists.

27. The cohesive forces between the USSR and China are strong, and we believe that the two states will not abandon their alliance against the West. The Soviet leaders would be confronted with a most serious dilemma, however, if the Chinese pursued independently such a militant policy as to become engaged in a major war. Caught between a desire to avoid Soviet involvement, with its attendant dangers, and a desire to preserve a Communist state, with its attendant opportunity to re-establish Soviet influence in China, the Soviet leaders might tend toward the latter course. Thus a wider Sino-Soviet divergency would not necessarily lead to a less dangerous world.

28. It is impossible to predict with confidence the course of Communist policy in the decade ahead, particularly in the light of the uncertain future course in Sino-Soviet relations. We believe that the USSR will stick to its present policy of seeking to win victories without incurring

serious risks, and of alternating or combining shows of anger and bellicosity with poses of reasonableness and compromise. We say this largely because we believe that the relationship of power between the US and the USSR will cause the Soviet leaders to desire to avoid general war, and that within the limits which this desire places on their action there will be constantly shifting ideas of the potential risks and gains involved in the various situations which will arise. A danger exists, of course, that in assessing the risks involved in particular situations or proposed courses of action, the Soviet leaders might overestimate their position while underestimating that of the West. In particular, they might misjudge Western will and determination in the face of Soviet threats or encroachments. Such a political miscalculation could lead to the incurring of serious risks without the intention to do so; it could even lead to general war.

29. We believe that China will persist in pressing the USSR for a more militant bloc policy. It will continue its hostility to the US, and as it becomes stronger—especially after it acquires a nuclear capability—it might press its objectives much more aggressively than at present. On the other hand, the Chinese have in recent years assessed risks carefully, and despite their bellicose talk they have refrained from actions which involved serious risk of large-scale military operations. Thus, their militancy has been tempered by some degree of prudence, and this tendency toward prudence might in time become somewhat stronger as they become more familiar with the dangers of nuclear war and as they come to recognize the vulnerability of their developing industrial capacity. On the whole, however, we do not expect a general shift in the Chinese domestic or world outlook for some time to come, and Chinese militancy will continue to create a serious danger of local or general hostilities in the Far East, and even of general war.

30. Over the next decade at least, there appears to be a greater likelihood of flexibility in Soviet than in Chinese policy. The Soviet leadership's desire to prevent a general war, the wider range of Soviet contacts with the outside world, the continuing pressure at home for liberalization, and the growing capacity of the USSR to provide its citizens with a more comfortable life—these factors taken together may tend toward moderation in foreign policy and toward a recognition of some areas of common interest with the West. It is even possible that the Soviet leaders will come to feel that the USSR has little in common with China except an ideology which the Chinese interpret in their own way, and that by 1970 Communist China, with nuclear weapons and a population of almost 900 million, will be a dangerous neighbor and associate.

### III. THE EMERGING AREAS

#### A. The Political and Social Milieu

31. It is one of the key points in the Soviet estimate of the world situation that conditions are favorable for Communist gains in the colonial and ex-colonial areas of the world; there is much to support this Soviet view. The nationalist revolutions in such areas as Africa and the Arab states have been directed largely toward revamping political and social systems in order to modernize societies and to achieve a place in the sun. The Communist revolutions in Russia and China arose from broadly comparable aspirations. Indeed, the system in these countries is widely admired in the newer nations of the world because it has been demonstrably effective in achieving rapid modernization, while the West is associated in their minds with the colonialism which they blame for most of their problems and miseries, both real and fancied.

32. Many of these countries in emerging areas—especially in Africa and the Middle East—are in the charge of revolutionary-minded leaders; in others of them such leaders are making a bid for power. These leaders are members of an intelligentsia who have frequently had an education along Western lines, some of it in military schools, and who have become aware through travel and education—or through observation of the mode of life of Westerners in their midst—of the backwardness of their countries and the poverty of their people. Out of a sense of obligation, frustration, and impatience, they have adopted a revolutionary attitude or taken revolutionary action against the old order—whether it was colonial or indigenous. Despite the Western nature of their youthful training, they tend to be resentful of Western influence and critical of Western methods. They therefore are tempted by Communism insofar as it is anti-Western and an effective method of bringing about rapid change.

33. Nevertheless, the revolutionary intelligentsia are generally chary of embracing communism. Some of them have accepted Communist advisers, economic aid, and diplomatic support, and some have even sided with the Communists against the West. But, for the most part they do not wish to accept all that now goes with the Communist ideology—the goal of a classless society, wholesale social reorganization, Soviet interference in or dictation of domestic policy, complete identification with the Soviet Bloc in international politics, and exclusion from Western economic aid and technical assistance. Moreover, many of them have become aware of their own nation's history—in some cases a distinguished history—and they see themselves as national figures capable of resurrecting some features of that past and binding them into the new fabric being created. Thus, they see them-



selves, not as capitalists, Communists, or exponents of any other borrowed ideology, but as nationalists carving out their own destinies and selecting from the past and from other societies the elements with which to fashion new states and new societies of their own.

34. There are, of course, wide variations within the emerging world, not only as among major areas—Latin America is quite different from Africa—but even within major areas. There are wide diversities of all kinds in social structure, degree of advancement, extent of revolutionary feeling, degree of pressure upon available resources, extent of implantation of Western institutions, and cultural backgrounds. Whereas Latin America is Christian, is predominantly Western in language and culture, and has a long history of independence, Africa is a melange of languages, religions, and cultures, and is only now emerging from foreign domination. Even within a continent such as Latin America, there are societies which have passed through a major social revolution and others which still possess small social elites and a large mass of illiterate and poverty-stricken peasants and tribes.

35. There is, however, a large common denominator in the underdeveloped world. This is the political and social instability which is either manifest or dormant and which arises from the rapidity with which knowledge is growing and from the revolutionary manner in which large numbers of people are reacting to the changes in the world around them. Nearly all the nations of the underdeveloped world—whether in Southeast Asia, South Asia, the Middle East, Africa, or Latin America—are beset by problems springing from population growth, lack of development capital, rising popular expectations, internal political strife and competing ideological pressures, lack of political prowess and administrative and technical competence, and an inadequate sense of national identity. While some states, especially those barely emerging from tribalism, as in Africa, suffer more intensely than others from these assorted ills, even states such as India and the more advanced Latin American countries confront several of them to a most serious degree. Many states have adopted strongly socialist methods; some have held to constitutional methods of government with only the greatest difficulty; some have thrown out bloody dictators only to acquire equally distasteful successors; some have taken halting and others more dramatic steps toward the establishment of democratic governments.

36. In states confronted by these enormous problems, the tendency toward some blend of authoritarianism and socialism seems likely to continue. Revolutionary leaders attempting to deal with backwardness, tribalism, feudalism, corruption, economic pressures, and ineptitude often have no alternative but to stifle political opposition. Western states which set store by economic individualism and political freedom will probably be increasingly shocked by methods which will be



adopted, but in the eyes of local leaders Western standards of political and economic conduct are likely to be irrelevant to the problem. Revolutionary leaders are likely to expect the West to judge them more by what they are trying to do than by the manner in which they are doing it. If the West does not understand and help them, they will tend to rely more and more heavily upon the Communists, until a point is reached when they can no longer extricate themselves from the Communist embrace.

37. Of all the problems confronting these nations that of the relation between population and economic growth may be the most difficult. Indeed, population growth is a grave world problem, with present rates making for a doubling of the world's population every 35–50 years. In 1930 the world population was two billion; today it is three billion; in twenty years it will probably be four billion; in forty years it may be six or seven billion. Growth is most rapid in the underdeveloped areas, where nearly everywhere it exceeds two percent a year. Ten years ago almost no nation had a population growth rate of three percent; now such rates are not uncommon and there is no reasonable prospect that they can be significantly reduced in the next decade, whatever means might be tried. These increases impede capital formation in the areas where it is needed most, since increases in production simply go to keep alive the larger numbers of unproductive old people and children. In some cases total GNP grows while per capita GNP falls. Standards of living are declining in some countries at precisely the time when the revolutionary leaders now in charge must begin to meet the expectations which have arisen in their own and in their fellow countrymen's minds.

38. The problem of maintaining standards of living and even that of satisfying to a degree rising economic expectations probably can be met with substantial infusions of outside aid and with the execution of national development programs. However, even if these countries received outside aid in massive quantities, they would still confront the grave political and social problems of backward and uprooted societies. Indeed, these problems will inhibit both the receipt and proper use of needed economic assistance. The present revolutionary leaders must surmount this great complex of problems if they are to sustain the nationalist character of their revolutions; if they fail, they may be replaced by Communist leaders ready to use Draconian methods and determined to impose permanent totalitarian institutions.

#### B. International Outlook

39. If, as we suggest above, the emerging countries will be preoccupied with their own problems, their attitudes toward the outside world will be determined largely by the way in which they feel the outside

world impinges upon these problems. These countries and their leaders will not be concerned so much with ideological, moral, and cultural considerations as they will with manipulating outside influences in order to protect themselves or to advance their particular interests. The two great powers are likely to be viewed largely in terms of the threat or succor which they will afford.

40. Some of the emerging states have clearly aligned themselves with one or another of the two great powers. Many of these are states on the periphery of the Sino-Soviet Bloc—Iran, Pakistan, Thailand, South Vietnam, and South Korea—and their leaders have aligned themselves with the US in order to obtain that military and economic assistance which they hoped would enable them to keep any domestic enemies at bay and to stand up against pressures from their powerful neighbors. Cuba alleges similar reasons for aligning itself with the USSR.

41. In general, however, those who thought they could safely do so have chosen neutralism, and indeed some of them have made quite a profitable thing of it. In their desire to achieve and maintain national independence they have sought to avoid commitment to either side, and they have recognized the value to both sides of their not falling under the domination of the other. This has permitted some of them successfully to seek economic assistance from both and some others to seek assistance from one side by suggesting that they might appeal to the other. Nevertheless, many of these countries, in the course of their colonial or semicolonial history, have been subjected to Western influences and institutions and have therefore come to feel that “neutralism” requires a pronounced reaction away from these influences and some closer relationship with the Sino-Soviet Bloc.

42. This trend has been accelerated by increased Soviet willingness to compete with the West in providing economic assistance and diplomatic support. Bloc economic assistance overall is still considerably less than the US equivalent, but the USSR in particular can substantially enlarge its program. Moreover, the USSR has some advantages over the US in carrying out aid programs; it can move more quickly and without regard to a variety of politically-imposed restrictions which characterize US activities. On the other hand, as Soviet aid becomes more commonplace and taken for granted, the USSR is beginning to encounter some of the criticisms and problems which the US has faced in its foreign aid programs.

43. We believe that if the present trend toward neutralism is not reversed, it will become so strong that it will draw away from the West some of those nations now associated with it. This might come about through revolutions in some of these countries—for example Iran or South Vietnam—with seizure of power by nationalist-neutralist forces;

it could occur because existing regimes might decide to seek the supposed benefits and safety of neutrality; it could come about because these nations might decide that the US was becoming inferior to the Sino-Soviet Bloc in military power and therefore would no longer be willing or able to support them.

44. The neutralist posture of these countries seems to us likely to produce in the decade ahead some most serious policy problems for the US. Aside from the probability of withdrawal from Western association and attempts to balance Western with Soviet or Chinese influence, there will be continual pressures for economic aid and political support, for denunciations of colonialism, for concessions on disarmament, and for further Western retreat from positions of predominance or influence. The US position in the UN will probably become increasingly difficult, particularly since many of these countries—including such influential members as India and the UAR—now appear to believe that the UN machinery has been used by the major Western powers and especially by the US as an instrument of national, and hence in their view “imperialist,” policy. For this reason, the idea of revising the UN charter and proposals to bring in Communist China have received widespread sympathy among the emerging nations. Their numbers are now so great that when their views become more crystallized—as now seems unavoidable—the hitherto predominant Western influence in the UN will be greatly reduced.

45. It is obvious that neutralism as a principle is fundamentally incompatible with the Soviet objective of a Communist world. Nevertheless, neutralism may often provide Communists with opportunities for penetration and subversion. Particularly in the areas of the new states, the Communists will seize upon rivalries among nations and tribes, upon the need for economic and technical aid, and upon the naivete and weaknesses of inexperienced leaders. Hence the problem for neutralist states is to keep out of Communist clutches. Nevertheless, insofar as the new and underdeveloped nations can overcome their problems, they may take on a strength and stature which will enable them to maintain their neutrality against Communist pressures.

#### IV. PROBLEMS OF THE WESTERN ALLIANCES

46. Western statesmen are faced with enormously more complicated problems than they had to face ten years ago. Whereas then one could think of military containment in terms of defining vital areas or lines of demarcation between the Communist world and the Free World, or even providing economic aid and diplomatic support in order to achieve political containment, the West must now contend not only with stronger, more flexible, and more dangerous enemies, but also with crises in the southern two-thirds of the world. These

crises, as we have seen, arise only partly from Soviet and Chinese Communist machinations; many other factors are at work, such as the natural growth of population, knowledge, communication, and human aspirations, and the social dislocations that accompany rapid change.

47. The West has substantial and growing assets. The Western European economies, especially those in the Common Market area, are booming. Rates of economic growth in France and West Germany are about as high as in the USSR, averaging around six or seven percent per annum since 1950. In the UK and the US growth rates are somewhat lower, averaging around three or four percent; at the moment, the UK economy is in danger of stagnation, while that of the US has markedly slowed down. Nevertheless, the Western economies are for the most part highly advanced and flexible, and they respond to trade and fiscal policies designed to adjust them. The greater emphasis in the Western economies upon private capital, and upon the allocation of resources through the market place, makes it more difficult for them than for those of the Communist countries to concentrate upon the development of national power; however, in times of emergency they can readily be made to serve that objective.

48. Likewise, the major Western Powers, with their systems of alliances, overseas bases, and worldwide deployments of ground, naval, and air forces, possess enormous military power. Grave problems exist with respect to strategic doctrine, weapons systems, and the political application of military power. These we discuss below (Section V), but even with the deficiencies and gaps which are generally recognized this military power of the West is great and widely respected.

49. Moreover, despite the anticolonialism of many of the world's peoples, the Western powers still wield great influence in many areas of the emerging world. English and French are still the *linguae francae* of Africa, the Middle East, and Southern Asia; they are still the languages of the revolutionary intelligentsia and of the universities. While Western influence has tended to decline in some areas, as for example among the Arab states, it has tended to rise in other areas, as for example in India. The Western, not the Communist, states are still the principal trading partners of most of the emerging nations, and still their principal bankers, investors, and developers. Despite the interest shown by many leaders of the emerging nations in Communist methods of development and in Soviet economic assistance, these same leaders still have borrowed from the West most of their basic concepts of the good life.

50. Nevertheless, the Western countries have grave and continuing problems. Political instability, while becoming epidemic in the southern two-thirds of the world, is still endemic in parts of the northern third. Basically unhealthy political situations exist in Western Europe itself;

Spain and Portugal are restive under personal dictatorships, Italy continues to struggle with finding a parliamentary basis for constitutional government, and France has put its burdens upon one man who holds warring factions in harness through a governmental system created by him and for him alone. On the periphery of Europe, Greece remains poverty-stricken and politically weak, while Turkey is passing through a crisis of regime, the outcome of which can only be surmised.

51. Outside Europe, the condition of the Western alliance system is deteriorating. Japan, by far the most important non-Western nation associated with the system, enjoys a flourishing economy, but is passing through profound political and social changes. Although the rulers of Japan had successfully imposed selected elements of Western society upon a traditionalist society gradually over a period of nearly a century, the impact of nuclear warfare, defeat, and US occupation shook Japanese society to its foundations. In particular, the psychological atmosphere is still overcast with the memories generated by the only two nuclear weapons ever used in war. Today the country, after a decade of US assistance, is seeking, not only to find a way of life common to itself, but to find a satisfactory stance between attractions toward China and the USSR and a desire for protection by the US. In this atmosphere sharply contending political alternatives are being presented to the Japanese people: a radical left which favors neutralism and closer association with the Sino-Soviet Bloc, and a conservative right that is generally disposed to association with the US. It is possible that the existing US-Japanese defense agreement may prove more a token than a reality; in any event the US is likely to have increasing difficulties in the years ahead in carrying out actions under the agreement.

52. The minor alliances, CENTO and SEATO, are floundering. Never a very effective organization, CENTO was gravely shaken in 1958 by the revolution in Iraq and that country's subsequent withdrawal. Iran seems to be almost continuously in a condition of instability, and the British military position and general influence in the Middle East are extremely weak. Moreover, neutralist tendencies have emerged in Iran and Pakistan. SEATO has always been a loose association. It has only one member, Thailand, in mainland Southeast Asia, and the course of events in Laos, Cambodia, and South Vietnam will have a great effect upon Thailand's policy. The continuing failure of the principal members of the organization—the UK, US, and France—to have a common estimate of the situation in, and a common policy toward, the Indo-Chinese states makes it extremely difficult for SEATO to serve as an effective instrument for stability in the area.

53. These problems and weaknesses in US alliances outside Europe put in sharp relief the much greater vigor and strength of NATO. Despite its many weaknesses, NATO has shown itself to be a useful

instrument of Western cooperation, and it has absorbed numerous shocks and crises arising both within and outside the alliance. It bears promise of continuing so to serve and, with some increase of constructive support by its members, even of expanding its utility.

54. But NATO contains centrifugal as well as centripetal forces. Some of these relate to the NATO military program. France's opposition to an integrated force structure is well known, as is France's recurrent removal of NATO-committed forces from NATO command. Most NATO members, of course, maintain forces, and in the case of the US very powerful forces, which they have never contemplated putting under NATO authority in peacetime. The most important of these are the US nuclear-capable strategic forces, and the desire to possess similar forces as a symbol of prestige and as a balance to US power within the Atlantic alliance contributed to the British and French decisions to develop independent nuclear capabilities.

55. Exclusive US control of the major deterrent has troubled Europeans in the past because they feared that the US would brandish it in too bellicose a fashion. More recently many have also become troubled by the opposite fear: that the US could no longer be relied upon to risk nuclear devastation in order to counter Soviet pressures in Europe, and that the Soviet leaders, judging this to be the case, would not be restrained from such pressures. Various suggestions have been made for solving the dilemmas presented by the evolving world strategic situation—nuclear sharing, revision of the mission and armament of the shield forces on the continent, arms limitations in the European area or in special European zones, revised procedures for consultation and decision making. Whatever position may ultimately be taken regarding these suggestions, virtually all of NATO's military concepts seem likely to come under increasing questioning and to be subjected to strong pressures for substantial revision in the decade ahead.

56. In addition to these military problems NATO as an organization confronts various internal divergencies and rivalries which not only sap its capacity to act but shadow the image which it presents to the world. The basic relationship between the US and its European NATO allies is coming under strain, both because of the growing strength and assertiveness of the larger European NATO countries and because of growing European doubts about the future of US policy and US commitments to Europe. Relationships among the European members are also marked by considerable suspicion and jockeying for position—notably as between the UK and its principal continental allies—with the growing economic division of Europe between the Common Market and the Outer Seven countries compounding the mistrust.

57. The harmonization of economic policies among the industrial nations of Western Europe, and of these policies with those of the US, will be a major problem of the forthcoming decade. Should a major recession in the Free World economy occur, there would be danger of resort by the industrial nations to protectionist measures, undermining the pattern of economic cooperation stimulated by the US in the post-war period. In any case, the rapid emergence of Germany as the most powerful nation economically in Western Europe and the relative weakness of the UK complicate the problem of bridging the gap between the Common Market and Outer Seven groups.

58. Another serious problem for the alliance is created by the impact of colonial problems. This issue is at present posed most gravely by the Algerian conflict, which has stirred up anti-Westernism among the emerging peoples and dissension within the alliance. But Belgian and Dutch sensitivities regarding the Congo and West New Guinea problems, the British dilemmas in Nyasaland, Rhodesia, Kenya, and Uganda, and the strong colonialist attitude of Portugal add to the difficulties of individual states and tend to cause tensions among them. Until some of these issues are resolved it will be almost impossible for NATO as a whole to escape reproaches as a protector of colonialism.

59. Apart from these more obvious signs of malaise, there is, we believe, a problem of deeper significance. The world situation is not seen in a common light among the major Western states. This lack of a common understanding is due partly to a failure to communicate, partly to the cultural differences among the Western states, and partly to the inevitable divergencies of interest in many areas. As a consequence, a good many urgent problems are unresolved. When sharp tensions arise over these problems—as in the case of the Offshore Islands and Berlin—a common policy often has to be improvised, while mounting fears impede united action.

## V. THE MILITARY PROBLEM

### A. The Evolving Strategic Situation

60. Despite a widespread feeling that allout nuclear war is unlikely, the problem posed by the accumulation of offensive weapons of mass destruction by the great powers will remain the major problem of the 1960's. Although we have been unable to agree upon an estimate of the size of the Soviet ICBM program (estimates range from 200—or perhaps even less—to 700 on launcher for mid-1963), the Soviet capability even at the lowest estimated figure will pose a grave threat to the US. To illustrate, if one assumes the number on launcher to be 200 and applies reasonable rates of reliability to the missile, the USSR could detonate in the US in the target area some 1,000 to 1,250 megatons. The even greater delivery capability provided by shorter range missiles



and nuclear weapons deliverable by aircraft or submarines and ships poses an additional threat to the US, to US bases overseas, to US allies, and indeed to most of the northern hemisphere.

61. So far as we can see now, if the USSR undertook to deliver such an attack, the US could do little to prevent enormous damage. A US pre-emptive attack—that is, an attack delivered when a Soviet attack was believed to be imminent—would not prevent such damage unless the various types of Soviet missile launchers had been precisely located, and there is doubt that a high proportion could be so located. Antiballistic missile systems of presently unproven effectiveness will probably be available about the middle of the decade, but such early systems almost certainly will not be sufficiently developed or widely-enough deployed to give assurance of destroying or neutralizing more than a small proportion of the missiles which the USSR will be capable of launching.<sup>2</sup>

62. The US, however, will also almost certainly be able to do enormous damage to the USSR, even if attacked first by the USSR. It is true that during the next year or so the vulnerability of US retaliatory forces to a surprise missile attack and the uncertainties regarding the size of the Soviet ICBM force introduce some measure of doubt regarding the extent of the US retaliatory capability. It is very unlikely, however, that even during this period the USSR will acquire capabilities sufficient to give it confidence that it can prevent an unacceptable level of US retaliation.<sup>3</sup> As the decade advances, the US program of maintaining a portion of the US bomber force on airborne alert and of dispersing missiles in hardened sites, aboard submarines at sea, and on railborne carriers should virtually assure the survival of a substantial retaliatory capability. The Soviets are pursuing a vigorous program for developing antimissile defenses, and we estimate that the USSR will

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<sup>2</sup> The Assistant Chief of Staff for Intelligence, Department of the Army, concurs in the net judgment contained in this paragraph and the succeeding paragraphs that, so far as can now be seen, a general nuclear war would cause enormous damage to all major protagonists and that resort to general nuclear war, under these circumstances, is not a rational course of action. He believes, however, that the intelligence community is unable to adjudge the capability of the US to develop an effective defense against ballistic missiles.

<sup>3</sup> The Assistant Chief of Staff, Intelligence, USAF, does not concur. As previously stated in his footnote to NIE 11-4-60, "Main Trends In Soviet Capabilities and Policies, 1960-1965," dated 1 December 1960, he feels that we are entering a very critical twenty-four month period in which the USSR may well sense that it has the advantage. The Soviet leaders may press that advantage and offer the US the choice of war or of backing down on an issue heretofore considered vital to our national interests.



probably begin to deploy an antimissile system of undetermined effectiveness by the period 1963–1966. The Soviet leaders probably believe that they will acquire a military advantage through protection of selected areas and through complicating the task of Western military planners. They almost certainly consider that the first nation to deploy such weapons will gain major psychological, political, and military advantages. Nevertheless, we believe it almost certain that these defenses throughout the period will remain inadequate to shield large areas of the USSR from widespread devastation.

63. Thus it appears likely that during most of the decade ahead the strategic situation will be one in which both the US and the USSR will possess relatively invulnerable nuclear weapons systems capable of inflicting enormous destruction upon the other. The world must face the possibility that a general nuclear war—brought to pass through accident, design, or miscalculation—would kill many millions of people, destroy the capital accumulation of many decades, render large sections of the earth virtually uninhabitable for a time, and destroy the power of most of the modern nations of the world.

64. This strategic situation does not make general nuclear war impossible, but it does make it a highly irrational response to international disputes. As long as this situation continues, each side will be deterred by fear of the consequences (if by nothing else) from deliberately initiating general war. It is almost certain, moreover, that each side will be deterred from action or policies which involve serious risk of general war. The crucial question is: how will the risks of a given action be judged in the context of circumstances which exist when the action is contemplated? To be more specific: how far will the Soviets—or the Chinese Communists—be emboldened by judging that Western reaction to some Communist aggression will be inhibited by Western aversion to incurring serious risk of general war? To what extent will the Western reaction actually be so inhibited? Such questions as these are likely to be decisive in any sharp international crisis.

65. But apart from the calculation of risks in times of crisis, this strategic situation poses other serious problems for policymakers. How long will it persist? Can either side achieve a clear military superiority? If the situation of mutual deterrence does persist, can nuclear war be prevented from occurring by accident? Can nuclear blackmail be countered? Can nuclear armaments be reduced or eliminated without creating unfair advantage or opportunities for evasion? We do not pretend to offer answers, but only to point out in the paragraphs below some of the military and political problems which we believe this strategic situation has created and will create in the decade ahead.

## B. Military and Political Implications of the Evolving Strategic Situation<sup>4</sup>

66. There is much ignorance and uncertainty among military and civilian leaders throughout the world—in both Communist and non-Communist countries—about the present and future world military situation. This is due in part to security restrictions between governments and even within governments, in part to the complex technical and operational factors involved in modern military actions, and in part to the fact that the destructive potential of modern weapons is unprecedented in human history. Even among the politically and militarily sophisticated, there is considerable puzzlement and disagreement about the deterrent effect of present and future nuclear capabilities, about the probable behavior of states in critical situations, and about the most suitable and effective strategic doctrines and weapons systems to develop.

67. These problems must trouble the Soviet leaders as much as they trouble those of the West. We do not believe that the Soviet leaders conceive the ICBM to be the final answer to their military problems, and we doubt that they have formed definite ideas about their force structure ten years hence or about the precise role they will assign to military power in their campaign to establish world communism. They now see themselves as emerging from a period of strategic inferiority, and they surely consider it a prime objective not to let the US draw ahead once more. As long as the weapons race persists, they will not be content with a strategic equilibrium, or with the progress they have hitherto made in weapons development. Beyond that, they will continue to carry on scientific and weapons research and development programs with a high sense of urgency in order to find new weapons systems and defenses against existing ones. They would do this even without dream of vast military conquests, simply in the interest of defense. But if they developed a weapons system which gave promise

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<sup>4</sup> The Director for Intelligence, Joint Staff, and the Assistant to the Secretary of Defense, Special Operations, believe that the tone of Section V, especially part B of this Section, compares a dynamic Communist Bloc to a static Free World. While emphasizing the capabilities of the Bloc, it gives little or no credit to the capability or determination of the West to shape the course of events.

For example:

*a.* Paragraph 69 charges “large numbers of people around the world” with acceptance of the Bertrand Russell thesis of preferring Communist chains to nuclear war. The Director for Intelligence, Joint Staff, and the Assistant to the Secretary of Defense, Special Operations, doubt the validity of this assertion.

*b.* Paragraph 72 forecasts Communist political manipulation in crisis situations so as to try to make Western intervention seem “capricious or imperialistic.” Adroitness in the political arena by the West—believed by the Director for Intelligence, Joint Staff, and the Assistant to the Secretary of Defense, Special Operations, to be equally possible—appears to be discounted as a factor for consideration.

of decided advantage over the US, they would certainly seek to gain maximum profit from it.

68. In the decade ahead some such weapons—for example, one providing defense against missiles—may achieve operational status and tend to upset the nuclear missile terror balance we have described. From what we know of Soviet ideas, however, we conclude that during the next five years—and perhaps longer—the Soviet leaders will conceive of their long-range striking capability in terms of deterrence and of employment in a heavy blow should they finally conclude that deterrence had failed, rather than in terms of the deliberate initiation of general war. In their view, a condition of mutual deterrence will provide an umbrella under which they can wage a vigorous campaign, using a wide variety of methods, throughout the non-Communist world.<sup>5</sup>

69. In such a circumstance the Soviet leaders will have substantial advantages. They can create crises and issue threats over comparatively minor matters with a reasonable degree of confidence that one or more of the Western powers will give way because of the risks of general war involved in resisting. In circumstances where they judge the risk is not too great they might engage in military action, possibly with Soviet forces but more probably with other bloc forces or with local revolutionary armed groups. In any case where it appeared that the choice for resisters was one between massive nuclear destruction and compromise of principle (including even surrender of territory), large numbers of people around the world would choose the latter.

70. It is now widely held that, in order to prevent such a paralyzing choice from being presented, it is necessary to have limited war capabilities, so that comparatively minor threats can be countered with appropriate means. But in recent years limited war capabilities in the West have been declining rather than rising. There has been a trend toward the reduction of budgetary allocations for the modernization and mobility of limited-war-capable forces. Two of the US allies, for reasons of national prestige, or because they fear that the US will not always support them, have carried on strategic nuclear weapons programs of their own and have reduced their conventional forces.

71. Even if substantial limited war forces should be available, many of the principles of their political and military use in a nuclear age remain to be developed and to be accepted. It is clear, for example, that only limited objectives can be won by limited means, and that

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<sup>5</sup> The Assistant Chief of Staff, Intelligence, USAF, does not concur in this paragraph. It is his belief that the evidence of offensive missile and bomber production and deployment shows a definite intent by the Soviet rulers to achieve a clear military superiority at the earliest practicable date.

pursuit of broad objectives or extension of the conflict beyond a well defined area of combat threatens expansion into a major war and poses for both sides the question of undertaking a large-scale preemptive attack on the enemy's homeland. Even when both parties accept limitations upon their objectives and upon the area of combat, the rules of combat within that established area still pose problems. One of these is that of using nuclear weapons for tactical advantage. The use of nuclear weapons in almost any form would greatly complicate both the military and political problem. It would almost certainly confuse the enemy and the neutrals as to the user's real intentions—as distinct from his announced ones—and alienate large and influential sectors of world opinion from the cause of the user, however just it may have been. The Soviets would presumably regard the use of nuclear weapons in the light of the proposition which they repeatedly assert and probably believe—that limited wars would carry particularly great risks of spreading into general war if nuclear weapons were introduced.

72. From a political point of view, there are also questions about the circumstances in which one can intervene with limited forces. As a general rule and as a result of the experience of Korea, the Communist powers will probably try to avoid clear-cut provocations which would permit the West to bring limited war capabilities to bear. They will instead attempt to use situations which are legally or politically anomalous, that is, situations in which they have a defensible color of right for the use of force or in which the political issue has become or can be made to appear so confused as to make Western intervention seem capricious or imperialistic. Much will depend upon the way in which the issue is presented to the world and is handled by both sides. In many circumstances fear of the spread of the conflict into a general nuclear war might be so great that the intervener would find himself severely condemned by large segments of world opinion.

73. A major problem during the next decade is also posed by the probability that additional nations will acquire a nuclear weapons capability. France already has a program underway, and Communist China and Israel almost certainly have started such weapons programs. Other nations might enter the field if only to counter the power and prestige which their rivals or their enemies might gain through the acquisition of a nuclear capability. Even a small increase in the number of nations possessing nuclear weapons will add to the dangers inherent in critical situations as they arise. An increase in the number of states capable of using nuclear weapons—even as a threat—will also increase the chances for irrational and desperate action. At a minimum, the spread of nuclear weapons capabilities will stir up additional political turmoil by encouraging intransigence in their possessors and by encouraging fear and counteraction among those who might consider themselves threatened.

74. Related to these problems of limited war and spread of nuclear capabilities is the problem of preventing miscalculations which might precipitate general war unintentionally. Whenever international disputes arise there is a natural tendency for the parties concerned to place their forces on an alert status and progressively to strengthen the alert by various forms of deployment. In some cases these might be normal precautions and in some cases they might be intended to frighten the adversary, or both. In any case, there is likely to be considerable concern among neutrals and US allies that the US and the USSR will act in too bellicose a fashion, that both the US and the USSR might become so committed that they would be unable to back down and thus would become involved in war, or that the state of alert on one side or both will become so advanced that, fearing a surprise attack, one would take pre-emptive action against the other. As the decade advances and surprise attack against retaliatory weapons systems loses much of its advantage, compelling reasons for launching a pre-emptive attack will no longer exist. Nevertheless, fear of surprise attack will probably persist and might weigh more heavily in the minds of policy-makers than would in fact be justified.

75. Another concern is that general war may come about by sheer accident. The worry here is that with an increasing number and variety of space capsules in orbit or being fired into orbit, with an increasing number of missiles nuclear-armed and on the ready, with strategic air forces airborne and armed with nuclear weapons, with a new and untested ballistic missile early warning system in operation, war could come about through communications failures or anomalies, irrational action by local crews or commanders, or errors in judgment, without either side wishing this to happen. As the decade advances and surprise attack loses some of its advantages, there will no longer be compelling reasons to respond immediately to supposed or actual infringements of air space by presumably hostile missiles or aircraft. Nevertheless, fear of attack might in some circumstances be so great that general war could come about in ways we have noted.

76. In this situation of widespread fear of a general nuclear war, it is natural that the peoples of the world should look to arms control as a means of reducing the danger. Whatever its motivation, the USSR has carried on a many-sided campaign for general and complete disarmament. The Soviet leaders probably are interested in achieving some degree of disarmament, to an extent which would at least slow down or stop developments which might harm their strategic position or increase the danger of accidental war. During the decade, it is possible that both sides will become sufficiently concerned with stabilizing the balance of terror that some limited agreements may be reached. In any case, it is possible that—in order both to achieve stabilization and to

meet world pressures for reducing the danger of war—the two sides will undertake tacit agreements resulting in some degree of arms limitation.

77. Also, the UN is likely to continue to be regarded by its members as an instrument for the prevention of war. If two nations are involved in dispute that threatens to result in a general war which they wish to avoid, the UN might provide a useful forum for airing the dispute and UN action a useful excuse for emerging from the dispute with less than full satisfaction. Moreover, the underdeveloped nations, who are likely to become an increasingly powerful voice in the UN, will almost certainly feel it in their interest to prevent a general war and will therefore exert their influence for the preservation of peace.

78. While there is some reason to expect, therefore, that the UN may play a role in preserving peace, that the present balance of forces will persist or become stabilized, that the limited war concept may be sufficiently capable of development to provide an escape from nuclear blackmail and general nuclear war, and that chances of general war coming about by accident or fear of surprise attack may be reduced, the decade ahead will still be an extremely dangerous one. The Soviets see increasing opportunities for political gains in their new strategic position, in their economic growth, and in the changing situation in the underdeveloped areas. They are almost certain to test these opportunities, and such tests could give rise to serious crises. Berlin and the Offshore Islands exemplify situations in which retreat may become impossible, and civil wars in such areas on the periphery of the Sino-Soviet Bloc as Laos could pose grave questions concerning the objectives and rules for the conduct of limited operations. The world contest in the decade ahead will necessarily be conducted in the shadow of this strategic situation, and it will affect the decisions of statesmen everywhere.

**230. Record of Action, January 19<sup>1</sup>**

January 19, 1961

The Assistant Secretary of the Treasury, the Attorney General, the Director, Bureau of the Budget, and the Chairman, Atomic Energy Commission, participated in the action below.

*ACTION*

*NUMBER*

*SUBJECT*

2395.      *ATTACK WARNING CHANNELS AND PROCEDURES FOR CIVILLIANS*  
(NSC 5513/1; NSC Action No. 1565; Memos for NSC, same subject, dated February 20, 1957, December 3, 1959, and December 14 and 28, 1960; NSC Action No. 2363; Memo for NSC from Executive Secretary, same subject, dated January 17, 1961)  
Adopted the chart on the subject transmitted by the reference memorandum of January 17, 1961.  
NOTE: The above action, as approved by the President, subsequently transmitted to all holders of NSC 5513/1.

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<sup>1</sup> NSC Action No. 2395: Attack warning channels and procedures for civilians. Secret. 1 p. Department of State, S/S–NSC (Miscellaneous) Files: Lot 66 D 95, Records of Action by the National Security Council.

March 1961

**231. Memorandum from Col. Chapla to Bundy, March 3<sup>1</sup>**

March 3, 1961

SUBJECT

WSEG Report Number 50

REFERENCE

Memorandum from the Military Assistant, Office of the Secretary of Defense,  
dated 2 March 1961

1. The summary portion of WSEG Report No. 50, as requested in the referenced memorandum, is forwarded herewith.

2. The attached report is provided on a loan basis for your personal use and return when it has served your need.

**Benjamin C. Chapla**  
*Colonel, USA*  
*Executive Secretary*

**Attachment**

*WSEG REPORT NO. 50*

*EVALUATION OF STRATEGIC OFFENSIVE WEAPONS SYSTEMS*

*27 December 1960*

*STATEMENT OF THE PROBLEM*

1. To evaluate the weapons systems and directly related functions which make up the strategic offensive posture of the U.S. in the 1964–1967 period.

*BACKGROUND*

2. The Joint Chiefs of Staff requested, in SM–660–59, an evaluation of strategic offensive weapons systems in the 1964–1967 period, including strategic bombers, air-to-surface missiles, ICBM's, FBM's (submarines and surface vessels), and IRBM's. The study was to be directed particularly towards determining the relative effectiveness of the var-

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<sup>1</sup> Transmits report on "Evaluation of Strategic Offensive Weapon Systems." Top Secret. 28 pp. Kennedy Library, National Security Files, Subjects Series, WSEG 50, Smith.



ious systems in terms of their reliability, reaction time, responsiveness to control, penetration capability, accuracy, destructiveness, vulnerability and cost. The evaluation was to take into account the various circumstances under which hostilities might be initiated, ranging from surprise attack on the U.S. to conditions of strategic warning which might permit U.S. initiative. The study was to recognize changes in the threat, in the Free World situation, and in military technology which might occur during the period, as well as significant changes or advances that could reasonably be foreseen beyond 1967.

SCOPE

3. The report reviews the characteristics of individual weapon systems, examines the feasibility of attaining their technical goals, their costs and manpower requirements, and evaluates their effectiveness as elements of the strategic posture. The evaluation is based in part on the systems' destruction potential against various types of Sino-Soviet targets, and on some qualitative considerations.

4. The report evaluates in detail only those strategic weapon systems which are competitive for funds in 1964–1967 and which are under complete U.S. control. The systems studied are therefore:

<u>Bombers</u>	<u>ASM'S</u>	<u>Ballistic Missiles</u>
B-47	GAM-77	ATLAS
B-52	GAM-87	TITAN
B-58		POLARIS (SSBN)
B-70		POLARIS (CG)
		Fixed MINUTEMAN
		Rail-Mobile MINUTEMAN

5. The report further examines the degree to which different weapons systems mixes, including the service-programmed mix, offer confidence in successfully carrying out national objectives.

6. Three supporting areas are examined in detail because of their importance to the entire strategic offensive posture: early warning requirements and systems; the command and control structure; and post-strike reconnaissance.

7. Finally, the report relates the possible changes in the Free World and in the threat to the problem of developing strategic offensive capabilities.

ORGANIZATION OF THE REPORT

8. The present document contains the report's summary conclusions. Supporting details are found in the following volumes:

Enclosure "A"—EVALUATION OF PROGRAMMED STRATEGIC OFFENSIVE SYSTEMS 1964–1967

Enclosure "B"—TECHNICAL AND OPERATIONAL ASPECTS OF TACTICAL EARLY WARNING AGAINST ICBM AND SLBM ATTACK

Enclosure "C"—COMMAND AND CONTROL OF STRATEGIC OFFENSIVE WEAPONS SYSTEMS IN THE PERIOD 1964-1967

Enclosure "D"—MANPOWER REQUIREMENTS FOR STRATEGIC OFFENSIVE WEAPONS SYSTEMS

Enclosure "E"—VULNERABILITY OF SUBMARINE-LAUNCHED BALLISTIC MISSILE SYSTEMS

Enclosure "F"—ESTIMATED COSTS OF STRATEGIC OFFENSIVE WEAPON SYSTEMS

Enclosure "G"—WEAPONS SYSTEMS CHARACTERISTICS

Enclosure "H"—THE ROLE OF RECONNAISSANCE IN POST-STRIKE STRATEGIC OFFENSIVE OPERATIONS

Enclosure "I"—CHANGES IN THE FREE WORLD

Enclosure "J"—STRATEGIC IMPLICATIONS OF POSSIBLE CHANGES IN THE NATURE OF THE THREAT

### INTRODUCTION

9. The first three parts of the present paper summarize and interconnect the more significant findings of the Enclosures to this Report. Part One examines the various factors which contribute to an assessment of the relative value of the programmed weapon systems. Part Two discusses some problems that are common to all strategic weapons systems. Part Three summarizes the capabilities of strategic offensive forces in meeting national objectives and discusses the contribution that other means can make to these objectives.

10. In Part Four, the paper sums up the steps that can be taken to improve support of national objectives by the U.S. military posture, and the role of various types of systems in achieving this posture.

### PART ONE: RELATIVE MERITS OF WEAPONS SYSTEMS

11. One of the major aims of this study is to evaluate individual strategic weapons systems as they compare to one another. The elements that are accordingly necessary to this part of the study are system characteristics, costs, responsiveness to control, manpower requirements, penetration capability, and vulnerability. The study also examines some of the potential contributions various systems make to an overall force posture and the possible effects of a mixed force posture on the capabilities of the individual weapon system.

#### *Characteristics of Weapons Systems*

12. Enclosure "G" tabulates the physical and operational characteristics of strategic delivery systems programmed for the 1964-1967

period, with emphasis on those characteristics that affect availability, reliability, survivability, and destructive capability, including accuracy<sup>2</sup> and yield. The Enclosure also estimates the feasibility of attaining the goals established by the Services for these characteristics.

13. In general, it is concluded that the weapons systems under development for deployment in the 1964–1967 period can be operational at the time specified in Service estimates. However, Service estimates for system performance, especially those of accuracy, reliability, and launch schedules, will probably not be fully met initially and will require a period of a few years during which gradual improvements will be made towards meeting specified system operational requirements.

#### *System Costs*

14. Enclosure “F” provides cost estimates for each of the weapons systems considered, based on force schedules provided by the Services. From these costs, Enclosure “A” generates for each system an effective annual cost, based on annual operating costs and amortized initial investment costs.

15. It must be emphasized that the reliability of cost estimates varies: considerable confidence can be placed in estimates of the costs of operational systems of long standing, less confidence in estimates for newly operational systems, and considerably less confidence in estimates of future systems. Results of analyses based on estimates for future systems must be used with caution, for experience has shown that early cost estimates for a new weapon system are almost always substantially lower than the actual costs incurred.

#### *Responsiveness to Control*

16. Responsiveness to control is discussed in Enclosure “C”, where it is shown that there are no significant differences in this respect among the various weapons systems. As discussed in paragraph 42 and following, the principal problem areas in the command structure are associated with the vulnerability of the higher echelons of command.

#### *Manpower Requirements*

17. Manpower requirements and limitations are treated in Enclosure “D”. It is found that none of the weapons systems appears limited merely by the numbers of men required, but all may tend to suffer from a lack of highly skilled technical personnel, a lack which will probably continue through the 1964–1967 period.

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<sup>2</sup> Geodetic errors were assumed negligible relative to CEP.

### *Penetration Capability*

18. Penetration capabilities of U.S. ballistic missiles are generally assumed in this study to be unity. Penetration capabilities of aerodynamic systems are treated in Appendix "F" to Enclosure "A". The discussion there indicates that for all types of manned bombers there is relatively high confidence that a substantial fraction of a large force of bombers will be able to penetrate successfully at low altitude. If the USSR is willing to expend the relatively large effort required to develop and deploy a sophisticated and expensive low-altitude defense they would almost certainly also develop and deploy an effective defense against high-altitude supersonic aircraft.

### *Vulnerability to Attack*

19. Vulnerability of systems to attack is treated in a number of places in this Report; the results are integrated in Part I of Enclosure "A".

### *Bombers*

20. Bombers, being very soft targets on their bases, must achieve survival either through continuous air alert, or through ground alert with early warning and corresponding quick reaction. Enclosure "B" considers the various uses for early warning and examines the capabilities of the programmed ballistic missile warning system. In addition, the technical feasibility, capabilities, costs, and dates of availability of other possible early warning systems are examined. These systems include line-of-sight radars, over-the-horizon radars, and infrared sensors, in ground-based, airborne, and satellite types of deployment.

21. It is shown in Enclosure "B" that by the time period of this study BMEWS should, with high confidence, provide 10–30 minutes warning of attacks with greater than 2–15 ICBM's launched the short way around on trajectories above 15° from any part of the Soviet Bloc. Appropriately located additional radar stations or other sensors could provide similar warning against missiles with trajectories below 15° or against long-way-around missiles; various systems capable of detecting missiles using these trajectories are presently in the research and development phase, but none is approved for deployment. Although this warning may be adequate for 15-minute ground-alert bombers, the latter will still be vulnerable to attack by SLBM's. Although an SLBM detection system is feasible, it would provide very little useful warning time, the amount depending on the location of the target and the point of launch. The requirement for air alert in the 1964–1967 time period thus depends critically on the magnitude of the Soviet SLBM threat.

### *Hardened Missile Sites*

22. The vulnerability of a hardened missile site is sensitively dependent on the hardness of the site and on the accuracy, yield and

numbers of attacking enemy missiles. Thus, the vulnerability of hardened sites can be evaluated only in terms of the threat; this is done in Part I of Enclosure "A".

23. MINUTEMAN, being a remotely controlled system, introduces the element of the vulnerability of the control center in distinction to the vulnerability of the missile silo. This problem is examined in Enclosure "C", where it is shown that under certain conditions the system can be neutralized more easily by attacking the control centers than by attacking the missile silos.

#### *Mobile Missiles*

24. The relative merits of hardening and mobility are treated parametrically in Appendix "C" to Enclosure "A", which shows the effects of the interactions among silo hardness, extent of deployment of the mobile system, costs, effectiveness, and the nature of the enemy threat (including yield, CEP, and numbers).

#### *POLARIS Systems*

25. The vulnerability of the POLARIS submarine system is considered in detail in Enclosure "E". It is shown there that, unless the Soviets make significant advances in ASW technology and deploy very extensive ASW forces, the POLARIS submarines should be relatively invulnerable either to prolonged shadowing with kill at H-hour or to intensive search and destruction prior to the start of war. With respect to peacetime attrition, it is shown that should the Soviet submarines possess a detection range advantage over the FBM submarine, a small number of Soviet submarines could detect FBM submarines only occasionally, but frequently enough to constitute a threat. While it is unknown whether the Soviets will enjoy this advantage, the potential importance of reducing the noise level of the FBM submarine is great.

26. Although the vulnerability of the cruiser version of POLARIS is not studied explicitly in this report, this subject was treated in WSEG Report No. 47, which indicated that the cruiser is significantly more vulnerable to enemy measures than is the POLARIS submarine.

#### *Relative Merits of Systems*

##### *Method of Approach*

27. Destruction capabilities of U.S. weapons systems are calculated in Enclosure "A" against a variety of potential enemy targets.

28. Comparisons are then made among the various weapons systems, considering all the factors discussed above, on the basis of the number of targets successfully attacked at the 90 percent level of destruction per dollar expended. The relative importance of the factors depends quite significantly on the context of use and the targeting

objective of a weapons system. For the objective of destruction of hardened missile targets, the accuracy and delivery time of a weapon are relatively more important than is the case for the objective of industrial or population destruction. In a context of Soviet initiative, the survivability of a weapon system takes on great importance in comparison to a context of U.S. initiative.

29. Uncertainties in future characteristics and costs of strategic weapons and in estimates of future enemy threats make comparisons significantly only when differences are substantial and relatively insensitive to assumptions.

30. For simplicity in presentation the strategic weapon systems are divided into three groups—surface-to-surface missiles, bombers, and air-to-surface missiles—with comparisons principally within each group. In addition there is a discussion of the role of each group, in view of the capabilities and limitations of the group, and a limited number of intergroup comparisons where pertinent.

### *Principal Findings*

#### *Ballistic Missiles*

31. Ballistic missiles, because of their rapid delivery time and high confidence of successful penetration, appear to be the primary strategic offensive weapons systems in 1964–1967 against known fixed targets where time of delivery is of military importance.

32. The preferred weapon for the strike-first role, where vulnerability to attack is of no concern, appears to be fixed MINUTEMAN, with TITAN being competitive against hard or area mobile targets, or for the production of large fallout effects.

33. In the strike-second role, fixed and mobile MINUTEMAN and POLARIS all have advantages under certain circumstances. This is illustrated in Figure 1, which indicates qualitatively the way preference for POLARIS or fixed or mobile MINUTEMAN changes with the magnitude of the enemy threat and the size of the desired U.S. retaliatory capability. No numbers are shown on the figure, since the preferences depend on U.S. weapons systems costs, the enemy weapon yield and CEP, vulnerability of mobile MINUTEMAN in terms of hardness and deployment, fixed MINUTEMAN silo hardness, and the type of target against which the U.S. is retaliating. However, the following general relationships are apparent:

34. Since TITAN II and MINUTEMAN enter inventory in parallel the question of whether both are required is pertinent. The general superiority of MINUTEMAN—considering its cost, effectiveness, and vulnerability to attack—indicates military justification for TITAN II only where, for certain targets, large payloads are needed in a single

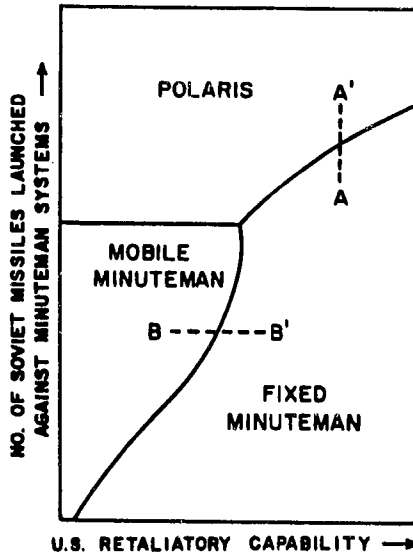


Fig. 1 PREFERENCE FOR POLARIS OR FIXED OR MOBILE MINUTEMAN

- a.* For a given number of U.S. ballistic missiles desired to survive, the larger the number of enemy counterforce missiles the greater the tendency to favor the mobile systems (line A—A').
- b.* For a given Soviet posture the larger the surviving U.S. ballistic missile force desired, the greater the tendency to favor fixed MINUTEMAN (line B—B').

missile to carry sufficient decoys or cluster warheads to overcome enemy missile defenses. An additional justification for the development of TITAN II (at a cost of \$700 million) can be made on the basis of requirements for space exploration or increased knowledge of how to build large missiles with storable liquid propellants.

35. Based on the analyses of Enclosure "A" and WSEG Report No. 47, the cruiser version of the POLARIS system appears inferior to the submarine version and to fixed and mobile MINUTEMAN. The low ranking arises largely because of the small fraction of time on station. Furthermore, it introduces no new element to our strategic forces not already available in other weapon systems. Hence, the installation of POLARIS missiles on cruisers does not appear to be warranted.

36. One improvement gained by the development of the A-3 missile for the POLARIS system lies in the insurance it provides against an

effective ASW system if the USSR develops and deploys one. In addition, the longer range of the A-3 missile will give the FBM system greater operational flexibility and allow it to threaten a larger number of Soviet targets from presently planned deployment areas and, more importantly, according to a DOD program the A-3 missile will carry the cluster warhead primarily for penetrating possible anti-missile defenses.

#### *Manned Bombers*

37. Manned bombers, currently the U.S.'s primary strategic weapon, will continue to be of considerable importance in the 1964-67 period, particularly if high levels of enemy fatalities are desired. No further procurement of B-58's is desirable. The projected B-52 program appears adequate. All procured bombers should remain in the force until operationally obsolescent. Every effort should be made to provide for the survival of a fraction of the bomber force, even going to air alert if reliable tactical warning cannot be assured.

38. The B-70 weapon system appears competitive with the fixed MINUTEMAN system in attacking known fixed targets only if successful delivery of a large number of weapons per bomber to different targets can be achieved. Operational problems associated with this type of mission require considerably more study to establish its feasibility.

#### *Air-to-Surface Missiles*

39. Air-to-surface missiles improve the target destruction capabilities of bombers without large penalties in bomber performance and without requiring large expenditures of funds. When they include a flight profile different from that of other strategic systems they also increase the problems of enemy defenses. With respect to specific ASM systems, certain aspects definitely favor the GAM-77, and others definitely favor the GAM-87. On balance no strong arguments exist either for or against developing the GAM-87 as a replacement for the GAM-77 on the B-52.

40. Analyses of the capabilities of mixed force postures, discussed in Part III, indicate that the specific degree of hardening for the fixed MINUTEMAN system is not of great significance in the capabilities of the overall force, provided a reasonable degree of hardness is achieved and appropriate separation of the silos is maintained.

41. The above analyses also indicate that once an effective basic force level consisting of the more promising weapons systems is deployed, it does not make much difference whether increments of one system or another are added in the retaliatory role. (Enclosure "A", Figure 17).



*PART TWO: COMMAND AND CONTROL, AND  
RECONNAISSANCE*

42. This part examines some problems common to all the weapons systems and also U.S. capabilities for post-strike reconnaissance in the event of war.

*Command and Control*

43. Analyses discussed above show that the U.S. should be able to generate a strategic force which would constitute a retaliatory capability of high confidence, provided that this force could be launched as assumed in the analyses. Enclosure "C" examines the possible vulnerability of the command and control systems which might reduce the effectiveness of the weapons systems. It was found necessary to include in the study the configuration and workings of the national political and joint military command structures and their interrelationships, because the effectiveness of the weapons control systems might be sensitive to them.

44. This examination shows that the maximum warning time that may be available to the President and the higher command structure varies from about 15 minutes for an ICBM attack to zero for an SLBM attack (against which no warning system is presently programmed; see Enclosure "B"). Thus, it appears that the highest levels of authority could not confidently expect any significant warning time to allow for the decision-making and communication processes. Further investigation indicated that the few protected sites available to the top political and military command could be destroyed by a relatively small missile force. In fact, the number of attacking missiles required may be below the threshold of the BMEWS system. Thus, our present vulnerable command structure is not a high confidence system to assure that atomic release or war execution orders will be transmitted to the retaliatory forces.

45. Enclosure "C" examines ways to alleviate the problems without gross modification of the present national political-Joint Military command structure, but none appears promising.

46. To provide a command and control system adequate for both the pre-attack and transattack period requires a composite structure called a "Coupled Command System." It would consist of:

*a.* A high command structure composed of several fixed command centers—generally similar in number, size and function to present political and military high command centers—to perform required pre-attack command functions (Enclosure "C").

*b.* Coupled to these fixed command centers by communications and nuclear burst sensing systems, one or more continuously manned mobile command center with transattack capabilities for authorization

and direction of a retaliatory attack (Enclosure "C"). Manning for this purpose means manning at the level of political and military authority and responsibility commensurate with the decisions and actions that may have to be taken.

47. The two parts of the system would operate under a doctrine delegating command to the mobile system only when conclusive evidence existed that the fixed sites had been attacked and rendered inoperative. This coupled system could raise enemy weapons requirements to interrupt command by factors of several hundreds or more. However, if both fixed and mobile command systems were rendered inoperative, a previously agreed explicit doctrine could assure a politically authorized retaliatory action, even in the face of large-scale enemy attacks designed to prevent it. Military implementation of the coupled command concept and employment of such an explicit retaliatory doctrine would preserve the utility of the coupled command concept should political manning of alternate transattack command centers prove infeasible.

48. This "Coupled Command System" would, among other things, provide the U.S. with a high confidence capability of initiating retaliatory attacks and provide a necessary element for effective decision-making following the initial strikes.

49. Finally, the study concludes that, although all primary modes of communications with the weapon systems are vulnerable to direct enemy attack, alternate modes of communication, either presently available or possible, could give high confidence that the essential signals, once transmitted by higher command, would be received by surviving strategic forces wherever deployed.

#### *Post-Strike Reconnaissance Capabilities*

50. Enclosure "H" examines the capabilities of our strategic forces for post-strike reconnaissance and armed reconnaissance; it studies, in addition, other technically feasible means of carrying out the reconnaissance role.

51. It is concluded that the U.S. strategic forces are oriented towards a "one-shot" war, and that there would be almost no capability for collecting and coordinating post-strike information. Such post-strike information as might be available would be limited, sporadic, only locally available, and not likely to give a reasonably comprehensive picture of the results of the initial bomber and missile attacks; thus, further action based on reliable information would be precluded. The lack of this capability is not due to technology, since techniques are presently available—e.g., photographic—which can be employed. In addition, other promising reconnaissance techniques, including indirect means of damage assessment, probably could be made available.

52. If a command system is developed which can survive an attack (see previous section), post-strike reconnaissance can provide information required for making decisions concerning prosecution or termination of the war.

53. Armed reconnaissance for attacking unknown or movable targets, though attractive in principle, may be of questionable value because of the time involved in the search phase and the difficulty of developing appropriate sensors for location and identification of potential targets.

54. The speed of an aircraft for either armed or direct reconnaissance does not appear to be of great significance. For armed reconnaissance, high speed may well make target detection, identification and attack more difficult; and for direct reconnaissance, the total mission time, though lower for high-speed aircraft, is generally dominated by the interpretation time, except where flash interpretation suffices.

### *PART THREE: CAPABILITIES OF STRATEGIC FORCES*

55. This part summarizes the capabilities and limitations of strategic forces and some of their implications (Enclosures "A", "I", "J").

#### *Protection of the United States from Damage from a Nuclear Attack*

56. In order to assess the capabilities of the strategic forces in minimizing damage to the U.S. in the event of war, a number of Soviet military postures, all of which appeared reasonable, were assumed. It was further assumed that practically all (90 percent) Soviet fixed missile sites were of known location and could be destroyed by the U.S. in an initiative strike. Analyses indicate that, even in the initiative situation, the U.S., if no protective measures are taken, still would suffer very high levels of population fatalities (greater than 75 percent) except in those cases where the USSR did not deploy weapon systems technologically available to her, i.e., the USSR did not deploy mobile missiles, land or sea, and did not deploy systems capable of being launched on warning. In the context of Soviet initiative attacks, the damage to the U.S. could be, as expected, even greater. It is thus concluded that counterforce alone does not appear to be a high confidence measure for preventing unacceptable levels of damage to the U.S. in the event of war.

57. Other complementary measures, that is, active defenses and shelters, for providing protection to U.S. population and industry, were examined to assess their potential value. It was found that fallout shelters properly used could achieve a significant reduction in casualties but would leave the industrial base vulnerable.<sup>3</sup> Active missile

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<sup>3</sup> The illustrative fallout shelter program studied in Appendix "D" of Enclosure "A" did not fully exploit the potentialities of shelters. Even then, 35–45% of the population could survive against quite heavy Soviet attacks; these same attacks without shelters would result in almost total destruction of the population.

defenses which meet design goals of the NIKE-ZEUS system could provide some protection for population and industry in local areas but not from fallout from nuclear bursts in undefended areas. Shelters and active defenses are thus mutually supporting. These measures hold promise because they could be effective whether the missile was launched from a fixed site of known or unknown location, mobile or fast reacting, and in either an initiative or retaliatory attack.

58. The above measures—direct attack, active defense of the NIKE-ZEUS type, and shelters—appear to be the only ones presently available to defend the U.S. against a nuclear attack. The cost of implementing these measures will probably be in the tens of billions of dollars. However, by employing technologically feasible countermeasures, e.g., cluster warheads, and increasing its missile force, the USSR can maintain a strong retaliatory posture capable of doing great damage to the U.S. notwithstanding implementation of defense measures.

#### *U.S. Retaliatory Capabilities*

59. Examination of the projected Service programs and other illustrative force postures of lesser cost indicates that the U.S. should be able to maintain a strong retaliatory posture even in the face of threats larger by far than any indicated by intelligence estimates.

60. In 1964 this capability is considerably dependent upon the survival and penetration of a reasonable fraction of the U.S. bomber force; in 1967 the retaliatory capability is much less dependent on bomber survival.

61. It can, thus, be concluded that both the U.S. and the Soviet Union should be able to maintain a retaliatory force capable of inflicting great damage, which cannot be neutralized by the other side without a major technological breakthrough.

#### *Implications*

62. This situation, generally referred to as the “nuclear stalemate,” has a number of implications. Among these are the effects on our allies and the development of means to meet enemy aggression no longer deterred by our strategic forces. These issues are explored in Enclosures “I” and “J”.

63. In brief, with respect to our NATO allies, it is becoming increasingly apparent to them that the approaching stalemate situation will make it unlikely that they can continue to count on the U.S. to provide them protection, through the threat of retaliation, from the kinds of Soviet military aggression most likely to occur. This is largely the reason that the idea of national or NATO deterrent forces has been gaining ground.

64. At the same time, there has been an increasing tendency on the part of some of our allies to question the advisability of allowing

on their territory U.S. forces which might make them subject to Russian attack in the event of war with the U.S. In addition, since these governments may be unreliable when subject to intense pressures in a crisis situation, it may be prudent for the U.S. to reconsider the value of deploying strategic weapons overseas subject to bilateral control when their primary purpose is the protection of the United States.

65. Finally, because the range of applicability of strategic forces will diminish with the stalemate, the U.S. must develop strong military capabilities for meeting those contingencies requiring military action for their resolution heretofore considered deterred by our strategic superiority. These forces should have a character that clearly reveals our own intent to limit the scale of conflict.

66. The strategic forces can implicitly support these forces by deterring the enemy from actions that would tend to expand the conflict, even if such actions were favorable to the enemy in their effects on the outcome of the limited war.

#### *PART FOUR: MEASURES FOR IMPROVING U.S. MILITARY POSTURE RELATIVE TO GENERAL WAR*

##### *Prevention of General War*

67. In view of the extremely high levels of population casualties and loss of resources that would result from general nuclear war the most promising means for protecting the country is to prevent the outbreak of the war. Many measures contribute to this end; only those steps clearly required are mentioned:

*a.* Develop and maintain a retaliatory force that clearly can do high levels of damage regardless of how the war starts. This requires not only a sufficiency of weapons properly deployed but also a high confidence that the force can be launched when desired by receipt of proper authorization. This posture can be achieved by deploying a mix of the types of forces (see Enclosure "A") programmed to be available in the 1964–1967 period and by reducing the vulnerability of the present higher command structure.<sup>4</sup> (See Enclosure "C").

*b.* Reduce the threat of use of strategic forces to issues that can be resolved in no other way. This implies that the U.S. with its allies develop and deploy forces to meet local aggression locally, and in such a manner as to minimize the expansion of the limited war into general war. (See Enclosure "J").

##### *In the Event of War*

68. It must be recognized that, however successful the U.S. is in reducing the threat of general war, there can be no assurance that it

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<sup>4</sup> In developing this secure retaliatory posture, it is important at the same time to insure that the posture may not lead to accidental war.

will not occur. Hence, it is necessary to consider the more promising measures which might reduce the damage to the U.S. to manageable proportions and might allow the U.S. to prevail. Because present technology has provided the offensive with a variety of measures at far less cost and earlier than their defensive countermeasures,<sup>5</sup> there can be little optimism in achieving these results. (See Enclosure "A"). However, the following measures are presently available for improving the U.S. posture.

*A. Improve Direct Attack Capability—(Counterforce)*

69. *a.* Determine location and characteristics of Soviet weapons, i.e., hardness, reaction time, and improve pertinent characteristics of U.S. Ballistic missiles, i.e., accuracy, yield, reliability.

*b.* Develop armed reconnaissance techniques.

*c.* Improve ASW to counter ballistic missile submarines.

*B. Deploy Active Missile Defenses and Fallout Shelters*

70. Active missile defenses and fallout shelters are potentially promising measures for reducing damage to the U.S. Present limitation of active defenses is their reduced effectiveness against technically feasible countermeasures.

*C. Develop a Post-Strike Survivable Command and Control System*

71. A post-strike survivable command structure coupled with information-gathering systems, i.e., a reconnaissance capability, would be desirable to provide the basis for decision for continuing action.

*D. Post-Strike Forces*

72. Other forces and strategic weapons held in reserve would be desirable to enforce termination of the war and to protect the nation during recuperation.<sup>6</sup>

*Post-1967 Measures*

73. Enclosure "G" briefly describes weapon systems that may become available as a result of advances in technology. Although great improvements are anticipated in the ballistic missile field in terms of accuracy, payload and reliability, and some improvement in airborne

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<sup>5</sup> Defensive measure here means any measure designed to prevent the impact or reduce the effects of nuclear weapons on the U.S., i.e., counterforce, active defenses, and fallout shelters.

<sup>6</sup> The meaningfulness of these measures would depend on the level of damage that the U.S. had suffered.

vehicles, the advances presently envisaged are not likely to break the approaching nuclear stalemate.<sup>7</sup>

74. The role of long-range aircraft is subject to considerable uncertainties. In the role of attacking known fixed targets, missiles, especially, considering likely improvements in missile technology, will probably be superior to aircraft, particularly where speed of delivery is of military importance.

75. Aircraft will continue to be able to perform functions that missiles cannot.

*a.* Reconnaissance—aircraft (and possibly satellites) can perform this important function.

*b.* Attack of poorly located targets and armed reconnaissance—aircraft have this potential capability, but the effectiveness of this capability may be limited by sensor or equipment performance and by the time involved in locating and identifying targets.

*c.* Re-strike capabilities—aircraft can provide a capability for re-striking targets provided proper facilities and weapons are available.

*d.* Maintain a mixed threat—in the event that ballistic missile defenses become effective, the manned aircraft could continue to pose a retaliatory threat.

76. The above appear to be the major military uses for long-range aircraft in the post-1967 period. The B-70 aircraft probably will be able to exploit these capabilities, though other aircraft of lesser performance could probably also do so. The B-70 does, however, provide for an advance in the state of the art with regard to the speed of aircraft which is of technical value and may be exploited for other purposes, e.g., civil aviation.

77. Though a nuclear stalemate seems to be approaching and likely to remain for a considerable period, it must not be conceived as a static stalemate. Technology is progressing too rapidly to believe that the stalemate cannot be broken. All promising avenues of research which might break the stalemate to our advantage should be pursued vigorously. The nation that can indeed develop, for example, an effective active missile defense even in the face of countermeasures will be well on the way to achieving strategic superiority.

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<sup>7</sup> This stalemate probably holds for satellite systems capabilities in this same time period.

**232. Memorandum from Gen. Lemnitzer to Clifton, March 3<sup>1</sup>**

March 3, 1961

SUBJECT

Development of Counter-Guerrilla Forces

1. As a result of the President's request to the Secretary of Defense that the matter of placing more emphasis on the development of counter-guerrilla forces be examined, I am attaching a copy of the Joint Chiefs of Staff long-range program for developing a sound counter-guerrilla capability.

2. Although the Secretary of Defense has given his approval to my furnishing you a copy of this study, I would like to emphasize that he is receiving his copy simultaneously with the delivery of the one attached and hence has not had time to study in detail, much less to act upon, the program.

**L.L. Lemnitzer**

*Chairman*

*Joint Chiefs of Staff*

**Attachment**

**Memorandum for the Secretary of Defense**

JCSM-126-61

SUBJECT

Development of Counter guerrilla Forces (U)

1. Reference is made to the memorandum by the Secretary of Defense, dated 10 February 1961, requesting the Assistant Secretary of Defense (International Security Affairs) in consultation with the Joint Chiefs of Staff to examine the means for placing more emphasis on the development of counter guerrilla forces.

2. Foreseeing the threat of communist-inspired guerrilla movements, the Joint Chiefs of Staff received approval on 12 October 1960, for the implementation of JCSM-404-60, subject: "Counter guerrilla

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<sup>1</sup> Transmits copy of JCS memorandum to Secretary McNamara on developing a counter-guerrilla capability. Secret. 5 pp. Kennedy Library, National Security Files, Departments and Agencies File, Spec. Warfare.



Training Provided Under the Military Assistance Program”, dated 15 September 1960. Since the objectives of this program have largely been met or are in various stages of implementation, the Joint Chiefs of Staff consider that the time is appropriate to make further recommendations on a long-range program to counter this communist-inspired guerrilla threat, both with respect to the US Armed Forces and the indigenous armed forces of friendly and neutral foreign countries which have a MAAG or Military Mission.

3. As a basis for recommendations, an examination has been made of the requirements essential to the development of a sound counter-guerrilla capability. This examination has revealed the existence of the following key military components of an effective counterguerrilla program:

- a. Instructional materials.
- b. Schools.
- c. Troop basis of US Armed Forces.
- d. Training of US Armed Forces.
- e. Equipment.
- f. MAAGs and Missions advisory personnel.
- g. Force structure of indigenous armed forces and other internal security forces.
- h. Training of indigenous armed forces and other internal security forces.
- i. US military contingency plans.
- j. Country Team counterinsurgency plans.
- k. Interdepartmental responsibilities.
- l. Orientation of key civilians.

4. The Joint Chiefs of Staff have taken, or are taking, actions as listed below in order to increase the emphasis on counterguerrilla operations.

- a. Acceleration by the Military Services of programs now underway for preparing, publishing and distributing instructional materials on counterguerrilla tactics and techniques.

- b. Inclusion of instruction in counterguerrilla warfare in appropriate courses at Military Service Schools.

- c. Emphasis on existing counterguerrilla courses to insure that quotas are filled and that qualified students, both US and foreign, are being nominated on a basis of need in their present assignments and over-all value to their armed forces.

- d. Establishment by CINCARIB of a course in counterguerrilla tactics and techniques to commence on or about 1 July 1961, and expansion of current training activities of USCINCEUR and CINCPAC to

include courses in counter guerrilla tactics and techniques in order that greater numbers of US and foreign military students of friendly or neutral countries may receive this instruction.

e. Examination of the troop basis of US Armed Forces to insure an adequate capability in all types of units required in counter guerrilla operations or in rendering training assistance to other countries.

f. Inclusion of instructions in counter guerrilla operations in the training programs of combat and combat-support units of the US Armed Forces, as considered appropriate by each Military Service.

g. Continuation of present programs for development of special equipment for counter guerrilla training and operations.

h. Increased emphasis and expansion of the current program which requires that selected US military advisory personnel be qualified or attend an appropriate course of instruction in counter guerrilla warfare, psychological operations, civil affairs, intelligence, counterintelligence or troop information prior to departing CONUS for assignment with a MAAG or Mission in a foreign country with actual or potential insurgency.

i. Review of the force structure of indigenous armed forces in all countries with an existing or potential insurgency threat by MAAGs/ Missions and/or unified commands to insure that appropriate consideration has been given to psychological operations, civil affairs, intelligence, counterintelligence, troop information and public affairs, as well as combat and combat-support units. Appendix A hereto is an estimate based on current information of the friendly and neutral foreign countries in which a communist-inspired guerrilla movement is most likely to develop, and the reasons therefor.

j. Training in counter guerrilla tactics and techniques for indigenous armed forces of friendly and neutral countries in which an actual or potential insurgency threat exists.

k. Review of US military contingency plans to insure that counter guerrilla operations are included, as appropriate.

5. In addition to the military program outlined above, there is a very significant nonmilitary aspect of this problem. A review of case histories reveals that communist-inspired guerrilla movements are the result of long preparation within political, economic and sociological fields. It is essential that US Governmental agencies abroad understand the tactics of this development so that adequate countermeasures can be taken. In this connection there is a need for clarification, both at the Washington and Country Team levels, of interdepartmental responsibilities for advising and assisting indigenous armed forces and other internal security forces in counter guerrilla training and operations. If this is not done, the most effective counter guerrilla military program

that can be devised will not suffice to prevent the development of guerrilla movements. Accordingly, a need exists to educate US personnel in civilian agencies and the civilian agencies of potentially threatened foreign governments in the communist method of developing guerrilla movements. Therefore, the Joint Chiefs of Staff specifically recommend that the following matters be discussed with other US Governmental agencies and agreement reached to:

a. Develop country counterinsurgency plans for all countries with an existing or potential insurgency threat.

b. Extend counterguerrilla training to include training for internal security forces and police in countries having an insurgency threat.

c. Clarify the responsibilities of the various US Governmental agencies in advising and assisting foreign governments in counterguerrilla training and operations, at both the Country Team and Washington levels, to insure that proper emphasis is placed on counterguerrilla training for both military and internal security forces.

d. Educate and orient appropriate US civilian personnel on the nature of the guerrilla threat and how to combat it.

e. Insure that training of all indigenous military or paramilitary forces should be a Department of Defense responsibility. ICA responsibility should be limited to US type city or state police functions.

6. Appendices B and C are forwarded for your information. It is recommended that all three Appendices be forwarded also as attachments to your report on this subject when submitted to the President.

For the Joint Chiefs of Staff:

**L.L. Lemnitzer**

*Chairman*

*Joint Chiefs of Staff*

April 1961

233. National Intelligence Estimate, NIE 11-61, April 6<sup>1</sup>

April 6, 1961

PROBABLE INTELLIGENCE WARNING OF SOVIET ATTACK  
ON THE US

THE PROBLEM

To estimate the advance warning of Soviet initiation of general hostilities against the US which could be provided by intelligence, focusing on the period between the present and about 1963.

ASSUMPTION

For purposes of this estimate, it is assumed that during the period under consideration no US-Soviet agreement on arms control or system of mutual inspection will be in effect.

SCOPE

The warning of Soviet attack discussed in this paper is that which intelligence might be able to give prior to the actual launching of an attack. We do not discuss warning which might be obtained from US or allied early warning radar or other tactical detection devices, such as devices to detect ballistic missiles in flight. Nor do we discuss the possibility of obtaining chance warning from sources such as weather stations, military and commercial aircraft, or naval and commercial ships at sea whose primary mission is not warning. The possibility that the USSR might resort to an ultimatum and thus itself warn of attack in the event of a rejection is also excluded from consideration.

The warning estimate is made in the light of our current estimates on Soviet strategy and present and future Soviet military strengths, especially NIE 11-4-60, Chapter IV and Annexes. It takes into account the detailed findings of the Warning Systems Survey Committee of the United States Intelligence Board.

CONCLUSIONS

1. Direct access to the proceedings of the highest level Soviet decision-making bodies is not now available to US intelligence and may

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<sup>1</sup> "Probable Intelligence Warning of Soviet Attack on the United States." Top Secret. 22 pp. CIA Files, Job 79R01012A, ODDI Registry.

never be achieved. Hence, the warning problem is one of collecting indirect evidence, largely fragmentary in nature, and of interpreting it in order to reach judgments about the USSR's intended course of action. Any warning given by intelligence would be the end product of a process of reasoning from incomplete evidence. It would represent a judgment of probability rather than an unequivocal warning of Soviet intent to attack.

2. If the USSR decided to attack the US, the varied preparations preceding such an attack would almost certainly include some activities susceptible of detection. The number and variety of indications obtained and recognized, and therefore the certainty with which a warning judgment could be made, would be affected by the scale and pace of Soviet preparations, the success of Soviet security measures, and many other variables—including fortuitous elements which cannot be anticipated in advance. Intelligence would evaluate these indications in relation to other concurrent Soviet activities and to the international political context within which they occurred, in an effort to determine whether the Soviet intention were to attack, to threaten, to deter, or to be ready to defend and retaliate.

3. We believe that the Soviets would feel it essential to strike a balance among the objectives of achieving surprise, delivering an attack of great weight, preparing to defend against retaliation, and preparing to recuperate and carry on the war. Many preparations and activities, especially those associated with defense and recuperation, might be detected well in advance of an attack but would be subject to considerable ambiguity as to Soviet intent and as to the timing of a possible attack. Last-minute preparations to launch an attack could permit more specific warning but would be less likely to be available in time.

4. With respect to Soviet preparations to launch intercontinental striking forces against the US, our ability to obtain warning is limited and declining:

*a.* At the present time, there is virtually no chance that intelligence would be able to provide advance warning of Soviet use of ground-launched ballistic missiles in an attack. Intelligence capabilities to derive warning from preparations by Soviet ballistic missile forces may improve somewhat, but given foreseeable obstacles we believe they will remain very poor.

*b.* If the USSR prepared to launch a massive bomber attack—involving, say, 500 heavy and medium bombers and tankers—the chances are better than even that some aspects of an operation of this size would be detected in time to provide a degree of warning before the Soviet bombers arrived at North American radar warning lines. However, intelligence could probably not provide warning if the Soviets undertook a highly secure operation to launch a reduced force of, say, 150–200 bombers and tankers.

c. The chances of obtaining warning from preparations by long range bomber forces will decline, in part because of continued improvements in Soviet security over air operations, but primarily because the growth of Soviet missile capabilities will shift the main strike role away from bombers.

d. We believe that under normal US readiness conditions and surveillance, there is some chance, although small, that a general departure into the open seas of Soviet submarine forces large enough to include all presently operational missile submarines would be detected in numbers sufficient to cause additional alert measures. There would be a fair chance that such forces approaching US coasts could be detected, perhaps a few hours or a day before the submarines reached missile launching points. A prior alert would raise the chances and increase the timeliness of any warning given.

e. US techniques for submarine detection, identification, and surveillance will probably improve, thus increasing the chances of deriving warning indications from the movements of currently-operational types of Soviet missile submarines. On the other hand, warning capabilities would be considerably less against Soviet nuclear-powered missile submarines employing 500–1,000 n.m. ballistic missiles.

5. In a period of international tension preceding a Soviet attack, intelligence might be able to give successive preliminary warnings which would have a cumulative effect. Even if such warnings contained no firm conclusion as to Soviet intentions, they could provide the basis for critical decisions regarding US political, military, and intelligence actions. The last of these might include decisions to undertake exceptional collection measures which could in turn increase the certainty of the warning judgment.

6. Considering all the factors affecting the problem of warning, we believe that in most circumstances of an actual Soviet decision to attack at present or in the near future, intelligence could give warning of increased Soviet readiness, and could infer a *possible* intent to attack, perhaps a few days or more before the attack. Warnings of a *probable* Soviet intent are likely to be given, if at all, only a few hours before attack.

7. There is little prospect over the next few years for any major improvement in the firmness or explicitness of the warnings which might be given. Improvements in intelligence techniques will be offset by a decline in the number and accessibility of dependable military indicators as missiles gain in importance and general Soviet readiness gradually rises. But unless there is a drastic change in Soviet strategic thinking or the Soviets acquire an assured capability to knock out US retaliatory forces in a single missile attack, the possibility of warning from physical preparations will not disappear. Indeed, the limited time

between initial attack and potential retaliation would virtually force the Soviets to undertake various preparations, including those for defense and recuperation, prior to launching an attack.

8. In the future, however, along with indications of physical preparations, intelligence will have to place additional reliance for warning on the more ambiguous indicators not directly related to physical preparations. The international political context will assume a larger role in the warning problem. Depending on the circumstances, analysis of the political context could strengthen or impede the warning judgment. In some cases, the first preliminary warning of possible Soviet attack might arise from a judgment that the USSR was about to take a political initiative involving great risk of war with the US, or that a crisis was developing in such a way as to prompt the USSR to prepare for war.

## DISCUSSION

### *NATURE OF THE WARNING PROBLEM*

9. The ideal contribution of intelligence to the defense of the US against a Soviet attack would be the communication to US decision-making officials of clear and unequivocal warning that the USSR intended to launch an attack at a specific future time and in a particular manner, this warning to be delivered to decision-makers far enough in advance to permit them to decide upon and take effective counter-measures. To approach this ideal standard, intelligence would need to have prompt and direct access to dependable sources of information on the proceedings of the highest level Soviet decision-making bodies, or at least to their means of transmitting decisions to immediately subordinate echelons. Such access does not exist at the present time and may never be achieved.

10. In these circumstances, which have obtained throughout the period of US-Soviet confrontation, any warning given by intelligence must derive from the collection and evaluation of evidence on Soviet activities and behavior. Given the considerable effort by the USSR to prevent the collection of vital information about its military capabilities and preparations, even indirect evidence of Soviet intentions will always be incomplete. Nevertheless, were the USSR to prepare to attack the US, the varied preparations which would be undertaken would almost certainly yield discrete items of information susceptible of collection by one or more channels of intelligence acquisition. These items of information would not necessarily establish a Soviet intention to attack, inasmuch as they might also be consistent with an intention to threaten, to deter, or to be ready to defend and retaliate. Thus the warning problem becomes one of collecting indirect evidence, largely fragmentary in nature, and of interpreting it in order to reach judgments about the USSR's intended course of action.

11. To cope with the warning problem in these terms, the intelligence community has developed over the years techniques for collecting, evaluating, and correlating indications derived from Soviet activities and behavior. This effort has included attempts to determine what general and specific preparations the USSR might make prior to initiating hostilities, to identify those preparations most susceptible to detection by intelligence, to direct collection assets towards promising sources of information, and to establish special channels for the rapid transmission and dissemination of information which may be pertinent to the warning problem. This effort is guided by the United States Intelligence Board; substantive continuity is maintained by the Watch Committee of the USIB and by its staff in the National Indications Center.

12. Through these mechanisms, a considerable capability for collecting and evaluating information has been focused on the warning problem. A fair understanding of the norms of Soviet behavior has been acquired, and a high degree of expert knowledge can now be applied to the problem of discerning apparent abnormalities which might signify Soviet preparations for war. However, because of the impossibility of predicting in advance precisely what abnormalities would become apparent should the Soviets decide to attack, warning could never be derived automatically from existing or improved mechanisms. It would always be the end product of a process of reasoning from incomplete evidence, and would therefore be a judgment of probability rather than an unequivocal warning of Soviet intent to attack.

13. Such a judgment would rest in part upon a weighing of indications of Soviet physical preparations. These indications might be found in any or all of a wide variety of categories, ranging from specific Soviet preparations to ready the long range striking forces to very generalized preparations to increase the ability of the Soviet productive base to withstand the effects of US retaliation. To date, it is in this area of physical activities that intelligence has best been able to maintain surveillance and to recognize abnormalities in Soviet behavior. Despite the capability intelligence has developed to acquire and weigh evidence of Soviet physical activity, however, any attempt to derive a warning judgment from physical preparations is subject to serious limitations.

14. Physical preparations undertaken some time before the initiation of war would offer the longest potential lead-time for warning, but in most cases only the most generalized conclusions about Soviet readiness could be drawn from them and no conclusions could be drawn as to the pace and timing of the activities. Indications of last-minute Soviet preparations would be much more significant but many of these final preparations would be undertaken so close to the launching of the attack that there would be very little time to obtain the



information, to assess it, and to communicate warning to decision-making officials. Hence, the most specific warning which might be given by intelligence on the basis of Soviet physical preparations would probably be the least timely.

15. In addition to physical preparations, intelligence might acquire evidence of Soviet activities which did not in themselves increase military readiness but which the USSR might undertake prior to the initiation of hostilities. Examples are abnormally heavy censorship measures, changes in clandestine agent operations, urgent and simultaneous recall of key Soviet personnel in Western countries, and unusual restrictions on foreign nationals in the USSR. While such evidence might strengthen the warning derived from analysis of military preparations, it would not provide a convincing basis for warning in the absence of indications of increased readiness to attack. Finally, and most important, there is virtually no single preparation, activity, or combination of these which would establish conclusively that the USSR actually intended to attack.

16. In reaching a warning judgment, intelligence would evaluate physical preparations and other activities in the context of the Soviet political posture. This context has to do with the way in which the USSR is conducting its international affairs at any given time: the vigor of its challenge to the West over various issues, the apparent degree of commitment of the Soviet leaders to various positions, and the political climate in high Soviet and Bloc circles. The political context introduces more evidence but also new complications to the warning problem. Soviet foreign policy initiatives, actions, and positions are themselves often difficult to interpret. The possibility exists that interpretations of the USSR's intentions based on its political posture would impede or confuse the attempt to arrive at a warning judgment based on physical preparations. On the other hand, analysis of the political context can serve to strengthen the warning judgment. This analysis is becoming more important to the warning process as Soviet military capabilities grow and reaction times are compressed, and as the USSR engages the West politically over a wider range of issues and geography.

17. It is evident from the foregoing considerations that any warning given would be neither complete nor unequivocal. The more indications collected and recognized by intelligence, and the more comprehensive the picture of Soviet capabilities and behavior available to intelligence, the better would be the basis for judging the Soviet course of action. But the sum of the available indications and knowledge would almost certainly be inconclusive as to Soviet intentions. Therefore, even under the most favorable circumstances, intelligence could only arrive at a judgment that the probability of Soviet attack was high. Some indication of the form, scale, or time of attack might be ascertained

from the character and pace of Soviet preparations, but here too there would be uncertainty in some respects.

18. Warning can perform a useful function even where attack cannot be predicted with complete certainty. Warnings of lesser degrees of certainty may be given in such a way that they have a cumulative effect. Such successive warnings, even if they did not permit a firm conclusion that the USSR intended to attack, might still provide a basis for critically important political, military, or intelligence decisions. They might be adequate, for example, to justify undertaking diplomatic moves to cope with a developing crisis, placing US military forces at one or another stage of alert, or invoking special intelligence collection measures. Such actions might lead the USSR to change its intentions concerning attack, and this in turn would presumably produce indications which might cause intelligence to modify its previous warnings.

19. The process of warning is complete only when warnings given by intelligence are accepted as valid by decision-making elements of government. Intelligence must be able to earn credibility for its warning judgments. It must therefore make as complete as possible a showing of evidence, including consideration of possible alternative interpretations, to substantiate whatever warning is given. A warning judgment which did not carry conviction to responsible policy officials could be as much an intelligence failure as no warning at all.

#### VARIABLES AFFECTING THE WARNING PROBLEM

20. One of the most important variables affecting the warning problem is the international situation obtaining at the time of a Soviet decision to attack: such a decision could be taken in a period of comparative international calm or in a period of heightened international tension, perhaps occasioned by local hostilities. Other major variables, related in some degree to the level of international tension obtaining, are the level of intelligence alert prior to the initiation of the Soviet attack, the nature of the Soviet preparations, and the nature of the Soviet attack itself. These factors would have bearing not only on the chances of intelligence warning, but also on the specificity and timing of the warning which might be given.

##### *Soviet Decision in a Period of Calm*

21. It is possible to envisage a firm Soviet decision to attack the US, made at a time well in advance of the launching of the attack. A decision of this nature might be made if the Soviet leaders concluded that they had acquired a military superiority over the US so decisive as to permit them to defeat the US without receiving unacceptable damage in return, or if they concluded that the US was planning an eventual attack on the USSR and that their best chance of survival lay

in attacking first. The Soviets' assessment of the world balance of forces at present and over the next few years, as we have estimated it elsewhere, is unlikely to lead them to either of these conclusions.<sup>2</sup> However, they could conceivably reach the former if they achieved some technological breakthrough in a critical military field, and the latter if they acquired intelligence which convinced them that the US intended to attack.

22. A firm decision made well in advance would enable the USSR to take a long period to prepare, probably under conditions of maximum secrecy and possibly accompanied by large-scale efforts to deceive the US as to Soviet intentions. On the other hand, it would give the US intelligence community time to collect a broad range of indicators which might progressively assume a meaningful pattern. Initially at least, such preparations as were detected would probably not have an emergency character and would probably be regarded as a normal development of Soviet military capabilities. At some point in the course of these preparations, however, the Soviet actions might be recognized by intelligence as clearly at variance with normal patterns of activity and development of capabilities. Such recognition might stem from analysis of the preparations themselves, or from the discovery of unusual Soviet secrecy or deception attempts. This would alert intelligence and would cause it to re-examine the accumulated indicators. As the time of attack approached, actions of a last-minute character might be observed which would increase our ability to give warning.

23. We can also conceive of a Soviet decision to attack on very short notice, also in the absence of any external atmosphere of rising tensions. Such a decision might be a desperate attempt at pre-emptive attack, arising from false or misinterpreted information leading the Soviets to conclude that the US was attacking or preparing imminently to attack the USSR. While we doubt that such a circumstance would ever actually arise, we cannot exclude it.<sup>3</sup> Nor can we completely exclude a similar short-notice decision arising from some irrationality within the top Soviet leadership. In cases of this sort, minimal Soviet preparations would ensue and the time available for their detection

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<sup>2</sup> See NIE 11–4–60, "Main Trends in Soviet Capabilities and Policies, 1960–1965," dated 1 December 1960 (TOP SECRET) paragraph 9. It should be noted that the Assistant Chief of Staff, Intelligence, USAF, dissented to that paragraph. He believes that the evidence of offensive missile and bomber production and deployment shows a definite intent by the Soviet rulers to achieve a clear military superiority at the earliest practicable date. He feels we are entering a very critical 24 month period in which the USSR may well sense it has the advantage. The Soviet leaders may press that advantage and offer the US the choice of war or of backing down on an issue heretofore considered vital to our national interests.

<sup>3</sup> See NIE 11–4–60, "Main Trends in Soviet Capabilities and Policies, 1960–1965," dated 1 December 1960 (TOP SECRET) paragraph 90.

would be very short. The chances of warning might rest heavily on the possibility that the Soviet forces designated to carry out the attack, themselves surprised, would fail to exercise appropriate security measures. Nevertheless, if detected and correctly interpreted, last-minute Soviet preparations for a sudden attack would lead intelligence to communicate any warning judgment with a great sense of urgency.

*Soviet Decision in a Period of Tension*

24. Between the two situations we have just discussed, there is a wide range of considerably more likely circumstances under which a Soviet decision to attack might be taken. These involve Soviet responses to international crises and local conflicts which neither the USSR nor the US originally intended should lead to general war. The Soviet leaders might decide to attack because they believed that an actual or threatened intervention in the USSR's sphere of vital interest could not be countered by limited means. Or they might conclude that the USSR had become engaged beyond retreat in some area where the Western Powers would be prepared to risk general war. In either case, the Soviet leaders might decide that general war and all that it involved was preferable to submitting to a serious reversal and that it would be to their military advantage to attack first.

25. In this situation the decision to attack would be accompanied by some degree of political tension, perhaps a very high degree, which could in itself give rise to preliminary warning. However, the time period over which a crisis reached an acute stage could vary considerably, and this would affect the ability of intelligence to assemble a meaningful pattern of indications. If the crisis developed over a brief period of time, and if Soviet military readiness was already advanced or if the Soviet leaders decided to attack with only minimum preparations, the indications obtained might be few. If, on the other hand, the USSR took a certain amount of time to prepare and position its forces, further and more specific warning might be obtained from the pace and nature of the Soviet preparations.

26. It is also possible that in a local crisis the USSR would decide to engage US or allied forces locally while hoping to avoid general war. This course of action would rest on a calculation that Soviet objectives could be achieved by a limited application of force and that the US would be deterred from initiating an attack on the USSR itself. There would clearly be great danger that such a situation could develop into general war. The Soviet leaders would have to recognize that the US might conclude that expansion of hostilities was inevitable and therefore itself seize the advantage of launching the first attack in a general war. Faced with this possibility, they might at some point decide to launch such an attack themselves. In the given circumstances,

Soviet forces would presumably be close to full readiness and maximum security precautions would be in effect. A certain degree of intelligence and military alert in the US would also obtain. Warning of Soviet intent to expand the local conflict into a general war might be inferred from, among other indicators, those giving evidence of Soviet preparations of a scale, character, or location at variance with those required for the local engagement in progress.

27. The period of rising tension attending an international crisis or local war would in itself constitute warning of an increasing likelihood of Soviet attack, but in such a period intelligence might have its greatest difficulty in attempting to determine Soviet intentions. A period of tension would bring intelligence to a high degree of alertness and perhaps lead it to take exceptional measures to collect information about Soviet activities. In analyzing Soviet activities, intelligence would have to recognize that the USSR might be carrying out military preparations, not on the basis of a firm decision to initiate general war, but for purposes of intimidation or in order to increase its defensive readiness and its ability to retaliate should the US attack. It is also possible that Soviet preparations for war might be undertaken because of a misinterpretation of US policies and actions, by which the Soviet leaders considered that they were about to be forced into general war, against their real desire. The importance of a correct US estimate on this point would be very great, yet it would be particularly difficult to make such an estimate during a period of rising tension.

28. Analysis of the significance of the USSR's political and propaganda activities would be very difficult. Most such activities undertaken preparatory to attack on the US might not differ greatly from those which could be expected in any period of heightened tension. Such activities could in themselves be interpreted as defensively motivated or as part of a war of nerves, and they would thus not establish that the USSR had the intention to attack. However, taken in conjunction with other kinds of indications, they might enable intelligence to give warning with a greater degree of certainty.

#### *Level of Intelligence Alert*

29. One significant effect of a period of tension as it applies to the warning problem would be the effect on the intelligence community itself. Since warning is a product of judgment, there are variable human factors which must be taken into account. Alertness would vary depending on the manner in which the crisis developed, its intensity, and duration. There are many ways in which the alertness and effectiveness of intelligence increases under crisis conditions. For example, field reporting and intelligence analysis become sharply focused on the crisis situation, new sources of information held in reserve for such situations

are put into use, resources of the intelligence community are more closely integrated to deal with the crisis, and intelligence is increasingly disposed to consider whether current evidence indicates hostile intent. On the other hand, in the event of a long sustained crisis involving a high degree of tension, key personnel would be subjected to fatigue and strain. If at one stage or another apparently mistaken warning judgments had been made, undue caution might come into play.<sup>4</sup>

30. Once a crisis situation arises, the volume of reports increases and their reliability on the whole declines, thus confronting intelligence with a large number of ambiguous reports from inadequately identified sources of uncertain reliability. There is also an increase in the number of reports from sources of known reliability, some of which sources come into play as a result of a crisis situation. In these circumstances, communications channels may be overloaded, with resulting delays in the transmission and receipt of information. However, it is not possible for intelligence to suspend judgment until more complete and satisfactory evidence becomes available. Under the pressure of time in a developing crisis, the intelligence warnings given may be less reliable or more tentative.

31. Intelligence could employ emergency collection procedures under conditions of crisis in order to improve the quantity and quality of information available. Special reconnaissance measures could be directed against Soviet controlled territory. Agents held in reserve for such a situation could be activated. Some exceptional measures would provide information, possibly of great value, on Soviet capabilities and readiness, and inferentially perhaps on Soviet intentions to attack. Some measures in this category, in particular air penetrations, could have the effect of increasing tensions or even of precipitating Soviet attack. For intelligence to employ them would require policy decisions; these might or might not permit their use and would in any case cause delay.

#### *Nature of Soviet Preparations and Attack*

32. Because we are without access to Soviet war plans, intelligence cannot know in advance what precise preparations the Soviets would consider essential before launching an attack against the US, or what the precise form and scale of the attack would be. This means that even if intelligence had complete knowledge of all Soviet physical preparations, we could not conclude that when a particular level of

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<sup>4</sup> It is possible that preliminary warnings would result in US precautionary measures which would lead the USSR to cancel or postpone a planned attack. In this case, what appeared to be a mistaken warning would in fact have been a correct one. Intelligence might have accomplished its warning mission, yet not be able to demonstrate that it had done so.

readiness had been attained the Soviets considered themselves fully prepared for war; conversely, we could not say categorically that because some one type of preparation had not yet been accomplished the Soviets considered themselves unprepared. Beyond this, many specific elements bearing on the character of a Soviet attack and affecting the warning problem could not be estimated with certainty. Examples are: how much of the Soviet military establishment would be alerted prior to an attack on the US? Precisely what delivery systems would be used in what quantity in such an attack? What forces would be allocated to targets in the US as opposed to targets elsewhere? What preparation for defense and recuperation would be undertaken prior to launching an attack? Over the years, however, we have accumulated enough knowledge of Soviet thinking about military strategy to narrow somewhat the range of likely alternatives:<sup>5</sup>

*a.* First, it is clear that the Soviets regard surprise as a military factor of great importance. The USSR would therefore take extreme precautions to prevent the US from learning about a forthcoming attack. Soviet security, already tight, would be intensified and possibly augmented by strenuous attempts to deceive the US as to Soviet intentions and preparations. Many preparations might be dispensed with in the interests of achieving surprise. But in balancing the advantages of various factors, the Soviets will also take into account the great importance of delivering a significant weight of attack, preparing to defend against US retaliation, and preparing for national recuperation.

*b.* Second, Soviet military doctrine envisages a general war as extending beyond the first nuclear exchange, and as including subsequent major land campaigns and naval warfare. The Soviets regard broad military, economic, and human resources as important determinants in the outcome of such a war. Thus in preparation for an attack on the US, the USSR would be constrained to undertake a variety of activities, not directly related to that attack but calculated to preserve vital military and other strengths for phases subsequent to the initial nuclear exchange.

*c.* Finally, in planning an attack on the US the Soviets would have to consider the great variety and widespread dispersal of US and Allied nuclear delivery capabilities. They could not contemplate an attack against US territory alone, but would need also to prepare for coordinated operations against US and Allied overseas nuclear delivery bases and nuclear delivery forces at sea.

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<sup>5</sup> See NIE 11–4–60, “Main Trends in Soviet Capabilities and Policies, 1960–1965,” dated 1 December 1960 (TOP SECRET) Chapter IV.



33. The variety of preparations undertaken, forces and tactics employed, and scale and weight of attack could range very widely within the broad limits set forth above. The indications obtained by intelligence would consequently vary in frequency, number and kind, and would have to be analyzed in terms of alternative hypotheses as to the precise form and scale of the initial Soviet attack. In many instances, intelligence could probably only point to the various types of attacks the USSR could be preparing to launch, although it might be able to provide a tentative judgment as to the more likely alternatives. Nevertheless, the foregoing discussion serves to illustrate that there is a wide variety of potential sources of warning indicators, any or all of which could serve in combination to provide a basis for the warning judgment.

#### WARNING FROM CERTAIN SOVIET PREPARATIONS FOR WAR

34. In this section we discuss the ability of the intelligence community to derive warning of Soviet attack on the US from various types of preparations the USSR might undertake: preparations for attack by long range striking forces, for clandestine attack, for operations by theater and naval forces, and for air and civil defense, as well as certain other preparatory activities designed to increase the general level of national readiness. In evaluating the significance of these various types of preparations, we must consider not only the ability of intelligence to detect them and the time necessary to recognize and evaluate them, but also the likelihood and timing of their occurrence and their validity as indicators of Soviet intentions. The analysis reflects our judgment that, in preparing for an attack on the US, the Soviets would try to strike a balance among the desirable objectives of achieving surprise, delivering an attack of great weight, preparing to defend against retaliation, and preparing to recuperate and to carry on the war. We regard this judgment as applicable to most circumstances in which the USSR might decide to attack, but as indicated in earlier paragraphs, there are conceivable circumstances which would alter our warning capabilities considerably.

35. In the discussion which follows, we have isolated the various types of preparations and activities the USSR might undertake so that we may assess our ability to derive warning indications from them. This procedure has elements of artificiality. It obscures the interrelationship among all types of indications arising from the likelihood that a very broad range of Soviet preparations and activities would be under way simultaneously, and it disregards the effect of analysis of the political context. In general, therefore, the degree of certainty with which the warning judgment could be made is likely to be greater than that implied by the following assessment of certain types of preparations and activities in isolation.



*Preparations for Attack by Long Range Striking Forces*

36. Our ability to derive warning from preparations by long range striking forces (ground-launched ballistic missiles, long range bombers, and missile submarines) is limited. Furthermore, this ability is declining as the attack role shifts increasingly to ballistic missiles, and as bomber forces increase the security of their operations and raise the level of their peacetime readiness. In addition, the more revealing indications pertaining to long range striking forces would be generated only a short time before an attack. On the other hand, if last-minute preparations by these forces were detected, they would probably be good indicators of Soviet intentions and could provide highly specific conclusions as to the likely time of attack.

37. *Ground-Launched Ballistic Missiles.* At the present time, intelligence has no means of providing advance warning of the use of ballistic missiles in an attack. To approach such a capability, we will have to identify operational units and their means of command and control, and also achieve an understanding of the operational concepts underlying the deployment and state of readiness of these forces. Even if we succeed in these tasks, our warning capability will remain severely limited by the very nature of the ballistic missile weapons system. It is probable that Soviet ICBMs could be ready for firing after preparations lasting a few hours at most, and that these preparations would involve very little movement or other noticeable activity.

38. There is a possibility that medium range ballistic missiles would need to be deployed forward into the Satellites or closer to Soviet borders in preparation for coordinated attacks against Western retaliatory bases and other strengths in areas peripheral to the Bloc. Such forward deployment need not be undertaken by the Soviets, however, and even should it occur it would probably require no more than a day and would be very difficult to detect because of our imperfect knowledge of the present locations of such units, the routes of movement they would employ, and the nature of the prepared launch sites they would require, if any. In sum, there is virtually no chance of obtaining indications of preparations by ballistic missile units at present.

39. *Long Range Bombers.* In any attack on the US at present or in the next few years, it is almost certain that the entire Soviet force of heavy bombers and tankers would be committed to operations against North America.<sup>6</sup> It is probable that some portion of the medium bomb-

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<sup>6</sup> Soviet operational strength in heavy bombers and tankers, as of mid-1961, is estimated at about 150 aircraft. Medium bombers and tankers are estimated at about 950 in Long Range Aviation and about 380 in Naval Aviation. The Assistant Chief of Staff, Intelligence, USAF, estimates the number of heavy bombers and tankers at about 175 and the number of medium bombers and tankers in Long Range Aviation at about 1,000.

ers and tankers of Soviet Long Range Aviation would also be so committed, with the remainder allocated to targets peripheral to the Bloc. Medium bombers of Soviet Naval Aviation, equipped for the most part with antiship missiles, would probably also participate in initial Soviet operations by seeking out and attacking Western carrier task forces at sea. The levels of training and readiness of these bomber forces have improved considerably in the past few years, but it would probably still require a week or 10 days to bring this entire force of roughly 1,500 aircraft to peak readiness and to accomplish whatever redeployment was necessary prior to attack.

40. If the Soviets engaged in such a maximum effort, it would involve increased and abnormal flight activity, intensified maintenance activities, urgent logistic preparations, and possibly the preparation of special weapons. The Soviets would take strenuous measures to maintain security in these activities. Nevertheless, evidence of such activities would probably be detected in increasing quantity during the days preceding an attack, thus increasing the opportunities for intelligence to derive warning indications from their accumulation.

41. The chances of obtaining indications of the foregoing type remain good at present, although they have been materially reduced over the past year as separate, cross-checkable sources of information on these forces have diminished. Moreover, the interpretation of indications could not always be definite and specific, especially in a time of international tension. (In several past crises, most notably during the Iraq-Lebanon crisis, the Soviets placed their bomber forces on increased alert, presumably as a deterrent to the West and in preparation for the contingency of war.) However, the knowledge that the readiness of these forces was being increased could provide the basis for a preliminary warning which might be given a few days prior to a Soviet attack.

42. Increasing Soviet security has considerably degraded our ability to achieve timely detection of flights to Arctic staging bases, on which intelligence has heretofore placed great reliance for warning of attack on the US. Our expectation that the USSR would stage bombers through Arctic bases in such an attack rests on several considerations:

*a.* Long Range Aviation training exercises frequently involve small-scale flights by medium and heavy bombers from home bases in Western, Southern, and Far Eastern USSR to bases in the Kola Peninsula, the Central Arctic, and the Chukotsk Peninsula. Some bases in these latter areas are apparently maintained for temporary use by bombers of Long Range Aviation; two Arctic bases are known to have nuclear weapons storage facilities.

*b.* The range of the BISON jet heavy bomber is marginal for operations against the US. Refueled BISONs could conduct two-way operations against some targets in the US directly from home bases, landing

at Arctic bases on the return trip, but in most cases this would require the aircraft to employ straight-line routes, to operate at altitudes and speeds calculated to minimize fuel consumption, and to forego evasive maneuvers, low altitude approaches, and other penetration tactics. For operational flexibility and good target coverage, BISONs should be staged through Arctic bases and refueled as well.

c. Given the small size of the heavy bomber force, Soviet delivery of an attack of great weight against the US would require the employment of medium bombers. A few BADGERs of Long Range Aviation are now regularly based in the Arctic; any others employed against the US would need to stage through bases in that area.

43. If the USSR staged a massive bomber attack through Arctic bases—an attack involving the departure from home bases of, say, 500 aircraft including the entire heavy bomber and tanker force and about a third of the medium bombers of Long Range Aviation—it would have to provide for last-minute maintenance stand-downs, deployment to staging bases, and servicing and fueling at staging bases. Based on present Soviet patterns of activity, we believe that at least a day or so would be required for these preparations and movements. The chances are better than even that some aspects of an operation of this size would be detected in time to provide warning before the Soviet bombers arrived at North American radar warning lines. There would always be a chance that the movement to forward bases was a threatening or practice maneuver rather than an attack. The problem of distinguishing between practice maneuver and impending attack would probably be greatest during the winter months, when most Soviet air exercises into the Arctic are conducted. But indications of this sort would produce urgent intelligence warnings, at least to the effect that an imminent attack was possible.

44. There is a possibility that the Soviets would limit their initial bomber attacks on North America to their heavy bomber force plus a few medium bombers. Security might be maximized by launching BEAR turboprop heavy bombers directly from home bases, with only BISONs and BADGERs employing Arctic bases. Intelligence could probably not detect and recognize the activities associated with the launching of such a reduced force of, say, 150–200 bombers and tankers in time to provide warning prior to their arrival at North American radar warning lines. Nor are we in a position to say how many more aircraft than this the Soviets could launch in an attack on the US before the chances of receiving advance warning indications became about even.

45. In support of long range bomber strikes on any scale, there would probably be activities not directly associated with the bombing units themselves which might indicate preparations for attack, perhaps

as much as a few days in advance. These activities could include: intensified Soviet efforts to collect and report worldwide weather data; the imposition of very strict control over air traffic within the USSR, especially along routes northward from Long Range Aviation bases; and perhaps even sea and Arctic reconnaissance flights. Such indications, especially if they occurred within a short period of time, would strengthen whatever preliminary or specific warning might be given.

46. *Submarines.* The Soviets now have in operational units more than 50 submarines capable of being on station off US coasts for brief periods without refueling at sea. About 18 of these are conventionally powered missile-launching submarines believed to be equipped for surface launching of ballistic missiles with ranges up to about 350 n.m., and the remainder are conventional torpedo attack types. In addition, the Soviets probably now have half a dozen or more nuclear-powered submarines whose armament is not definitely known. Virtually all of these submarines are stationed in the Northern and Pacific Fleet areas, where they have direct access to the open seas. The most specific and firmest warning of Soviet attack on the US which might be derived from Soviet naval preparations would stem from the activities of these long range submarines, although indications could also be drawn from preparations by the remainder of the submarine fleet and by surface naval forces.

47. In recent years, Soviet submarines have conducted operations outside of Bloc coastal waters with increasing frequency. There is strong evidence that Soviet submarines have occasionally reconnoitered US coasts, but they have not established a regular pattern of patrols within missile-firing range of US targets. Unless they establish such a pattern, the Soviets, in deciding whether to employ submarines in initial attacks on the US, would have to weigh the risks of premature disclosure of intent against the advantages of additional weight of attack. The deployment itself would require two or three weeks, depending on the routes and tactics employed. This of course would preclude submarine participation in an initial blow if the Soviets made a sudden decision to attack on short notice. But assuming a Soviet decision taken well in advance, or a period of tension in which the Soviets desired to increase their readiness, there is a good chance that they would deploy some portion of their submarines from Northern and Pacific Fleet areas. Given enough time, this could be done gradually so as to minimize the risks of alerting the US.

48. We believe that under normal US readiness conditions and surveillance, there is some chance, though small, that a general departure into the open seas of Soviet submarine forces large enough to include all presently operational missile submarines would be detected in numbers sufficient to cause additional alert measures. There would

be a fair chance that such forces approaching US coasts could be detected by our Sound Surveillance System, perhaps as far out as 400 n.m. Such detection would give rise to an alert, perhaps a few hours or a day before the submarines reached missile launching points. It would cause efforts by ASW forces to confirm the contacts and to establish surveillance, which in turn could lend specificity to intelligence warnings.

49. During times of alert, present US planning calls for additional forward sea and air surveillance. If the US had been alerted prior to Soviet submarine departure from home waters, the chances of detecting the movement of a force of Soviet submarines would be raised. If early detection were achieved, it could have the very significant effect of providing more specific warning information a week or two before the initiation of a Soviet attack on the US.

50. *Future Trends.* Intelligence capabilities to derive warning from preparations by Soviet ballistic missile forces may improve somewhat, but given foreseeable obstacles we believe they will remain very poor. As Soviet strength in ground-launched ballistic missiles grows, intelligence should achieve some identification of units, some understanding of the Soviet operational concepts regarding them, and possibly some capability to monitor their activities. There is a small area of hope that essential patterns of activity may become observable, reflecting various stages of readiness of ballistic missile forces, and that through interpretation of these and other indicators of increasing Soviet war readiness it may be possible to mount extraordinary collection efforts against missile forces at the right time. However, the short reaction times associated with ballistic missile systems could defeat all attempts to detect their imminent employment and to communicate this information in time to provide advance warning.

51. The chances of warning from preparations by long range bomber forces will decline. This trend will result in part from continuation of the trend towards increasing Soviet security in air operations. The utility of bomber redeployment as a short range indicator could be virtually eliminated if the Soviets established routine patterns of fairly large-scale activity at Arctic bases, and there will always be a possibility that heavy bombers need not stage through such bases at all. Most important, however, the growth of Soviet missile capabilities will shift the main strike role away from bombers. The probable Soviet employment of both bombers and missiles in initial strikes between now and at least 1963 may provide some temporary bonus to intelligence collection because of the Soviet requirement to coordinate their preparations.

52. The ability of intelligence to provide warning based on the activities of Soviet missile submarine forces will depend significantly

on the extent to which improved submarines and missiles are introduced into these forces. US techniques for submarine detection, identification, and surveillance will probably improve, thus increasing the chances of deriving warning indications from the movements of currently-operational types of Soviet missile submarines. On the other hand, warning capabilities would be considerably less against Soviet nuclear-powered missile submarines designed for submerged launching of ballistic missiles from as much as 500–1,000 n.m. at sea, which we have estimated could become operational within the next year or so. Moreover, should the Soviets establish a pattern of routine submarine patrols within missile firing range of US targets, there would be very little chance of deriving warning indications from the activities of such submarines.

*Preparations for Clandestine Attack*

53. The USSR could also commit acts of war against the US clandestinely. In an initial attack it could, for example, employ nuclear, chemical, or biological weapons which had been introduced clandestinely into the US or into overseas bases. The ability of intelligence to give warning of an initial attack launched by such means would depend primarily on the possibility that some part of the Soviet clandestine plan had miscarried in a way which would provide disclosure, that some individual privy to the arrangements had defected, or on chance discovery. Discovery that the USSR was attempting to introduce a nuclear weapon into the US or one of its bases would lead intelligence to give its firmest warning of Soviet intent to attack. There is no way to estimate the chances of making such a discovery, since it would be a fortuitous event. On the other hand, we believe that the Soviets appreciate the consequences of disclosure, and that in light of the other means of attack available to them they would be very unlikely to attempt clandestine attack.<sup>7</sup>

54. Similarly, discovery of Communist plans for systematic sabotage of civil and military communications at a given time would provide very significant indications. Clandestine activities of a lesser order of importance, such as minor acts of sabotage on a large-scale, might contribute to our ability to give meaningful warning. We could not be

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<sup>7</sup> For further discussion, see NIE 11-7-60, "Soviet Capabilities and Intentions with Respect to the Clandestine Introduction of Weapons of Mass Destruction into the US," dated 17 May 1960 (TOP SECRET) paragraphs 2-4, and the footnote thereto by the Assistant Director, Federal Bureau of Investigation, who points out that a Soviet decision to employ this means would depend not only on Soviet capability with overt means to destroy US retaliatory capability; but also the US capability to launch retaliatory forces before their destruction by overt Soviet means.

certain, however, that such activities had been organized in conjunction with an attack on the US.

*Preparations by Theater and Naval Forces*

55. The range of actions needed to prepare the diverse Soviet ground, tactical air, and naval elements for general hostilities is sufficiently broad to provide a good chance of detecting increased readiness of these forces. Moreover, even in a war initiated by a massive nuclear exchange, some advance preparations by theater and naval forces apparently are regarded by the Soviets as necessary to protect those forces for subsequent operations, as well as to insure their readiness for quick action to take advantage of whatever surprise the initial Soviet attacks achieved. The time required to carry out these preparations, however brief, and the advisability of carrying them out before US retaliation destroyed transportation and facilities, argue strongly that some would occur before the first Soviet strikes reached US early warning lines, although the Soviets would make every effort to prevent disclosure of their intention to attack. In drawing conclusions from preparation by theater and naval forces, it would be difficult to distinguish Soviet motivation as between intent to attack the US, to take precautionary steps, or to establish a threatening posture for political reasons. This difficulty would increase during seasonal maneuvers of ground forces and would be greatest in a time of heightened international tension.

56. *Theater Forces.* Knowledge of the activities of Soviet theater forces rests heavily on observation of the forces in East Germany, although we have spotty intelligence coverage on forces within the USSR. Soviet ground and air units in East Germany are maintained in a high state of readiness, and they need not be reinforced prior to initiating attacks. It would probably require very little time for ground units and equipment to disperse from barracks to hastily prepared positions. But we believe the minimum time necessary to prepare all Soviet forces in Germany for wartime employment would be a few days to a week, even assuming a desire to minimize preparations in the interests of surprise.

57. The chances are good that irregularities in the behavior of Soviet forces in Germany would be detected by US and other Western intelligence sources. Recognition of an abnormal situation would depend to a degree on the time of year. It would be more difficult in the spring, summer, and fall, particularly during April, September, and October, when we have become accustomed to expect extensive Soviet preparations for training movements. The annual training cycle would also affect the time necessary for major Soviet ground elements to assemble in forward positions near the West German border. The



required time could vary from a few hours during periods of normal training movement to as much as a week at certain other times of the year. Such a forward assembly of major elements, if it occurred, would give rise to the most specific warning which intelligence could derive from Soviet theater force activities. Preparations by airborne forces within the USSR would also be regarded as highly significant for warning, but our current ability to observe their activities is only fair.

58. *Naval Forces.* The bulk of the active Soviet naval forces, including major surface and submarine elements stationed in the Northern, Pacific, Baltic, Black Sea, and Mediterranean areas, is trained primarily for defense of Soviet coasts and for operations against surface ships. In recent years, anti-submarine warfare has received new emphasis. The necessity for the Soviets to begin carrying out some of these naval missions within a few hours after an initial attack on the US would probably require an inescapable minimum of advance preparations. Moreover, Soviet doctrine calls for the dispersal of naval forces from present concentrations to other bases in the event of war—such dispersal is frequently the introductory phase of major Soviet fleet exercises. While there is thus a good chance of naval preparations, including deployment and dispersal, these could be accomplished gradually and under conditions of great secrecy. They might take as little as a day or as long as two weeks, depending on their magnitude. Considering our total intelligence coverage, including that provided by forward sea surveillance off Soviet fleet areas, the chances of detecting and recognizing such preparations are fair.

59. *Trends.* Our ability to derive warning information from preparations by theater forces will probably decline somewhat, primarily because the present trend toward tightening Soviet security will continue. Coverage of Soviet theater forces in Germany will remain a critical factor. It could be sharply degraded by loss of intelligence access through Berlin or by Soviet measures to curtail the movements of Western military liaison missions in East Germany. If in the future the USSR substantially reduced its German garrison, there might from that time onward be a greater chance of reinforcement prior to the initiation of hostilities. We cannot count on this, however, because the Soviets might still regard whatever strength remained in Germany as sufficient to begin operations without reinforcements. Little change is anticipated in our ability to derive warning indications from the activities of naval forces other than submarines.

#### *Defensive Preparations*

60. In view of the threat posed by Western retaliatory power, the Soviet leaders would also undertake certain defensive preparations, especially in air and civil defense. Preparations of this sort would be



good reflections of tension, but would be equivocal as to whether Soviet intentions were attack, defense, bluff, or deterrence. Because of their precautionary nature, defensive preparations might be poor indicators of the timing of a Soviet attack.

61. *Air Defense.* A portion of Soviet air defense forces, especially radars and fighter units near borders and along airline routes, are normally on alert. At times of tension or alarm, however, Soviet air defense alert forces are augmented—in the past, additional fighters have been placed on strip alert and surface-to-air missiles in the Moscow area have sometimes been moved from hold areas to launchers. At such times, the Soviets also impose more rigid controls over air traffic within the Bloc, and intensify their surveillance of air traffic within and near Bloc borders. We believe that because of the potential effects of US retaliation, there is an excellent chance that intensified air defense measures would precede Soviet initiation of hostilities against the US.

62. The Soviets would probably require at least a few days of maintenance and other preparations to bring their air defense system to maximum readiness, but a fairly high degree of readiness could be attained with little delay. Because of the number of units involved, their widespread locations, and the presence of many of them in areas accessible to Western intelligence coverage, the chances are very good that a general intensification of Soviet air defense measures would be detected. Final alerts and measures affecting civil traffic could be deferred until very late in a surprise attack situation, however, thus limiting to a few hours the time during which warning indications could be obtained.

63. *Civil Defense.* Measures which the Soviets could take to protect population, industrial, governmental, and other assets from the effects of retaliatory attack include the activation of civil defense units, final preparation of shelter, and evacuation of key personnel and possibly elements of the population from likely target areas. Published Soviet civil defense manuals make provision for several courses of action, evidently envisioning different amounts of warning of Western attack:

a. evacuation of some elements of the urban population and other deliberate preparations, assuming a few days or more of warning;

b. declaration of a “threatening situation” and short-term preparations such as readying urban shelters and evacuating civil defense units to the suburbs, assuming a few hours to a day of warning;

c. extremely limited preparations such as rapid movement of the population to urban shelters, assuming a few minutes to a few hours of warning.

64. In the interests of surprise, the USSR might decide to forego civil defense preparations until the last feasible moment, but to carry

out any usefully comprehensive measures a start would have to be made before the initial strikes were sent off. Notification of the populace is apparently to be transmitted by wired public address speakers—at present, we could detect such notice only by the fortuitous presence of a Western observer at the location of one of these speakers when the announcement was made. But unless the Soviets decided to leave the populations of Moscow and other major cities unprotected, there is a very good chance that the effects of such notification on the behavior of the populace would be detected promptly by Western diplomatic, press, and other personnel in the USSR. Information concerning urgent civil defense activities, and especially of the evacuation of key government personnel, would serve to corroborate other warning indications.

65. *Trends.* The risk the USSR would be willing to accept as a result of neglecting some or all defensive preparations would depend in part on the degree of success which the Soviet leaders expected their own initial attacks to achieve. Despite likely improvements in their nuclear delivery capabilities, we believe that in elementary prudence, they would be unwilling in the foreseeable future to forego all preparations to receive a retaliatory blow. If the Soviet doctrinal emphasis on poststrike recuperability is any guide, then as the destructiveness of weapons increases and the interval between attack and potential retaliation decreases, the more essential become advance preparations to reduce initial losses and to protect national strengths, including population. The ability of intelligence to derive warning information from air defense preparations of the USSR will probably decline somewhat as air defense missiles replace fighter aircraft. The future utility of civil defense indicators will depend heavily on whether or not current Soviet programs are stepped up to the point where the civil defense system is normally in a high state of readiness. There is no evidence that the Soviets plan any such step-up.

#### *National Mobilization*

66. If the USSR undertook to mobilize its full war potential a great variety of indications would be obtained. Military measures could include call-up of reserves, retention of conscript classes beyond the time of normal release, activation of additional units, and intensified training programs. Economic and scientific measures would affect weapons development and production programs, allocation of materials and manpower, and utilization of transport. A major mobilization would involve the growing dislocation of Soviet national life over a period of months, during which time intelligence could give warning of progressively greater readiness for war. It is unlikely, however, that the pattern of national mobilization activities would justify more specific warning at any time during this period.

67. In the more likely circumstances preceding Soviet initiation of hostilities, the Soviets might undertake whatever partial mobilization measures were permitted by considerations of time and security. These could include various degrees of strengthening of cadre units, military pre-emption of communications and transport, medical preparations, and many other similar activities. The Soviets, for example, could in a few days call up the necessary personnel to bring all ground force units up to full strength, drawing upon the reserve system which they have maintained and are now expanding in connection with military personnel cuts. Those units normally maintained at cadre strength would require a few weeks' training before they could be considered combat effective. If detected by intelligence, such Soviet preparations would serve to support or confirm other indicators and to amplify a general impression of ominous abnormality. In themselves, however, evidences of partial mobilization would not reveal Soviet intentions and would be only a poor guide to the timing of an attack, since it would always be possible for the USSR to attack with its ready forces.

*Other Preattack Preparations*

68. There is a host of other possible manifestations of Soviet preattack behavior, and we believe that some would be detected by intelligence. Many of these are peripheral to the actual readying of forces for attack, defense, recuperation, and followup military action, but like mobilization activities they could serve to strengthen the warning judgment. The chances are good, for example, that prior to an attack on the US some propaganda manipulation of the Soviet people would be required, if only to moderate the panic which could prevail if the populace, without prior warning, were suddenly ordered into shelters or told to evacuate at once to the countryside. Diplomatic indications which might precede an attack could include high level intra-Bloc meetings, efforts to secure the neutrality of certain non-Bloc nations, or even unusual behavior on the part of Soviet representatives in likely target nations. Intelligence would correlate such indications with evidence of Soviet physical preparations, but they would be very difficult to evaluate, especially in time of grave international crisis.

69. We are uncertain as to our ability to derive warning information from the behavior of Soviet intelligence, communications, and internal security organizations, in part because we lack a guide to likely preattack patterns. Would Soviet intelligence collection activities be stepped up prior to an attack or be held in reserve for postattack use? What technique would the Soviets use in attempting to mask an increase in urgent communications? Would the Soviets attempt to carry out their preparations without sharply restricting the movements of Western observers? We can conclude only that sharply intensified Soviet secu-

—in communications or over Western observers—would reduce our ability to collect information but could in itself provide an input to the warning judgment. These same considerations would apply should the Soviets attempt to jam or otherwise interfere with critical Western communications.

70. Possible Soviet deception attempts could have a similar effect. These could range from diplomatic moves or propaganda adjustments designed to reduce tensions just before an attack to the planting of false reports or communications about Soviet readiness and intent. Such efforts could confuse US intelligence analysis at a crucial moment and impede accurate, timely judgments on other indications. On the other hand, any discovery that deception was being practiced would be regarded by intelligence as evidence of a possible Soviet intention to launch a surprise attack.

#### WARNING FROM A COMBINATION OF INDICATIONS

71. In the preceding section, we have summarized by category the intelligence warning of Soviet attack on the US which might be derived from various Soviet preparations and activities. In any true preattack situation, however, it is unlikely that indications would appear singly; it is probable that we would detect concurrent albeit fragmentary indications in a number of categories. Because we cannot be sure what combination of indications would actually appear prior to Soviet initiation of hostilities, no definite measure is possible of the mutual reinforcement and cross-confirmation derivable from many indications as opposed to a few. However, the degree of certainty with which the warning judgment could be made would increase with the number, variety, and interrelationship of indications detected, recognized, and judged to be valid.

72. The validity accorded to indications by intelligence and by policy officials would depend to a degree on whether or not these indications were plausibly explicable in terms of Soviet courses of action other than an attack on the US. If warning were derived solely from a mixture of indications from, say, Soviet naval dispersal, civil defense, and partial mobilization, it would in theory be no less valid than warning derived from observed preparations of bombers and ballistic missiles. The latter would be more specific and dramatic, but would be less likely to be available in time. The former would be more likely to be timely, but would be subject to greater ambiguity as to Soviet intent. Analysis of indications in all these categories, especially if they occurred in logical sequence, could permit intelligence to give successive warnings with mounting conviction.

73. Considering all the factors affecting the problem of warning, we believe that at present intelligence would detect some evidence of

preparations associated with a Soviet decision to attack. The next stage, the interpretation of this evidence, would be more difficult. We think the chances are better than even that, in most circumstances of an actual Soviet decision to attack, intelligence could give warning of increased Soviet readiness, and therefore could infer a possible intent to attack. But intelligence could almost certainly not give firm warning of such an intention. Warnings of increased Soviet readiness and *possible* intent to attack could be given a few days or more before an attack; warnings of *probable* Soviet intent are likely to be given, if at all, only a few hours before attack.

74. There is little prospect for any major improvement in the firmness and explicitness of the warning which might be given. Over the next few years, intelligence will continue to refine its ability to collect, transmit, and evaluate indications of abnormal Soviet preparations and behavior. These gains will be offset by a decline in the number and accessibility of dependable military indicators as the main weight of the Soviet strike capability moves over to ballistic missiles. But unless there is a drastic change in Soviet strategic thinking or the Soviets acquire an assured capability to knock out US retaliatory forces in a single missile attack, the possibility of warning from physical preparations will not disappear. Indeed, the limited time between initial attack and potential retaliation in a missile exchange would virtually force the Soviets to undertake some physical preparations for defense and recuperation prior to launching the attack.

75. As missiles gain in importance and general Soviet readiness gradually rises over the years, along with indications of physical preparations, intelligence will have to place additional reliance for warning on the more ambiguous indicators not directly related to physical preparations. The political context, already of great importance because of the increasing fluidity of the international situation, will assume a larger role in the warning problem. Depending on the circumstances, analysis of the political context could strengthen or impede the warning judgment. In some cases, the first preliminary warning of possible Soviet attack might arise from a judgment that the USSR was about to take a political initiative involving great risk of war with the US, or that a crisis was developing in such a way as to prompt the USSR to prepare for war.

**234. Memorandum from Rostow to President Kennedy, April 21<sup>1</sup>**

April 21, 1961

## SUBJECT

*The Problem We Face*

1. Right now the greatest problem we face is not to have the whole of our foreign policy thrown off balance by what we feel and what we do about Cuba itself. We have suffered a serious setback; but that setback will be trivial compared to the consequences of not very soon regaining momentum along the lines which we have begun in the past three months.

2. How did we begin? Our central aim has been to bind up the northern half of the Free World more closely and begin to link it constructively to the south. We began by seeking to associate ourselves more powerfully with the constructive aspirations of the peoples in the underdeveloped areas. This was done in the Alliance for Progress; in the foreign aid message; in our position on Angola; etc. We also began the process of tightening the Atlantic Alliance in its military and economic dimensions. Here, too, we have made progress: with the Brentano and Ball trips; with the Macmillan and Adenauer visits against the background of the Acheson report. We have dealt cautiously but firmly with three of the four major enclaves of Communist power Eisenhower left us in the Free World: the Congo, Laos, and Viet-Nam. We dealt with the Congo through the UN in ways which, while annoying some in the north, nevertheless advanced the grand strategy; and we moved on Laos through SEATO in ways which have thus far held European and Asian members of SEATO more or less together and kept the neutrals elsewhere more or less with us. After the SEATO meetings there was an increased international recognition of the problem of Viet-Nam; and if we are thoughtful, I suspect we can deal with this problem in ways which would give us an even more unified Free World position than we have enjoyed in Laos.

3. The action in Cuba has temporarily damaged the grand alliance in all its dimensions.

4. In Latin America we run the risk of posing an almost impossible dilemma for those politicians whose success and collaboration we need most. We began well with the Alliance for Progress. This has real potential, as the meetings in Brazil last week revealed. It is a framework

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<sup>1</sup> Thoughts on how to get U.S. foreign policy back on track following Cuban setback. Top Secret. 6 pp. Kennedy Library, National Security Files, Meetings and Memoranda Series, Pol Plan 2/11/61-5/61.

within which we can help Quadros and other shaky but hopeful leaders find their feet, and establish a sufficiently firm political base to deal, in time, more resolutely with their domestic subversion and opposition problems. But we cannot confront Quadros openly with the problem of choosing between working with us against Castro or in working with us in his economic development business; and so, also, with the others. An urgent item of business is, therefore, to implement your speech of yesterday in ways which avoid this dilemma.

5. In Asia we have posed a similar and even more dangerous problem for Nehru and other neutrals. Nehru can and will support us in dealing with overt aggression. He may even conceivably work covertly with us in certain circumstances, as perhaps in Nepal. But we have not found the means and the legal basis for dealing overtly with infiltration and covert aggression. The trouble with our Cuban operation was and remains that it was mounted on simple ideological grounds. Given the common law of the contemporary world, those grounds cannot be generally acceptable. If accepted, they would justify any nation which has the military capability and logistical advantage, marching into the territory of a government it does not like. That principle—which the Chinese Communists advocate within the Communist bloc—would be murderous for Nehru if applied in Southeast Asia. We must either do what we must do covertly or find a new overt basis for dealing with Communist strategy. I suspect overt action of a useful kind can be developed on a case-by-case basis; and, as I have suggested to you earlier, the crucial element may be forms of international action on the question of Communist arms shipments.

6. To Europeans our recent action on Cuba seems much like the obsessive reaction of the British on Egypt; the French on Algeria; the Netherlands on Indonesia; etc. We have appeared to move with violence, on a unilateral basis, in an area where historically we had deep commitments and deep emotions. Their anxiety is on three scores:

*First.* Because our prestige appears somewhat to be damaged and our prestige is important to each of them in his own situation.

*Second.* We did not consult with them and they will bear a part of the consequences.

*Third.* Their confidence in our judgment has been, at least temporarily, shaken.

All of this, it seems to me, is reparable, if we do not get further driven in on ourselves with respect to Cuba, and if we resume with vigor the lines of action we have launched with the Europeans, including especially the technique of intimate and candid consultation, which Acheson has proposed.

7. What then must we do? The answer should be in two parts: What we do about policy in general, and what we do about Cuba.



8. *First, policy in general.* I believe we must resume with intensified vigor and perhaps more boldness than we have heretofore envisaged, the lines of action already under way. Specifically,

a. We should work intensively with the British and the Germans in the next month to see if a major breakthrough in the Atlantic Alliance cannot be made on the occasion of your visit to De Gaulle. We have prepared a new working paper on this, which goes beyond the Acheson report.

b. We must push the Alliance for Progress at an accelerated rate. This means not merely getting the \$500 million from the Congress; not merely getting cranked up for work on development plans with the Latin Americans; but also having ready for the June Latin American ECOSOC meeting some commodity agreements. Dick Goodwin is making real progress on this.

c. It is crucial to our strategy in every direction that the India and Pakistan consortium meetings be a major success. These meetings must succeed in order to demonstrate to the Congress that the Europeans will, in fact, contribute to demonstrate to the other underdeveloped areas that a concentration on domestic tasks and good programming pays off; and to stabilize the position in the Indian Peninsula itself, which contains about half of the population of the Free World's south.

d. *Laos.* Assuming that we have a conference on Laos, we must use this occasion to prove that, even with a difficult heritage, British, French and American positions in the Far East can be brought into alignment. We should make a major effort with the French, especially, to come to an understanding. We should permit them to get off their chests all of the accumulated bad feeling about our policy in Laos. We should try to get De Gaulle to assign first-rate people to the conference, instructed at the highest level to seek an accommodation; and we should listen to the French with understanding, if not whole-hearted sympathy. The Laos conference—if it takes place—should be a major exercise in what Acheson means by consultation.

e. *Viet-Nam.* Viet-Nam is the place where—in the Attorney General's phrase—we must prove that we are not a paper tiger. We have a very difficult situation there; but there are advantages. The legal position is clear; the Vietminh have no international right to mount the kind of aggression they are mounting. We should consider urgently whether, since the ICC does not protect Viet-Nam, the United Nations might be forced to face this issue and be asked to provide forces which would effectively monitor the Viet-Nam frontiers which have been used for infiltration. Ambassador Stevenson should be brought in fully on the planning of the Viet-Nam exercise. We should review the counter-insurgency plan as it now exists and perhaps radically raise our sights. We should seize on the British offer to help Viet-Nam and seek



to internationalize the effort to the maximum. We should force Nehru coolly to study the situation and face up to the implications for all of Southeast Asia of Viet-Nam's loss. We must, with all tact, force Diem to face his domestic political problem not merely with his Communist opposition, but with his army which is deeply dissatisfied with his techniques for administering the counter-guerrilla operation. We must bring to bear all the resources—technical, economic, and intellectual—we have to prove that Viet-Nam and Southeast Asia can be held. The ultimate outcome in Laos will substantially depend, I believe, on the Viet-Nam exercise.

f. In the United Nations we should explore with Ambassador Stevenson whether he and the UN people can conceive of any useful way of making the UN, as a body, face up to the problem of indirect aggression; and we must give Stevenson positions which will permit him to rebuild the situation of strength he created in the first three months, which is now temporarily damaged.

9. As for Cuba itself, I have little background and little wisdom. There are, evidently, three quite different threats which Cuba poses, which are now mixed up in our minds and in our policy. There is the military question of Communist arms and of a potential Soviet offensive base in Cuba. If we are not immediately to invade Cuba ourselves, we must decide whether we shall permit Castro, so long as he remains in power, to acquire defensive arms; and we must decide what the touchstones are between defensive arms and the creation of a Communist military base threatening to the U.S. itself. I assume that evidence of the latter would take virtually as a cause of war, although we should bear in mind what the placing of missiles in Turkey looks like in the USSR. Second, there is the question of Cuba as a base for active infiltration and subversion in the rest of Latin America. Here, evidently, we must try to do more than we are now doing, and we should seek active hemispheric collaboration—wherever we can find it—in gathering and exchanging information on the networks involved and on counter-measures. This is, however, essentially a covert, professional operation. The more we talk about it—the more we overtly seek to pressure Latin American nations to join with us—the less likely we shall be able to get their cooperation in doing anything useful. Third, there is the simple ideological problem. Cuba is a Communist state, repressing every value we treasure. But on that ground alone we are prevented by our treaty obligations from acting directly and overtly. On the other hand, we are overtly also committed beyond sympathy to the support of those Cubans fighting for freedom. Here, how we proceed—what is to be done overtly and covertly—is a most searching question. I have no advice to give except this: Let there first be a first-class and careful intelligence evaluation of the situation inside Cuba; of Castro's control

methods; of the nature and degree of dissidence of various groups; of recent trends and their pace; and an assessment of vulnerabilities.

10. As I said to the Attorney General the other day, when you are in a fight and knocked off your feet, the most dangerous thing to do is to come out swinging wildly. Clearly we must cope with Castro in the next several years—perhaps sooner, if he overplays his hand and gives us an acceptable legal and international basis. But short of that, we must think again clearly and coolly in the light of the facts as they are and are likely to be. We may emerge with a quite different approach to the Castro problem after such an exercise, or we may proceed with more of the same. But let us do some fresh homework.

11. In the meanwhile, what we must do is to build the foundation and the concepts, in Latin America, the North Atlantic Alliance, and the UN, which would permit us, next time round, to deal with the Cuban problem in ways which would not so grievously disrupt the rest of our total strategy.

12. As part of this process of getting back on the tracks, I still think you should consider a well balanced speech taking stock of the first hundred days, which would flag the urgent action items across the board, at home and abroad. I attach an extra copy of my memo on that speech.

May 1961

235. **Memorandum from Schlesinger to President Kennedy,**  
**May 18**

May 18, 1961

[Source: CIA Files, Schlesinger Papers, 4/21/61–6/29/61, Box 19.  
Secret. 6 pages of source text not declassified.]

June 1961

236. Memorandum from Gen. Lemnitzer to McNamara, June 15<sup>1</sup>

June 15, 1961

SUBJECT

Policy Guidance on Plans for Central War (U)

1. With respect to your query of 5 May 1961, concerning introduction of multiple options into general war planning, the Joint Chiefs of Staff are in agreement that the following objectives should be achieved:

a. Greater control of response for the purpose of enhancing military flexibility.

b. Minimizing the likelihood of destruction not directly associated with the objectives of our attacks.

c. Emergence from an initial nuclear exchange with sufficient residual power to impose our will upon the enemy.

d. Survival as a free nation capable of pursuing our national objectives.

e. Maintenance of adequate but not excessive forces.

2. While it is agreed that steps of both a short-range and long-range nature can be taken toward the foregoing objectives, the Joint Chiefs of Staff have serious reservations concerning several aspects of the proposed Basic National Security Policy enclosed as background information in your memorandum of 5 May 1961. The desirable elements of this policy notwithstanding, it is considered that adoption of the policy *in toto* would have a deleterious effect upon our national security. The Joint Chiefs of Staff consider that the adoption or declaration at this time of a policy of controlled response and negotiating pauses in general war to the extent indicated in your enclosure would undermine the credibility of our deterrent and increase the risk of defeat. Moreover, such a policy, in order to be effective, would require both our nuclear capable Allies and the enemy to develop capabilities which would permit them to adopt a policy similar to ours. Additional reservations, as are related to your specific questions, are:

a. The National Strategic Target List (NSTL) and the Single Integrated Operational Plan (SIOP) were designed to fulfill requirements

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<sup>1</sup> Policy guidance on plans for central war. Top Secret; Restricted Data. 7 pp. National Archives and Records Administration, Record Group 218, JCS Records, JMF 3001, BNSP (5 May 1961), Sec. 2.

under conditions where our national survival is at stake. If the enemy were to launch an all-out nuclear attack against the United States, and its Allies during the current time period, the gross disruption of facilities, military capabilities, communications and control elements, and other national assets imposes an overriding requirement for simplicity of military response which severely limits the optional responses which may practically be planned, however desirable these individually may be under specific but unpredictable circumstances. The ability to defeat the enemy under these conditions must not be lost or equivocated by introduction into the SIOP at the present time or in the near future of a large number of options which would lower our assurance of success and contribute to confusion under the most adverse circumstances ever to confront our nation.

b. Assuming the USSR embarked upon all-out war, the capability of the United States to launch an effective retaliatory effort will depend upon the utmost exploitation of military initiative, adroit timing and effective targeting against the most rewarding targets. This requires intensive training in accordance with a well-conceived plan, which plan must not exceed the capacity of man for its execution. Little margin exists now to permit assessment of enemy intentions, objectives, or capabilities without our losing the military initiative. No procedures, based upon a conjectured intent or response by the enemy, should be accepted which would degrade our existing capability to cope with all-out general war. Nor may the degree or nature of force required to accomplish our objectives be dependent upon the prejudged intentions of the enemy.

c. While a primary objective in general war should be the destruction of the enemy's military forces, it is recognized that a country's war potential is gaged by economic, psychological and political as well as military elements. The possession by the enemy of long-range missile-delivered nuclear weapons system, the paucity of our intelligence regarding certain key military targets in the Sino-Soviet Bloc, and the imposition of the second strike role upon our forces under enemy initiative combine to place us at a military disadvantage, especially in the context of the strategy suggested in the draft Basic National Security Policy. Until our forces are endowed with sufficient invulnerability to permit holding a portion in secure reserve, any limitations imposed upon striking all elements of the enemy's war potential must be responsive to military necessity.

d. *[text not declassified]*

e. *[text not declassified]*

f. Our ability to attack essential enemy military strengths without significant effects against his non-military resources and population is hampered by two principal factors. These are the limitations upon the

degree of selectivity feasible with existing thermonuclear forces, and the considerable collocation of enemy military strengths with enemy non-military resources and population.

g. Controlled response in the face of a nuclear hostile act which may or may not presage an all-out attack requires a strong passive defense posture. The development of civil defense and mobilization plans should be kept abreast of, and adequately responsive to, the requirements of a nuclear war emergency.

h. Significant forces, other than the long-range nuclear strike forces, are required to contribute to the general war deterrent in order to provide flexibility and to conduct essential operations both during and subsequent to an initial nuclear exchange. The draft policy fails to express the need for such forces and a policy for their use.

3. Regardless of the above listed reservations, the Joint Chiefs of Staff consider that there are certain broad courses of action, available at the present time, which will meet a substantial portion of the objectives listed in paragraph 1 above. These courses of action are already in some state of preparation for implementation.

4. Destruction not directly associated with the objectives of our own attacks can be minimized and, in fact, operational plans currently provide for:

- a. [text not declassified]
- b. [text not declassified]
- c. [text not declassified]

In addition to the foregoing, consideration could be given to the use of [text not declassified]. Additionally, the testing, development and production of the neutron flux or pure fusion weapon could greatly enhance our capabilities.

5. Specifically and regarding the first question on near term increase in the latitude of response options, the current variety of options is sizeable, and is larger than would be apparent solely from examination of "numbered" options in the current SIOP and command war plans. In addition, a limited number of carefully planned new options can be provided in the near future. For example, the Joint Chiefs of Staff will insure that in SIOP 63 and command war plans for the same time period all aspects of current flexibility and selectivity are more clearly and specifically identified in plans and provided for in pre-planned execution orders and messages. [text not declassified] It is emphasized that these elements of flexibility are currently available, although greater clarity in their designation and identification will be provided. In addition, new options will be studied and developed to provide alternative assignments to selected and limited elements of [text not declassified] which may be withheld from initial attacks for subsequent

commitment. These options which will be developed to the extent militarily feasible, could be significantly affected by trends in the precision and completeness of our information on enemy strengths, and will include specific reference to the degree of calculated risk inherent in their selection for implementation in an emergency.

6. The retention of, or the capability to reconstitute quickly, a reserve is an indisputable requirement for all types of warfare and is particularly significant in general war. Within current and projected programs, this requirement can be fulfilled to a degree by:

- a. *[text not declassified]*
- b. Continued improvements in planning for use of surviving theatre forces in follow-on and “on-call” roles against targets as required.
- c. Recognizing that substantial elements of forces committed to the initial attacks will survive and be available for subsequent strikes and as such can be considered as an integral element of the required reserve.
- d. *[text not declassified]*
- e. *[text not declassified]*
- f. Using some of the most survivable weapons systems of our nuclear delivery forces as a reserve commensurate with the requirements for initial attack.

7. Measures along the lines indicated in paragraph 6 above can be implemented more effectively to the degree that measures are taken to increase survivability of all our nuclear strike forces. These measures are not limited to qualitative and quantitative improvements in specific weapons systems, but *[text not declassified]*.

8. Detailed procedures for exercising more precise control of our nuclear strike forces will be pursued vigorously in response to the decisions of the President as Commander in Chief of our armed forces and in consonance with the development of approved command and control capabilities and procedures. Precautions should be taken to insure that no measures for control be developed which necessitate time-consuming international or intergovernmental political deliberations or decisions to the prejudice of our military posture. Because, under conditions of general war, the very existence of the nation is dependent upon military success, the exercise of the leadership of the President in his role of Commander in Chief, must override other considerations.

9. It is noted that decisions on questions raised in your memorandum of 5 May would have a considerable impact on future over-all programming actions. In view of budgetary considerations and in light of the fact that no clear cut distinction can be made between general and limited war forces, all facets of the requirements for national defense must be examined in order to ensure the proper application of priorities for meeting the entire spectrum of the threat.

10. A consideration of the above factors would seem to indicate that no definitive action should be taken on this matter until final governmental action is taken on the Basic National Security Policy. In this regard, the Joint Chiefs of Staff reiterate their request to collaborate actively in the drafting of this policy. When the Basic National Security Policy is approved, the actions required to support the policy should be within the context of the normal planning, programming and budget actions. The earliest time for integration of feasible additional options as discussed above, in order to avoid disruption or reduction of current capabilities, will be in the promulgation of SIOP-63 and command war plans covering the same time period.

11. The submissions of the DSTP, CINCLANT, USCINCEUR, CINCPAC, CINCSAC, CINCONAD and CINCAL are attached as Appendices A-G hereto. It will be noted that the views of these commanders are generally in accord with those expressed above by the Joint Chiefs of Staff. The commanders have made differing recommendations concerning means by which the long-range strike force can be made less vulnerable. However, all commanders have noted an urgent requirement for improvement of command and control, communications, and intelligence, particularly with respect to survivability. The Joint Chiefs of Staff consider that all programs designed to achieve these ends should receive continued attention. However, as noted above, they believe that acceleration of these programs should be undertaken only after full consideration of our total defense requirements.

12. Your attention is invited to the fact that the DSTP and certain of the responses of the unified commanders make cross reference to paragraphs of the Joint Chiefs of Staff message which transmitted the requirement to the designated agencies. Paragraph 1 of this message contained general instructions. Part I of this message was a direct quotation of your memorandum of 5 May, and was numbered paragraphs 2 through 6.

For the Joint Chiefs of Staff:

**L.L. Lemnitzer**  
*Chairman*  
*Joint Chiefs of Staff*



July 1961

237. National Intelligence Estimate, NIE 11-3-61, July 11<sup>1</sup>

July 11, 1961

SINO-SOVIET AIR DEFENSE CAPABILITIES THROUGH MID-1966  
THE PROBLEM

To examine the scale and nature of the Sino-Soviet Bloc air defense system,<sup>2</sup> and probable trends in its capabilities through mid-1966.

SUMMARY AND CONCLUSIONS

1. The scale of effort presently being applied to the continuing improvement and modernization of the Soviet air defense system is indicative of the high priority assigned to this mission. During the past two to three years, the Soviet air defense establishment has been undergoing a major transition which has significantly improved its capabilities. The principal aspects of this transition are: (a) the extensive deployment of surface-to-air missile sites; (b) the installation of air defense communications and control systems with semiautomatic features; (c) the deployment of new fighters and radars to Eastern Europe and areas near the borders of the USSR; and (d) a consolidation of air defense districts. Other developments include the advent of radars with better detection and height-finding capabilities, and the equipment of interceptors with more advanced electronic gear and armament, including air-to-air missiles. (*Paras. 16-24*)

*Surface-to-Air Missiles*

2. The Soviets now have operational two types of surface-to-air missiles designed for defense against medium and high altitude air attacks. The first of these (SA-1), which has been operational for about five years, is deployed only around Moscow in a massive complex of 56 sites, each having 60 launching positions. This system was apparently designed to counter the massed air raid threat of the late 1940's and early 1950's (*Paras. 25-26*)

3. Since late 1957, the USSR has been engaged in the extensive deployment of a second-generation surface-to-air missile system

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<sup>1</sup> "Sino-Soviet Air Defense Capabilities Through Mid-1966." Printed in part in the print volume as Document 36. Top Secret. 34 pp. CIA Files, Job 79R01012A, ODDI Registry.

<sup>2</sup> Includes defenses against missiles and satellites.

(SA-2), which appears designed to cope with the threat posed by small numbers of aircraft carrying nuclear weapons rather than a massed raid threat. Considering the pattern of deployment, the length of time the program has been under way, and the extent of our intelligence coverage, we estimate that 350–400 sites (each with six launchers) are now operational at about 70 defended areas in the USSR. By mid-1962, the Soviets probably will have deployed roughly 500 SA-2 sites at about 100 urban-industrial areas in the USSR. There is little evidence on possible requirements for defense of field forces, but we estimate that some 80–120 mobile missile units may be deployed by the end of 1963 for the protection of such semifixed targets as major headquarters and logistics centers. We believe that the USSR intends to provide SA-2 defenses for the fixed launching complexes of its long range ballistic missile forces, but we are unable to estimate the level and extent of defenses planned. (*Paras. 27–23*)

4. Deployment of SA-2 sites in the European Satellites has been under way for more than a year. The heaviest deployment has occurred in East Germany where as many as 20 sites may be operational or under construction. Some of these, located on a ring around Berlin, are manned by East German forces; others, which defend important Soviet military targets, are assigned to Soviet field forces. We believe that additional SA-2 sites will be deployed in the Satellites during the next year or two, and that some mobile units may be provided for Satellite ground forces. We have no reliable evidence indicating the deployment of surface-to-air missiles in Communist China, although some deployment may have taken place or be planned for the future. (*Paras. 34–36*)

5. The Soviets have had under development a surface-to-air system (SA-3) which we believe is specifically designed to engage targets at very low altitudes. Although no operational sites have been observed, we believe that this system will probably be available for operational use in 1961. Considering the scale and pace of the SA-2 program, we believe that SA-3 will be extensively deployed within the next three or four years, supplementing existing missile defenses of fixed targets and field forces. (*Paras. 37–38*)

#### *Antimissile Program*

6. To develop defenses against ballistic missiles, the Soviets have had under way for several years an extensive and high priority program which we believe to be directed primarily toward defense against IRBMs and ICBMs. We have no basis for a firm estimate on the date of initial operational deployment of a Soviet anti-ballistic missile system or its effectiveness against the various types of Western ballistic missiles. For political as well as military reasons, the Soviets probably

would wish to deploy antimissile defenses in a few critical areas even if the available system provided only a limited, interim capability. Considering these factors and the present status of the Soviet research and development program, we estimate that in the period 1963–1966 the Soviets will begin at least limited deployment of an antimissile system. We believe that for some years to come, the Soviets are likely to have only a marginal capability under most favorable conditions for interference with US satellites. (*Paras. 40–46*)

#### *Fighters and Other Air Defense Weapons*

7. Although the Soviets are clearly placing heavy reliance on surface-to-air missiles, they continue to maintain large numbers of fighter aircraft and antiaircraft guns in service. We estimate that there are about 11,700 fighters in operational units throughout the Bloc, with about 7,000 in Soviet units. The Soviet fighter force has been considerably reduced in numbers—on the order of 30 percent—by the phasing out of obsolescent equipment. The force has been improved by the introduction of a new generation of radar-equipped interceptor aircraft and the wider deployment of air-to-air missiles. However, its all-weather capability remains quite limited. Inadequate ground-to-air voice communications impose severe limitations on much of the Soviet fighter force; but these limitations are not so severe in those more modern fighter units deployed for the most part on the Western approaches to the USSR. Considering the widespread deployment of surface-to-air missiles, we believe that over the next year or so most of the remaining medium and heavy guns will be phased out of the defenses of static targets in the USSR. Light AAA probably will be phased out in areas where SA-3 is deployed, but will be retained for low altitude defense of other targets. (*Paras. 47–59*)

#### *Supporting Equipment*

8. Some 1,200–1,500 heavy prime radars and 4,000–4,500 auxiliary radars are deployed at nearly 2,200 sites in the Sino-Soviet Bloc. Radar coverage now extends over the entire USSR and virtually all the remainder of the Bloc. Under optimum conditions this system now has the capability to detect and track aircraft at medium and high altitudes within 200–250 n.m. of Bloc territory; under virtually all conditions, the system could detect and track such aircraft within about 135 n.m. Soviet efforts to reduce the vulnerability of their air defense radars to electronic countermeasures have included use of greater frequency diversity and increased power. In developing new radars, the Soviets probably will concentrate on improving present limited capabilities against low altitude targets and against air-to-surface missiles. (*Paras. 60–69*)

9. The most important advance in Soviet air defense communications and control over the last few years has been the development

and deployment of semiautomatic systems with data-handling equipment for rapid processing of air defense information and data link equipment for vectoring interceptors. Similar systems probably are used with surface-to-air missile units. These new systems will have a marked effect in reducing reaction time and vulnerability to saturation, increasing information handling capacity, and improving coordination within the air defense system. (*Paras. 70–72*)

### *Deployment*

10. Air defense weapons and equipment are most heavily concentrated in that portion of the USSR west of a line drawn from the Kola Peninsula to the Caspian Sea, in East Germany, Poland, and Czechoslovakia, and in the southern portion of the Soviet Far East. Concentrations are found at some specific locations outside these areas, especially in the Urals and in eastern China. The approaches to Moscow are by far the most heavily defended area of the Bloc. (*Para. 77*)

### *Civil Defense*

11. About 80 million Soviet citizens over the age of 16 have received some instruction in civil defense and about one-fourth of these have probably received good basic grounding in elementary civil defense techniques. The bulk of the population still lacks adequate shelters, although the USSR has a substantial lead over any of the Western Powers in the construction of urban shelters which could provide some protection against fall-out, debris, and fire. In the past two years, the Soviets have given increasing attention to preattack evacuation of non-essential civilians in the event of a threatening situation, but this program appears to be still in the planning stage. Even with limited warning, the existence of a disciplined organization, the use of shelter, and the widespread knowledge of simple techniques such as first aid would probably reduce casualties considerably, especially among key personnel. However, Soviet civil defense is not prepared to cope with the effects of large-scale nuclear attack. Moreover, it would function extremely poorly under conditions of short warning time. (*Paras. 73–76*)

### *Warning Time*

12. The amount of warning time available significantly affects the capabilities of air defense in various areas of the Bloc. Early warning radar could now give Moscow and many other targets in the interior more than one hour's warning of medium and high altitude attacks made with Western bombers of the B-52 type. Soviet assurance of such detection would be greatly reduced by extremely low level penetrations. The supersonic bombers and air-to-surface missiles now being added to Western inventories could reduce this warning time by as much as 50 percent. Moreover, the more limited early warning time

available in Bloc border areas would reduce the effectiveness of the defenses of even heavily defended targets in such areas. As the speeds of Western aerodynamic vehicles increase, and as Western ballistic missiles become a greater threat, the problem of warning time will become more critical. (*Para. 78*)

*Current Capabilities and Future Trends*

13. The present capabilities of the Soviet air defense system would be greatest against penetrations by subsonic bombers in daylight and clear weather at altitudes between about 3,000 and about 45,000 feet. Under such conditions, virtually all types of Bloc air defense weapons could be brought to bear against attacking aircraft. Most Soviet fighters can operate at altitudes up to about 50,000 feet, and some up to about 55,000 feet, but the capabilities of the fighter force would be reduced considerably during periods of darkness or poor visibility. In the increasingly widespread areas defended by surface-to-air missiles, air defense capabilities would be virtually unimpaired by weather conditions and would extend to about 60,000 feet, with some capabilities up to about 80,000 feet. (*Para. 79*)

14. Despite its recent and considerable improvements, however, the Soviet air defense system would still have great difficulty in coping with a large-scale air attack employing a variety of weapons and sophisticated tactics, even within the foregoing altitudes. At altitudes below about 3,000 feet, the capabilities of the system would be progressively reduced; below about 1,000 feet, the system would lose most of its effectiveness. At present, the USSR has little capability for active defense against very low altitude attacks. (*Paras. 80–81*)

15. The Soviets are making vigorous efforts to counter Western weapon systems. Within the next five years, they will probably introduce improved radars and all-weather interceptors, a surface-to-air missile system designed to counter low altitude air attack, and antimissile defenses. However, they probably will still not achieve a high degree of assurance in coping with a large-scale sophisticated attack by manned bombers. They would probably expect to destroy a significant number of the attackers, but given the increasing complexity of the air defense problem, we doubt they will be confident of the extent to which they can reduce the weight of such an attack. The air defense problem has been radically altered by the advent of long-range ballistic missiles. Barring an unforeseen technological breakthrough, the USSR's air defense deficiencies and uncertainties will sharply increase as ballistic missiles assume a larger proportion of the West's total nuclear delivery capability. (*Paras. 82–83*)

## DISCUSSION

## I. GENERAL

16. The Soviet leaders recognize that an effective air defense system is an essential element of the strong military posture which they wish to maintain, both to contribute to the security of the Bloc and to support their foreign policies. The scale of effort presently being applied to the continuing improvement and modernization of the Soviet air defense system is indicative of the high priority assigned to this mission.

17. The air defenses of the Sino-Soviet Bloc are being adjusted to provide a more efficient combination of fighter and missile defenses for the protection of major population, industrial, and military centers, especially those in the USSR. The air defense forces of the European Satellites, and to a lesser extent those of the Asiatic Communist nations, are coordinated with the Soviet system.

18. During the past two to three years, the Soviet air defense system has been undergoing a major transition which has significantly improved its capabilities against medium and high altitude air attack. The principal aspects of this transition are: (a) the extensive deployment of surface-to-air missile sites; (b) the installations of air defense control systems with semiautomatic features; (c) the deployment of new fighters in significant numbers to Eastern Europe and areas near the borders of the USSR; and (d) a consolidation of air defense districts. Other developments include the advent of radars with better detection and height-finding capabilities and the incorporation of more advanced electronic gear and armament, including air-to-air missiles, into interceptor aircraft. It is probable that operational Soviet defenses will soon begin to include weapons and control systems designed to cope more effectively with low altitude air attack.

19. These trends and developments are the fruit of intensive Soviet research and development in defense systems to counter expected Western air attack capabilities. At present, the highest Soviet priority in air defense research and development is almost certainly being accorded to defense against ballistic missiles.

20. In recent years, the USSR has allocated to air defense forces an estimated one-fourth of the total military expenditures that can be attributed to broad military missions. Soviet expenditures for air defense probably will grow over the next five years even if no deployment of antimissile defenses is undertaken. Production and construction for an operational antimissile system would considerably increase these expenditures, particularly toward the end of the period. Because of the high priority assigned to the air defense mission and the rapid growth of the Soviet economy, we believe that economic considerations will not hinder the substantial programs estimated for Soviet air defense.

## II. ORGANIZATION

21. All Soviet forces deployed for the air defense of the USSR are under the operational control of a single major headquarters, the *PVO Strany* (Air Defense of the Country) which combines ground, air, and naval elements. The Commander in Chief of the *PVO Strany* is *ex officio* a Deputy Minister of Defense and the chief advisor to the Minister and Chief of the General Staff on air defense matters. Administratively, he ranks with the commanders in chief of the ground, air, naval, and rocket forces.

22. The chief components assigned to the *PVO Strany* are the Air Observation, Reporting, and Communication (VNOS) service, the Fighter Aviation of Air Defense (IA–PVO), and the Antiaircraft Artillery of Air Defense (ZA–PVO), the latter component including both antiaircraft guns and surface-to-air missiles. In addition to forces directly assigned, other Soviet forces which can contribute to the air defense mission are also operationally available to this command.

23. Over the past year, the control structure of the Soviet air defense system has undergone a number of changes, which in the main have affected the size and responsibility of the air defense district (ADD).<sup>3</sup> During this period, a number of these were combined with adjacent districts, reducing their number from an estimated 21 to 16. The greater area responsibility given to the ADD commanders reflects the impact of more advanced weapons and equipment—both defensive and offensive—which probably will bring further reductions in the number of air defense districts.

24. The ADD headquarters is charged with the coordination and control of forces in the district actively contributing to air defense. It is also responsible for identification and filtering of tracks and passing air situation data to regional centers in Moscow and Khabarovsk, to adjacent ADD, to subordinate elements, and to other agencies within the district. The district is divided into a number of air defense sectors which perform duties similar to those of the ADD but within their more limited areas. The air defense systems of the European Satellites are organized on the Soviet pattern, and each Satellite functions in much the same manner as another Soviet ADD. The air defense systems of East Germany and Hungary, where Soviet forces are deployed, appear to be under direct Soviet control.

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<sup>3</sup> The term “air defense district” is used to describe the organizational elements of the air defense system, although only the Moscow and Baku Air Defense Districts have been identified by name.



### III. AIR DEFENSE WEAPONS

#### *Surface-to-Air Missiles*

25. The Soviets now have operational two types of surface-to-air missile systems designed for defense against medium and high altitude attacks.<sup>4</sup> The first of these (SA-1) is deployed only around Moscow in a dense and costly complex of 56 sites, which we believe has been fully operational since about 1956. Each site has 60 launching positions. The chief advantages of the SA-1 system are its ability to handle simultaneously a large number of targets and to direct an extremely high rate of fire against them. However, the limited azimuth coverage of each site (about 54°) makes the system rather inflexible, and in its present configuration it is completely immobile.

26. *The SA-1 system* was apparently designed primarily to counter the massed air raid threat to the late 1940s and early 1950s. Even before completion of the deployment around Moscow, it is probable that concepts of the threat had changed. Moreover, the magnitude of effort involved in deployment of the SA-1 probably also argued against its use in less critical areas.

27. Since late 1957, the USSR has been acquiring a major operational capability with an improved surface-to-air missile system (SA-2) which appears suitable for the defense of both fixed targets and field forces. A typical fixed site consists of six revetted launching positions deployed around a guidance radar and linked by service roads to facilitate loading. Although many of the observed sites clearly represent permanent installations, all operating components of the system are mounted on wheeled vehicles and are capable of independent movement by road or rail.

28. The missile employed in this system is a large, boosted two-stage missile (designated GUIDELINE by US intelligence) with a maximum velocity of about Mach 3.5. Maximum intercept range is estimated at 25-30 n.m. but will vary depending upon type of target, approach angle, and other operational factors. Maximum altitude capability is about 60,000 feet, with some effectiveness up to 80,000 feet, especially if equipped with a nuclear warhead. Based on the manner in which SA-2 launchers are sited, it seems clear that the system is not intended for employment against low altitude targets. Against subsonic targets low altitude capability probably will average about 2,500 feet, but variations in such factors as siting conditions and target speeds could

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<sup>4</sup> For operational characteristics of surface-to-air missiles see Annex A, Table 1. These and other Soviet missile systems are discussed in greater detail in NIE 11-5-61, "Soviet Technical Capabilities in Guided Missiles and Space Vehicles," dated 25 April 1961. (TOP SECRET)



result in low altitude limits as low as 1,000 feet or as high as 7,000 feet. Against supersonic targets, low altitude limits would be higher. There is some evidence that the Soviets themselves consider that the minimum SA-2 engagement altitude would be about 10,000 feet, but we do not know the circumstances assumed in the Soviet calculations.

29. *The SA-2 system* appears designed to cope with the threat posed by small numbers of aircraft carrying nuclear weapons rather than a massed raid threat. Flexibility and mobility are its chief advantages over the SA-1. In contrast to the massive SA-1 sites, each of which is capable of defending only a limited sector around the target area, each SA-2 site appears capable of 360° coverage. The SA-2 system can, at relatively low cost, be deployed widely for defense of large cities, of small but important fixed facilities, and of forces in the field. The flexibility is obtained at the expense of target handling and rate of fire relative to the SA-1. The SA-2 guidance system can probably handle only one target at a time, but apparently is designed to control as many as three missiles simultaneously. However, the shorter time of flight of the boosted GUIDELINE missile gives the SA-2 system a better capability against high-altitude and high-speed targets and against targets with small radar cross sections. Several SA-2 sites have been deployed around Moscow, supplementing the SA-1 system.

30. *Soviet urban-industrial areas.* The SA-2 is now the basic missile defense system for critical urban-industrial areas in the USSR, other than Moscow.<sup>5</sup> Since mid-1958, more than 150 SA-2 sites have been identified in the USSR at nearly 50 such areas—for the most part, population centers and industrial complexes. Missile defenses have been provided for more than half of the 43 Soviet cities with populations greater than 300,000, and we believe that all such population centers will be defended. SA-2 sites have been emplaced at some smaller urban areas, probably because they contain installations of critical importance, and they have been deployed for defense of naval and port facilities and nuclear production and weapons storage installations. They have also been identified at certain industrial facilities (including primary electric power stations, metallurgical plants, and major oil refineries). Considering the pattern of deployment observed to date, the length of time the program has been under way, and the extent of our intelligence coverage, we estimate that 350–400 sites are now operational at about 70 urban-industrial areas in the USSR.

31. Identification of additional sites and defended areas since the publication of NIE 11-3-60, "Sino-Soviet Air Defense Capabilities Through Mid-1965," dated 29 March 1960 (TOP SECRET), confirms that

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<sup>5</sup> See Annex B, Figure 2.

the SA-2 deployment program is massive in scale. The accumulating evidence has led to an increase in our estimate of the number of SA-2 sites to be provided, and to modifications in our estimate of the timing of the program. On the basis of current information, we now estimate that the Soviets will deploy roughly 500 SA-2 sites at about 100 urban-industrial areas in the USSR, rather than the previously estimated 350-400 sites at 70-80 areas. The observation during 1961 of sites under construction and the apparently incomplete defense in certain target areas lead us to estimate that the program to provide missile defenses for areas of the foregoing types is still under way. We believe that it will be completed by mid-1962.

32. *Soviet military installations and field forces.* The Soviets have provided SA-2 defenses for nuclear weapons storage installations (as indicated above), and there is evidence that certain missile development centers are also defended by SA-2 sites. We believe that the USSR intends to provide SA-2 defenses for the fixed launching complexes of its long-range ballistic missile forces, but we are unable to estimate the level and extent of defenses planned.

33. Some SA-2 units have been deployed in support of Soviet ground forces in East Germany and possibly in the USSR. The evidence is insufficient to determine the level of defense planned for the Soviet ground forces. Some of these SA-2 units have been observed thus far at fixed installations. However, this missile system is suitable for use with mobile units, all equipment is mounted on wheeled vehicles, and there is some evidence that the Soviet SA-2 units in Germany have conducted training in mobility. We believe the Soviets will seek to provide the field forces with mobile missile defenses for the protection of such semifixed targets as major headquarters and logistic centers. We estimate that such protection could be provided by some 80-120, mobile SA-2 units, and that this program could be completed by the end of 1963. Some may also be allocated to other Bloc ground forces.

34. *Other defended areas in the Bloc.* Deployment of SA-2 sites for defense of European Satellite targets has been under way for more than a year. Missile defenses have been observed in East Germany, Hungary, and Bulgaria, and evidence indicates their deployment in Czechoslovakia and Poland. At least one SA-2 site has been observed in Albania, but there is no evidence as to its operational status. The heaviest deployment has occurred in East Germany where evidence indicates as many as 20 sites, about half of which are probably operational. Eight sites, located on a ring around Berlin, are manned by East German forces. The remainder, which are assigned to Soviet field forces, appear to defend important Soviet military installations such as major headquarters and airfields.<sup>6</sup>

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<sup>6</sup> See Annex B, Figure 3.

35. We believe that such defenses will have been provided to all the European Satellites by the end of 1963. Observed deployment patterns indicate that missile defenses are being provided for capital cities and for certain other major targets. On this basis, we estimate that about 130 SA-2 sites will be deployed in the European Satellites and manned by their troops.

36. Soviet military relations with Communist China are not as close as those with its Warsaw Pact partners in Eastern Europe. We have no reliable evidence indicating the deployment of surface-to-air missiles in China, although some deployment may have taken place or be planned for the future. If missiles were deployed according to the criteria apparently being followed in the Satellites, this would call for about 80 SA-2 sites for defense of important fixed targets in Communist China.

37. *Low altitude defense.* To reduce their vulnerability to low-level attack, the Soviets have had under development a missile system (SA-3) which we believe is specifically designed to engage targets at very low altitudes (i.e., down to about 50 feet). No operational sites have been observed, but photography at Kapustin Yar in late 1959 revealed a probable R&D site which consisted of four launch pads deployed in a semicircular pattern. A launcher on one of the pads held two missile-like objects about 20 feet long. The SA-3 in its operational configuration at fixed installations probably will resemble this site.

38. We have no evidence on any operational deployment of SA-3 missile defenses, and hence have little basis for estimating the future deployment pattern or the magnitude of a deployment program. However, we believe that the Soviets will seek to provide some defense against low-altitude attack for most of those areas defended by the SA-1 and SA-2. The Soviets will take into account the relative vulnerability of these areas to low-level attack and their ability to bring other defensive weapons to bear. Areas immediately adjacent to coastal waters would probably be regarded as especially vulnerable to low-altitude attack. Judging by the scale and pace of the SA-2 programs, we believe that extensive SA-3 defenses could be deployed for the protection of fixed installations in the USSR in a program of some three or four years' duration, i.e., by about 1965. The extent of SA-3 deployment with the field forces probably will exceed that of the SA-2.

39. *Future developments.* The Soviets probably will attempt to improve their defenses against more advanced aircraft and cruise-type missiles at high altitudes, but we consider it very unlikely that they will develop an entirely new system for this purpose. Rather, we estimate that they will seek to improve the SA-2 by increasing its range to say 30–35 n.m., increasing its effective altitude, enhancing its capabilities to overcome electronic countermeasures, and generally improving

its ability to engage small, fast targets at high altitudes. Research and development work for this purpose may be under way at Sary Shagan or Kapustin Yar, and we believe that significant improvements to the system could begin to appear this year.

*Antimissile Program*

40. Although the Soviets have no present defensive capability against ballistic missiles, they have had under way for several years an extensive and high priority program for the development of such defenses. Photography has revealed a large, elaborate facility at Sary Shagan which we believe to be engaged primarily in antimissile work, and a much smaller but similar facility near the ICBM impact area on the Kamchatka Peninsula. The Sary Shagan complex is one of the major Soviet missile research and development test areas, second only to Kapustin Yar/Valdimirovka in magnitude.

41. The Soviet effort is apparently directed toward development of a terminal intercept system employing an antimissile missile which will probably be equipped with a nuclear warhead. It is possible that the widespread and diverse activities which we have observed represent developmental programs on more than one type of antimissile system. Research and testing at Sary Shagan has been concerned with re-entry of short and medium-range ballistic missiles. However, the fixed nature of the installations and the general progression of activities towards work with longer range missiles leads us to believe that the main effort is directed toward defense against IRBMs and ICBMs.

42. Although there is no firm evidence, we assume that the Soviets are investigating various techniques for discriminating against decoys. It is unlikely that a system deployed in this time period would have a capability against sophisticated decoys. However, the USSR may be developing a system designed to exploit the vulnerability of nuclear warheads to nuclear weapons effects. In this case, the requirement for sophisticated discrimination techniques would be reduced.<sup>7</sup>

43. We have no basis for a firm estimate for the date of first operational deployment of a Soviet antiballistic missile system or of its effectiveness against the various types of Western ballistic missiles. The initial operational capability date will be determined by the nature of the system under development, the status of the testing program, its future progress, and the timing of the Soviet decision to deploy. Considering these factors and the intensive Soviet research and development activities, we estimate that in the period 1963–1966, the Soviets will

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<sup>7</sup> For a further discussion of these effects see the forthcoming NIE 11–2–61, "Soviet Atomic Energy Program." (LIMITED DISTRIBUTION)

begin at least limited deployment of an antimissile system designed for use against both ICBMs and IRBMs. The earliest of these dates is contingent upon a Soviet decision to assume the high risks of starting production and deployment prior to full system tests, and therefore is considered the earliest possible date. If deployed early in the period the capability of the system against IRBMs probably would be the more thoroughly tested. It should be noted that continuing success in research and development will be necessary if the USSR is to achieve *any* operational antiballistic missile capabilities in 1963–1966.

44. We believe that for political as well as military reasons, the Soviets would wish to deploy antimissile defense for the protection of a few critical areas, even if the available system provided only an interim, limited capability. Beyond this, we cannot estimate the scope or pace of Soviet antimissile deployment program. On the other hand, the high priority accorded to improving Soviet defenses against Western nuclear strikes leads us to believe that the USSR will eventually seek to provide at least some antimissile defense for major population centers.

45. At present, Soviet planning for antimissile deployment probably is preliminary and tentative in nature. It will be affected over the next few years by developing Western missile capabilities and by Soviet antimissile research and development, which may include investigation of unconventional techniques. The Soviets almost certainly will design their first antimissile system in such a way that improved components can be incorporated as they become available. Improvements might include introduction of a better intercept vehicle or better discrimination techniques. Deployment of an antimissile system will impose requirements of a new order for virtually instantaneous, long-range communications. The scope and pace of the deployment program following IOC will be strongly influenced by the system's potential for growth and by Soviet success in realizing this potential.

46. In the course of its program to develop an antimissile system, the USSR could achieve a limited capability to destroy satellites after they have made a number of orbits. However, we believe that for some years to come, the Soviets are likely to have only a marginal capability under most favorable conditions for interference with US satellites.

#### *Fighter Aircraft*

47. As of mid-1961, we estimate that there were about 11,700 fighters in active operational units throughout the Bloc, with about 7,000 in Soviet units. About 4,500 of the Soviet fighters are directly subordinate to Fighter Aviation of Air Defense (IA-PVO) with air defense as their exclusive mission. The remainder, which are in Tactical Aviation, appear to have an air defense responsibility in addition to their ground support role.

48. With the widespread deployment of the SA-2, the Soviets have developed a combination of fighter and missile defenses. They apparently now rely primarily upon missiles for point defense of important targets, and upon fighters for area defense to cover approach routes as well as gaps between missile-defended areas. The Soviets appear to be moving away from the mass employment concept of the postwar years. Developments in communications and control have made possible improvements in Soviet intercept techniques. Another factor influencing the trend toward fewer fighters is the increased kill capability of the new aircraft.

49. These developments have allowed a considerable reduction in Soviet fighter strength. In the past two years there have been large-scale reductions in Soviet tactical fighter units, and the naval fighter force has been completely eliminated. Reductions in the IA-PVO, resulting primarily from phasing out of older aircraft, have been largely offset by transfers from the naval and tactical commands and by the introduction of new interceptors. Reductions in Soviet fighter forces—both tactical and PVO—probably will continue over the next five years. We estimate that the number of operational Soviet fighters will be reduced on the order of 50 percent during this period.

50. The Soviet fighter force still consists largely of day fighters. The obsolescent MIG-15 FAGOT (now almost phased out), three versions of the subsonic MIG-17 (FRESCO A, B, and C), and three versions of the transonic MIG-19 (FARMER A, C, and D), make up about 80 percent of the forces. These fighters appear to have been designed primarily for the interceptor role and therefore have good climb and altitude capabilities. Performance characteristics vary, but they all employ similar gun armament and fire control systems, and are generally restricted to lead-pursuit attack under visual conditions.

51. Since about 1955, the Soviets have been working to improve the all-weather capability of their fighter force. The two-place, twin-engine FLASHLIGHT A (YAK-25), introduced in that year, is the first Soviet aircraft designed as an all-weather interceptor. It incorporates an extremely large airborne intercept (AI) radar (SCAN III) with a range capability considerably in excess of other Soviet AI radars. However, the fixed mounting employed resulted in a poor scanning system, and the potential of this radar was not realized. This, together with the lower performance capabilities of the FLASHLIGHT, probably led the Soviets to limit its production. Considering its characteristics and the other interceptors now available, the FLASHLIGHT appears to be suitable for use in defensive patrols of border areas and for relatively low-level interceptions (1,500 to 3,000 feet).

52. Since 1955, several Soviet day fighters have been modified by the addition of the SCAN ODD airborne intercept (AI) radar, which



has a search range of about five n.m. and a tracking range of about three n.m. These aircraft, the FRESCO D and E and the FARMER B (equipped with an improved SCAN ODD), are considered to have some all-weather capability. However, the limited range of the radar, the continued reliance on gun armament, and the restriction to a pursuit attack, seriously limit the effectiveness of these aircraft under nonvisual conditions. The most recent day-fighter modification, first observed in 1959, is the FARMER E. This aircraft has beam rider missiles and a compatible AI radar (SCAN CAN), with a search range of 7–9 n.m. and a tracking range of 3–5 n.m. FARMER E, thus equipped, represents a considerable advance over the earlier FRESCO and FARMER modifications.

53. During the past year, a new generation of Soviet fighters has appeared in peripheral areas of the USSR and Eastern Europe. At least three new aircraft appear to be involved: FISHBED C (MIG–21), a Mikoyan-designed, delta-wing interceptor, and two Sukhoi designs—the swept-wing FITTER B and the delta-wing FISHPOT B. We estimate that about 1,000 new generation fighters have been produced, of which about 350–450 are now in units.

54. In armament, fire control equipment, and speed (about 1,000 knots at 35,000 feet), these aircraft represent significant advances over the bulk of Soviet interceptors now in service. However, during the past year, we have acquired additional intelligence on the weight, size, and engine performance of these new aircraft. Accordingly their estimated altitude capabilities have been markedly reduced. We now estimate their combat ceilings at 50,000 to 55,000 feet as compared with 60,000 to 62,000 feet last year. Considering the characteristics of most Western bomber aircraft, the Soviets probably regard these altitude capabilities as adequate. They appear to be developing techniques for interception of Western aircraft which can operate at higher altitudes. There is evidence that some Soviet fighters have auxiliary rocket engines.

55. FITTER B and FISHPOT B, are estimated to have a lead-pursuit fire control system with a new AI radar (SPIN SCAN) having a search range of 10 n.m. and a tracking range of 7 n.m. They probably mount 2 or 4 revolver guns and in addition can carry 4 air-to-air missiles. The other new Soviet interceptor, FISHBED C, is probably intended for day or night use in clear weather. It is believed to have infrared sighting equipment in addition to an optical fire control system, and carries both gun and missile or rocket armament. It is probably equipped with a radar which provides range data only. The assignment of FISHBED C to tactical Aviation units suggests a close support function in addition to an intercept role.

56. All of the new fighters now entering service are based on prototypes first displayed in 1956. Since that time, new fighter designs

have been tested in the course of continuing Soviet research and development on supersonic fighters, their armament, and fire control systems. One and possibly two new fighter prototypes, as well as modifications of existing types, were displayed in the 1961 Aviation Day show. Although there is no evidence of their current production, we believe that a new generation of Soviet interceptors will be introduced into operational units within the next few years. The most pressing Soviet requirement appears to be an all-weather interceptor with improved performance and fire control system. Considering Soviet technical capability, such an aircraft could have a maximum speed well in excess of Mach 2, and a combat ceiling of over 60,000 feet. Although research and development in this field will continue through the period of this estimate, the introduction of new Soviet fighters and the extent of their deployment during the middle 1960's and beyond will be strongly influenced by Soviet progress in surface-to-air missiles and by changes in the nature of the threat posed by Western delivery systems.

57. *Fighter production.* Soviet production of jet fighter aircraft has dropped sharply in recent years. From 1950 through 1956, annual production ranged from about 3,000 to about 5,000. Between 1957 and 1959, there was a steep decline from about 1,900 to about 360. Our estimates indicate a slight increase to about 470 in 1960 and somewhat more in 1961. However, there are no indications that new generation fighters will be built in quantities approaching the production rates of the early 1950's. Production difficulties with the newer models and the high cost and complexity of modern fighters may have played some part in this decline. However, the primary causes have been the emergence of significant surface-to-air missile capabilities and changing techniques in the employment of interceptor aircraft.

#### *Air-to-Air Missiles*

58. We have firm evidence on the deployment of air-to-air missiles in the Soviet fighter force and in several of the satellite forces as well. We believe that at least two types are now operational, a beam-rider (AA-1) and an infrared homing missile (AA-2). An all-weather semiactive radar homing missile (AA-3) could also be available, but we have no evidence of its deployment. There is good evidence that the beam-rider missile is employed by AI radar equipped FARMERS, and probably by FITTER B, and FISHPOT B. This missile could also be used by the other Soviet fighters equipped with AI radar—FRESCO D and E, and FLASHLIGHT. The infrared homing missile could be adapted for use by all Soviet interceptors now operational. It probably will be employed by the FISHBED and possibly by the FITTER and FISHPOT. However, we believe that equipping of FRESCOs and FARMERS with AA-2 will be limited. The AA-3, when operational, may replace the



AA-1 on the FARMERs, FITTERs, and FISHPOTs. Soviet development of improved air-to-air missiles over the next few years depends primarily upon the development of new interceptors equipped with suitable AI radar and fire control systems.

#### *Antiaircraft Guns*

59. The Soviets continue to employ large numbers of antiaircraft guns for defense of field forces and fixed targets. These guns range in size from 57 mm to 130 mm. A large percentage employ fire control radars. Proximity fuzes probably are used in some AAA ammunition. European Satellite forces have about 5,000 antiaircraft guns and there are about 4,000 in Communist China, North Korea, and North Vietnam. The number of antiaircraft guns in the Soviet forces has declined over the past two years and there is evidence that this trend is continuing. Considering the widespread deployment of surface-to-air missiles and the announced Soviet force reductions, we believe that most of the remaining medium and heavy guns will be phased out of the defenses of static targets in the USSR over the next year or so. However, a large number of these will probably be held in reserve status near major target areas. Transfer of some of this equipment to other Bloc countries is probable. Light AAA probably will be phased out in areas where the SA-3 is deployed, but will be retained for low-altitude defense of other targets.

#### IV. RADAR AND CONTROL EQUIPMENT

60. We believe that about 1,200–1,500 heavy prime radars, primarily of the TOKEN and BAR LOCK types, and about 4,000–4,500 auxiliary radars are deployed at nearly 2,200 sites in the Sino-Soviet Bloc. Radar coverage now extends over the entire USSR and European Satellite area, with apparent gaps remaining only in southwestern and western China. Arctic area coverage, which has been sparse, is being expanded by deployment of additional radars including the newer types, to existing radar sites, and by activation of new sites. A few patrol vessels fitted with radars of the early warning type are available in each of the four Soviet fleet areas, and some of them are employed as picket ships to extend radar coverage seawards.

61. The very large number of radars employed in the Soviet system provides a high density of coverage, particularly in border areas and around important targets. In deploying successive generations of radars, the Soviets have tended to retain much of the older equipment in service, resulting in a steady growth in the operational inventory. However, in the past year or so, the deployment of new and better radars and the introduction of automated control systems appears to have led to a reduction in the number of radar sites in some areas. We

believe that this trend will continue, leading eventually to a significant reduction in the operational inventory.

#### Early Warning Radars<sup>8</sup>

62. The Soviet aircraft warning system is based upon large numbers of early warning (EW) radars closely spaced throughout the USSR. These radars are of two general classes: the heavy or prime radars (such as TOKEN and BAR LOCK) which provide long-range tracking information, and the auxiliary radars (such as KNIFEREST and SPOONREST) which can track out to medium ranges. Under optimum conditions this system now has the capability to detect and track aircraft at medium and high altitudes within 200–250 n.m. of Bloc territory; under virtually all conditions the system could detect and track such aircraft within about 135 n.m. A new, more powerful, EW radar, TALL KING, has been deployed at several sites, improving detection capabilities against small, high-altitude targets.

63. Maximum altitude capabilities of Soviet EW radars range from 75,000 feet for the TOKEN to well over 200,000 feet for some of the newer radars (TALL KING). Height coverage of Soviet radars will continue to exceed the operational altitudes of Western aircraft during the period of this estimate. Low-altitude detection and tracking capabilities have been quite limited, but in the past two years, the Soviets have effected some improvement by the extensive deployment of SPOONREST and FLAT FACE radars.

#### *Ground-Controlled Intercept Radars*

64. The TOKEN and other heavy radars are also used for ground-controlled intercept (GCI), usually in combination with height-finder radars such as ROCK CAKE or STONE CAKE. Maximum altitude coverage of the Soviet radars used in the GCI role is comparable to that estimated for early warning, but ranges are somewhat less. These vary from about 100 n.m. for the TOKEN to more than 200 n.m. for the newer radars. Several types of radars now employ moving target indicators or other anticlutter techniques, but low-altitude capabilities of Soviet GCI radars are generally quite limited.

#### *Future Developments*

65. To assist in countering the Western air-to-surface missile threat, the Soviets probably will develop long-range tracking radars with improved capabilities against small, fast targets at high altitudes. TALL KING may have been a step in this direction. Improved medium-range

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<sup>8</sup> For estimated characteristics of Soviet EW and GCI radars, see Annex A and Table 5.

radars may be developed to meet the threat of low altitude supersonic targets. All new Soviet EW and GCI radars probably will incorporate moving target indicators.

*Electronic Warfare*

66. At present, the USSR has an appreciable capability for jamming Western bombing and navigational radars at frequencies up to 10,000 megacycles per second and possibly higher, and especially for jamming at lower frequencies normally used in Western long-range radio communications. Shipboard and ground jamming equipment for use against X-band blind bombing radar is known to exist. The Soviets are also known to have employed electronic deception, including simulation of Western navigational aids, against Western aircraft. Present capabilities probably will be increased by the use of improved techniques and higher power. Toward the end of the period of this estimate the USSR will probably have in operation equipment capable of jamming at all frequencies likely to be used by Western communications, radar, and navigation equipment.

67. For a number of years, the Soviets have sought to strengthen their air warning system against enemy countermeasures. They have engaged in widespread ECM exercises for training of radar operators. In the last few years, evidence has indicated the use of greater frequency diversification, increased power, and other antijamming techniques. These trends probably will continue, but we believe that through 1966, Soviet electronic systems will still be subject to disruption by properly employed techniques.

68. *Passive detection.* We believe that the Soviet air defense system uses passive detection to supplement and extend EW radar coverage against targets outside its borders. A variety of specialized equipment is used for detection and direction-finding (D/F). This equipment can cover most frequencies used by Western communications and radar with good accuracy as to bearing. During 1960 a number of new passive detection sites were activated, and established sites received additional electronic equipment. The Soviets probably will continue to extend and improve this system. Soviet KRUG D/F installations may also contribute to passive detection.

*Detection of Missile Launchings*

69. The development of high frequency ionospheric backscatter radars for detection of long-range missile launchings has been within Soviet capabilities for the last five years. The Soviets have attained a high degree of competence both in the theoretical aspects of backscatter research and in practical applications. Much Soviet work in this field has related to development of new communications techniques, but

the Soviets probably also have used this method for detection of US nuclear detonations and possibly US missile launchings. Its use against missiles could probably provide a limited amount of early warning time, which could be used to alert defenses.

#### *Communications and Control*

70. For ground communications in support of air defense operations, the Soviets will probably continue to use and improve land lines and microwave links. Use of high frequency radio will decrease, but it will be available for special purposes and backup-ionospheric and tropospheric scatter communications may also be developed for use in the air defense system. The old four-channel, very high frequency communications equipment is still used by most Soviet fighters. The Soviets have installed a six-channel set in the newer Soviet fighters, but they have undertaken no concerted replacement program. Inadequate ground-to-air voice communications impose severe limitations on much of the Soviet fighter force; but these limitations are not so severe in these more modern fighter units deployed for the most part on the western approaches to the USSR. There is no indication of the employment of ultrahigh frequency systems for air-to-air and air-to-ground communications. The old Soviet IFF system, which has been in use for more than 10 years is being replaced.

71. The most important advance in Soviet air defense communications over the last few years has been the development and deployment of an air defense control system with some semiautomatic features, including data-handling equipment for rapid processing of air defense information and data link equipment for vectoring interceptors. Beginning about 1956, a Soviet system, similar in concept to the US SAGE system but less complex, was widely deployed in the western USSR. We believe that the ground element of this system has been replaced by a second-generation system, and that an improved semiautomatic fighter control system is being introduced. These new systems will probably be widely deployed in the USSR and possibly Eastern Europe within the next few years.

72. A video data link system has been introduced which is used to transmit the radar display from the radar site to the filter control center for visual presentation. This system is apparently used to supplement the existing semiautomatic system in the dense target areas of the western USSR. It is also deployed in East Germany, Poland, Hungary, Czechoslovakia, and Rumania. We believe that eventually it will be deployed throughout the Soviet Bloc.

#### *V. CIVIL DEFENSE*

73. Civil defense preparations in the USSR are supervised by the Local Antiair Defense of the Country (MPVO Strany), a central agency

subordinate to the Ministry of Defense with staff representatives at regional and local levels. Training the Soviet population in civil defense is the responsibility of the paramilitary mass organization Voluntary Society for Cooperation with the Army, Aviation, and the Fleet (DOSAAF). Since 1955, civil defense training has been, at least in theory, both universal and obligatory. About 80 million Soviet citizens over the age of 16 have received some instruction in civil defense, and some 20 million of these (or 1 adult in 7) have probably received good basic grounding in elementary civil defense techniques such as use of shelters, gas masks, protective clothing, and radiation monitoring equipment. On the other hand, the training program has suffered in many areas from poor instruction, shortage of training aids, and public apathy.

74. The most important deficiency is the lack of adequate shelter for the bulk of the population, although the USSR has a substantial lead over any of the Western Powers. Basement shelters of the World War II type are probably capable of providing some protection to perhaps 15 million city dwellers against radiation and fire. An estimated 2.5 million persons in Moscow, Leningrad, Baku, and Kiev can take refuge in subways, which are probably capable of resisting some overpressure. We presume that the USSR has prepared for the evacuation and protection of key party and government personnel, but we have no evidence on relocation centers. We estimate that detached and tunnel-type shelters and underground bunkers are available for about 2.5 million key personnel. Thus, some kind of shelter is available for about one-fifth of the urban population. Virtually nothing has been done to provide shelter for the rural population.

75. The shelter program appears to have been under reconsideration in the past few years. Some evidence indicates that the program for basement shelters may have been sharply curtailed or abandoned in 1958–1959, and recently there have been increased sightings of detached shelters. In the past two years, civil defense manuals have given increasing attention to evacuation, especially to preattack evacuation of “non-effectives” from likely target areas and their resettlement elsewhere for the duration of a war. However, there is no firm evidence of evacuation drills for the general public, and this program appears to be still in the planning stage.

76. In terms of shelters built and personnel trained, the USSR has made greater progress than any other major power. Even with limited warning these measures would probably reduce casualties by a significant margin. The existence of a disciplined civil defense organization, the use of shelter, and the widespread knowledge of simple techniques such as first aid would probably reduce casualties considerably, especially among key personnel. However, Soviet civil defense is not pre-

pared to cope with the effects of large-scale nuclear attack. Moreover, it would function extremely poorly under conditions of short warning time.

## VI. SOVIET AIR DEFENSE CAPABILITIES

### *Deployment*

77. Air defense weapons and equipment are most heavily concentrated in that portion of the USSR west of a line drawn from the Kola Peninsula to the Caspian Sea; in East Germany, Poland, and Czechoslovakia; and in the southern portion of the Soviet Far East. Concentrations are found at some specific locations outside these areas, especially in the Urals and in eastern China. The approaches to Moscow are by far the most heavily defended area of the Bloc.<sup>9</sup>

### *Warning Time*

78. The amount of warning time available significantly affects the capabilities of air defenses in various areas of the Bloc. Early warning radar could now give Moscow and many other targets in the interior more than one hour's warning of medium and high altitude attacks made with Western bombers of the B-52 type. Soviet assurance of such detection would be greatly reduced by extremely low level penetrations. The supersonic bombers and ASMs now being added to Western inventories could reduce this warning time by as much as 50 percent. Moreover, the more limited early warning time available in Bloc border areas would reduce the effectiveness of the defenses of even heavily defended targets in such areas. As the speeds of Western aerodynamic vehicles increase, and as Western ballistic missiles become a greater part of the threat, the problem of warning time will become more critical.<sup>10</sup>

### *Current Capabilities and Future Trends*

79. The extensive deployment of surface-to-air missiles over the past two years has significantly improved Soviet air defense capabilities. The present capabilities of the Soviet air defense system would be greatest against penetrations by subsonic bombers in daylight and clear weather at altitudes between about 3,000 and about 45,000 feet. Under such conditions, virtually all types of Bloc air defense weapons could be brought to bear against attacking aircraft. Most Soviet fighters can operate at altitudes up to about 50,000 feet, and some up to about 55,000 feet, but the capabilities of the fighter force would be reduced considerably during periods of darkness or poor visibility. In the

<sup>9</sup> See Annex B, Figure 1.

<sup>10</sup> See Annex B, Figure 4.

increasingly widespread areas defended by surface-to-air missiles, air defense capabilities would be virtually unimpaired by weather conditions and would extend to about 60,000 feet, with some capabilities up to about 80,000 feet.

80. Despite its recent and considerable improvements, however, the Soviet air defense system would still have great difficulty in coping with a large-scale air attack employing varied and sophisticated tactics, even within the foregoing altitudes. In addition, the Soviet defense problem would be complicated by the variety of delivery systems which might be employed, including cruise-type missiles, fighter-bombers, and supersonic bombers.

81. At altitudes below about 3,000 feet, the capabilities of the system would be progressively reduced; below about 1,000 feet, the system would lose most of its effectiveness. Thus, at present, the USSR has little capability for active defense against very low altitude attacks. Nor does the present air defense system have any capability against ballistic missiles.

82. We believe that the Soviets will continue to improve the overall capabilities of their large and complex air defense establishment. They are making vigorous efforts to counter more advanced Western weapon systems. Forthcoming major developments will probably include: (a) the initial deployment within the next year of a surface-to-air missile designed to intercept aircraft at very low altitudes and (b) at least limited deployment within the next five years of an air defense system with an undetermined capability against ballistic missiles.

Nevertheless, the Soviets probably will still [illegible in the original] a high degree of assurance in dealing [illegible in the original] a large-scale sophisticated attack by [illegible in the original] bombers, armed with high-yield nuclear [illegible in the original] weapons. They would probably ex-[illegible in the original] destroy a significant number of the attackers, but given the increasing complexity of the air defense problem, we doubt they will be confident of the extent to which they can reduce the weight of such an attack. The air defense problem has been radically altered by the advent of long-range ballistic missiles. Barring an unforeseen technological breakthrough, the USSR's air defense deficiencies and uncertainties will sharply increase as ballistic missiles assume a larger proportion of the West's total nuclear delivery capability.

Annexes

Table 1  
PROBABLE SOVIET DEVELOPMENT PROGRAM FOR SURFACE-TO-AIR MISSILE SYSTEMS<sup>a</sup> (Ground Launched)

Arbitrary Reference Designation	Initial Operational Capability Date <sup>b</sup>	Maximum Effective Altitude <sup>c</sup> (in feet)	Maximum horizontal Range (nm) <sup>c</sup>		Operational <sup>d</sup> Accuracy (CEP in ft.)	Guidance	Maximum Warhead <sup>e</sup> (lbs. and type)	REMARKS
			Speed Class					
			20-30	3.5				
SA-1	1954	60,000 <sup>f</sup> (minimum about 3,000).	20-30	3.5	65-120	Track-while scan/radio command.	500 HE or Nuclear.	Deployed around the Moscow area only. Uses V-301 guided missile. GUIDELINE (part of SA-2 system) may be used in some SA-1 sites replacing V-301.
SA-2	1957	60,000 <sup>f</sup> (minimum altitude about 2,500) <sup>g</sup> .	25-30	3.5	100	Track-while scan/radio command.	400 HE or Nuclear.	Mobile SAM system using GUIDELINE missile. Extensively deployed in USSR; chief advantage is its flexibility in deployment.
We estimate that in the next few years the system could be improved in range, altitude, and ECCM capabilities.								
SA-3	1961	40,000-60,000 . . . Nominal minimum 50	12-15	2	20	Semiactive CW radar homing.	200 HE or Nuclear.	Mobile system: for use with field forces and defense of industrial and communications centers.



Table 1  
PROBABLE SOVIET DEVELOPMENT PROGRAM FOR SURFACE-TO-AIR MISSILE SYSTEMS<sup>a</sup> (Ground Launched)  
(Continued)

Arbitrary Reference Designation	Initial Opera- tional Capa- bility Date <sup>b</sup>	Maximum Effective Altitude <sup>c</sup> (in feet)	Maximum horizontal Range (nm) <sup>c</sup>	Opera- tional <sup>d</sup> Accuracy (CEP in ft.)	Guidance	Maximum Warhead <sup>e</sup> (lbs. and type)	REMARKS
			Speed Class				
SA-4 (AMM)	1963- 1966	Soviets will probably deploy an antimissile missile system during 1963-1966 even if the system provides only an interim limited capability.					

<sup>a</sup> We evaluate this program as “probable” with varying degrees of confidence concerning detailed characteristics. Each missile listed will probably go through various states of development which are not necessarily reflected in this table.

<sup>b</sup> The date when the first operational unit is trained and equipped with a few missiles and launchers.

<sup>c</sup> Maximum altitude is not necessarily achieved at maximum range. Range will vary with the size, direction of approach, and altitude of the attacking aircraft. A limited capability will exist above the estimated altitude.

<sup>d</sup> Accuracy varies with target size, speed, altitude, and range.

<sup>e</sup> Warhead includes the explosive device and its associated fusing and firing mechanism.

<sup>f</sup> Would have some effectiveness up to 80,000 feet, especially if equipped with a nuclear warhead.

<sup>g</sup> Variations in such factors as sitting conditions and target speeds could result in low altitude limits as low as 1,000 feet or as high as 7,000 feet. Against supersonic targets, low altitude limits would be higher. There is some evidence that the Soviets themselves consider that minimum SA-2 engagement altitude would be about 10,000 feet, but we do not know the circumstances assumed in the Soviet calculations.



Soviet Designation	FAGOT		FRESCO <sup>f</sup> A and B		FRESCO C		FRESCO D		FARMER <sup>a</sup> A		FARMER E		FLASH- LIGHT A		FISHBED C		FITTER B and FISHPOT B 1959–1960
	MIG-15	1950	MIG-17	1953	MIG-17	1954	MIG-17	1955	MIG-19	1955	MIG-19	1959	YAK-25	1955	MIG-21	1960	
Year Into Service																	
Rockets <sup>e</sup>				16×55 mm	32 × 55 mm	32 × 55 mm	32 × 55 mm	32 × 55 mm	32 × 55 mm	95 × 55 mm	38 × 55 mm	76 × 55 mm					
			or		or		or		or	or	or	or				or	
			2 × 220 mm	4 × 220 mm	4 × 220 mm	4 × 220 mm	4 × 220 mm	4 × 220 mm	4 × 220 mm	5 × 220 mm	2 × 220 mm	4 × 220 mm				4 × 220 mm	
			mm				mm			mm							
			or	3 × 325 mm	4 × 325 mm	4 × 325 mm	4 × 325 mm	4 × 325 mm	4 × 325 mm	or	or	or	or	or	or	or	4 × 325 mm
Guided Missiles <sup>a</sup>				mm			mm			mm							
			or		or		or		or	or	or	or				or	
			2 AAM	4 AAM	4 AAM	4 AAM	4 AAM	4 AAM	4 AAM	4 AAM	4 AAM	4 AAM	5 AAM	2 AAM	2 AAM	4 AAM	

<sup>a</sup> Unless otherwise noted, performance figures are calculated with internal fuel only.

<sup>b</sup> Combat ceiling is the maximum altitude at which the rate of climb is 500 feet per minute with maximum power and at combat weight. All of the newer supersonic fighters can attain significantly higher altitudes—possibly up to 70,000 feet—using zoom techniques. However, operational capabilities would be progressively reduced above combat ceiling.

<sup>c</sup> Time to climb is calculated on the basis of gross take-off weight with internal fuel only.

<sup>d</sup> In calculating optimum mission, fuel reserves are reduced to permit extended range. Optimum mission with external fuel assumes two wing tanks except in the case of FLASHLIGHT A which carries one belly tank.

<sup>e</sup> These are considered to be maximum loads with internal fuel only, and do not exclude the possibility of other combinations of rocket and missile armament.

<sup>f</sup> FRESCO "E" has performance characteristics similar to those of FRESCO "A" and "B," but is equipped with airborne intercept radar of the FRESCO "D" type.

<sup>g</sup> FARMER "B," "C," and "D" versions are also in operational use. FARMER "C" and "D" have range only radar. FARMER "B" has search and track radar with search/track capabilities similar to those of the FARMER "E" radar.

<sup>h</sup> As the result of evidence acquired during the past year, our estimates of combat ceiling have been lowered by about 5,000 feet in the case of FARMER, and by about 10,000 feet for FISHBED, FITTER, and FISHPOT.

Table 3

ESTIMATED PERFORMANCE OF SOVIET AIRBORNE  
INTERCEPT RADARS

Nickname	Date	Aircraft	B-47 SIZE TARGET		Compatibility with Air-to- Air Missiles
			Search Range (NM)	Track Range (NM)	
SCAN ODD	1954	FRESCO D&E	5-6	2-3	AA-2 AA-3
Improved SCAN ODD	1957	FARMER B	7-9	3-5	AA-2 AA-3
SCAN FIX (Range Only)	1955	FARMER C, D	2	None	AA-2
SCAN CAN	1959	FARMER E	7-9	3-5	AA-1 AA-2 AA-3
SCAN THREE	1955	FLASHLIGHT A	12-16	6-10	AA-2 AA-3
HIGH FIX	1960	FISHBED A, B, C FITTER.	3	None observed	AA-2
SPIN SCAN	1959	FITTER B FISHPOT B.	10	7	AA-1 AA-2 AA-3

Table 4  
PROBABLE SOVIET DEVELOPMENT PROGRAM FOR AIR-TO-AIR MISSILE SYSTEMS<sup>a</sup>

Arbitrary Reference Designation	Initial Opera- tional Capability Date <sup>b</sup>	Guidance	Opera- tional Accu- racy (CEP in ft.)	Maxi- mum War- head <sup>c</sup> (lb. and type)	Approx- imate Gross Weight (lbs.)	Aircraft			REMARKS <sup>e</sup>
						Compatible Aircraft	Attack Capability	Range nm <sup>d</sup>	
AA-1	1955– 1956	Radar beam rider.	20	30 HE	130	FARMER E	Rear quarter	2½ (tail) 5 (head-on).	All-weather. Soviet designation "ShM 122."
						FRESCO D and E	<i>do</i>	<i>do</i>	
AA-2	1955– 1956	Infrared homing	10	25 HE	175	FITTER B	<i>do</i>	<i>do</i>	Limited to clear air mass <sup>f</sup> conditions. Range varies with altitude and with the target determination capability of fighter.
						FISHPOT	<i>do</i>	<i>do</i>	
						FLASHLIGHT	360°	<i>do</i>	
						FAGOT	Tail pursuit	1 nm to 4 nm.	
						FRESCO	<i>do</i>	<i>do</i>	
						FARMER	<i>do</i>	<i>do</i>	
						FITTER	<i>do</i>	<i>do</i>	
						FISHBED	<i>do</i>	<i>do</i>	
						FLASHLIGHT	<i>do</i>	<i>do</i>	
						FISHPOT	<i>do</i>	<i>do</i>	

Table 4  
PROBABLE SOVIET DEVELOPMENT PROGRAM FOR AIR-TO-AIR MISSILE SYSTEMS<sup>a</sup>

Arbitrary Reference Designation	Initial Operational Capability Date <sup>b</sup>	Guidance	Operational Accuracy (CEP in ft.)	Maximum Warhead <sup>c</sup> (lb. and type)	Approximate Gross Weight (lbs.)	Aircraft			REMARKS <sup>e</sup>
						Compatible Aircraft	Attack Capability	Range nm <sup>d</sup>	
AA-3	1958	Semiactive radar homing.	15	25 HE	200	FRESCO D and E	Rear quarter	3 (tail) 6 (beam).	All-weather.
						FARMER E	<i>do</i>		
						FITTER B	<i>do</i>		
						FLASHLIGHT	Rear and beam.		
						FISHPOT	<i>do</i>		

OTHER: Soviet development of improved air-to-air missiles over the next few years is contingent upon trends in Soviet fighter and Western bomber forces and in Soviet surface-to-air missile defenses.

<sup>a</sup> We evaluate this program as "probable" with varying degrees of confidence concerning detailed characteristics. Each missile listed will probably go through various stages of development which are not necessarily reflected in this table.

<sup>b</sup> The date when the first operational unit is trained and equipped with a few missiles and launchers.

<sup>c</sup> Warhead includes the explosive device and its associated fusing and firing mechanism.

<sup>d</sup> Range is here defined as the distance between launching aircraft and target at the instant of missile launch.

<sup>e</sup> Mach 2 plus the speed of the launching aircraft is considered reasonable speed for all the missiles estimated.

<sup>f</sup> Clear air mass is here defined as absence of clouds and precipitation between missile and target. The term is equally applicable to day or night operations. In addition, an infrared system is also degraded by bright background such as white clouds and attack angles close to the sun.

Table 5

ESTIMATED CHARACTERISTICS AND MAXIMUM PERFORMANCE OF SOVIET EARLY WARNING AND GROUND CONTROLLED INTERCEPT RADARS <sup>a</sup>									
TYPE	FRE- QUENCY (Mc/s)	EARLY WARNING			GROUND CONTROLLED INTERCEPT				
		B-47 size target (Nose-on)	F-100 size target (Nose-on)	GAM-77 size target (Nose-on)	Altitude Coverage (Ft.) B-47 size target	B-47 size target (Nose-on)	F-100 size target (Nose-on)	GAM-77 size target (Nose-on)	Altitude Coverage (Ft.) B-47 size target
KNIFE REST A	70-75	b 150	b 115	b 90	180,000	....	....	....	....
KNIFE REST B, C	80-87	b 160	b 125	b 95	220,000	....	....	....	....
TOKEN	2,700-3,100	b 190	b 170	b 70	75,000	100	90	70	70,000
BIG MESH/BIG BAR:									
S-band	2,700-3,150	c 215	c 215	b 75	130,000	170	155	70	110,000
L-band	570	c 215	c 215	b 75	120,000	....	....	....	....
STRIKE OUT	2,700-3,100	b 190	b 170	b 70	120,000	....	....	....	....
STRIKE OUT	2,700-3,100	....	....	....	....	185	170	70	120,000
with ROCK CAKE	2,600-2,630				....				
BAR LOCK/ CROSS OUT:									
S-band	2,700-3,150	c 220	c 220	b 130	220,000	....	....	....	....
L-band	570 (est)	c 220	c 220	b 130	220,000	....	....	....	....
BAR LOCK/ CROSS OUT	2,700-3,150	....	....	....	....	215	210	95	220,000
with STONE CAKE	570 (est) 2,600-2,640				....				

Table 5  
ESTIMATED CHARACTERISTICS AND MAXIMUM PERFORMANCE OF SOVIET EARLY WARNING AND GROUND CONTROLLED INTERCEPT RADARS<sup>a</sup>

TYPE	FRE- QUENCY (Mc/s)	EARLY WARNING				GROUND CONTROLLED INTERCEPT			
		B-47 size target (Nose-on)	F-100 size target (Nose-on)	GAM-77 size target (Nose-on)	Altitude Coverage (Ft.) B-47 size target	B-47 size target (Nose-on)	F-100 size target (Nose-on)	GAM-77 size target (Nose-on)	Altitude Coverage (Ft.) B-47 size target
SPOON REST	155-157	<sup>b</sup> 170	<sup>b</sup> 145	<sup>b</sup> 90	200,000	....	....	....	....
FLAT FACE	820-910	<sup>b</sup> 210	<sup>b</sup> 190	<sup>b</sup> 80	150,000	....	....	....	....
TALL KING	162-177	<sup>c</sup> <sup>d</sup> 400	<sup>c</sup> <sup>d</sup> 100	<sup>b</sup> 185	300,000	....	....	....	....
1966	VHF/L- band	<sup>d</sup> 400	<sup>d</sup> 400	225	300,000	<sup>d</sup> 300	<sup>d</sup> 300	180	300,000

<sup>a</sup> Maximum normalized operational range capabilities are presented. These ranges may be reduced or increased by as much as 25 to 50 percent under some operational conditions. These changes depend upon siting, weather, altitude, alertness of the operator, and a variety of other factors depending on the individual radar and its site.

<sup>b</sup> In determining these ranges, a 25 percent blip/scan ratio was assumed. Range at 25 percent blip/scan ratio is believed to represent probable maximum detection range. Precise tracking, however, would require a higher blip/scan ratio.

<sup>c</sup> These figures represent our best estimate of radar performance as limited by the pulse repetition frequency (PRF). At these ranges, a 60 percent blip/scan ratio would be achieved. Ranges could be considerably greater if the Soviets have evolved techniques for detecting ambiguities in range data and determining true ranges.

<sup>d</sup> For detection and tracking at such ranges, limitations of the radar horizon (if radar were located at sea level), would require target altitudes in excess of the capabilities of currently operational Western aircraft.



Table 6  
ESTIMATED CHARACTERISTICS BLOC ANTI-AIRCRAFT GUNS

Nomenclature	Effective Ceiling (ft.)	Ammunition Type	Weight	Muzzle Velocity (fps)	Rate of Fire (rpm)	Remarks
12.7 mm DShK Heavy Machine gun M1938 and M1938/46.	3,000	AP API-T API	51 grams 44 grams 48 grams	2,822	80	
Quad 12.7 mm AA Heavy Machine gun DShK.	3,000	AP	49.5 grams	2,822	80/brl	Czech version of Soviet DShK. Soviet ammo may be used.
14.5 mm AA Heavy Machine gun ZPU-1, ZPU-2, and ZPU-4.	3,500	AP-T API Tracer	45.5 grams 64 grams 62 grams	3,281	150/brl	ZPU-1 Single barrel. ZPU-2 Twin barrel. ZPU-4 Quadruple barrel. Twin barreled version on some APC's.
Twin 30 mm (AA) Gun M1953. Twin 30 mm Self-propelled AA	4,000 (est) 4,000 (est)	HE (est) HE (est)	1.0 lbs (est) 1.0 lbs (est)	3,000 (est) 3,000 (est)	50/brl (est) 50/brl (est)	Czech. Czech version of 30 mm M1953 mounted on armored 6 × 6 truck chassis. Obsolete.
37 mm AA Gun M1939 57 mm Antiaircraft Gun S-60	5,000 6,000 with on-carriage sights, 16,000 w/off-carriage fire control.	HE HE	1.61 lbs (est) 6.17 lbs	2,887 3,281	160 60	Off-carriage fire control equipment SON 9 radar and PUAZO 5 or 6 director.

Table 6  
ESTIMATED CHARACTERISTICS BLOC ANTIAIRCRAFT GUNS

Nomenclature	Effective Ceiling (ft.)		Ammunition		Muzzle Velocity (fps)	Rate of Fire (rpm)	Remarks
	Type	Weight	Type	Weight			
Twin 57 mm Self-propelled AA Gun ZSU-57-2.	HE	6.17 lbs	HE	6.17 lbs	3,281	60/brl	Twin 57 mm S60 guns on modified T-54 chassis.
85 mm AA Gun M1939	HE	20.3 lbs	HE	20.3 lbs	2,625	15-20	Fire control equipment SON 4 and PUAZO 6, SON 9 and PUAZO 6.
85 mm AA Gun M1944	HE	20.3 lbs	HE	20.3 lbs	2,950	15-20	Fire control equipment SON 9 and PUAZO 6.
Czech 85 mm AA Gun	HE	20.3 lbs	HE	20.3 lbs	2,950	15-20	Assumed to be very similar to 85 mm M1944.
100 mm AA Gun ES-19	HE	34 lbs	HE	34 lbs	2,950	15	Fire control equipment SON 9 and PUAZO 6. Proximity fuzes available.
130 mm AA Gun M1955	HE (est)	73.6 lbs (est)	HE (est)	73.6 lbs (est)	3,100 (est)	15 (est)	Fire control equipment FIRE WHEEL and RANGER. Proximity fuzes available.

Table 7  
ESTIMATED ACTUAL STRENGTH AND DEPLOYMENT OF SINO-SOVIET BLOC AIR DEFENSE EQUIPMENT  
1 July 1961

AREA	JET FIGHTERS <sup>a</sup>				EW-GCI RADAR SITES			ANTIAIRCRAFT GUNS		SAM SITES <sup>f</sup>
	All Weather		Day		Primary	Secondary	Light	Med/ Heavy		
	Late Model <sup>b</sup>	Other <sup>c</sup>	Late Model <sup>d</sup>	Other <sup>e</sup>						
Northwestern USSR	43	189	....	464	90	107	500	300	35	
Western USSR	94	181	....	1,224	123	143	4,000	1,700	85	
West Central USSR	11	78	....	1,027	130	111	1,100	1,400	185	
(Moscow Air Defense) <sup>g</sup>	(11)	(45)	....	(580)	(72)	(72)	(100)	(400)	(75)	
Caucasus USSR	33	96	....	887	85	110	500	800	40	
East Central USSR <sup>h</sup>	85	87	....	567	150	160	700	800	45	
Far East USSR	32	121	....	615	95	141	1,100	900	40	
Eastern Europe, Soviet Forces	....	168	104	832	38	90	1,400	600	10	
(Total Soviet)	(308)	(920)	(104)	(5,616)	(713)	(862)	(9,300)	<sup>i</sup> (7,500)	(440)	
Eastern Europe, Satellite Forces		99	....	2,247	105	198	2,300	2,700	30	

Table 7  
ESTIMATED ACTUAL STRENGTH AND DEPLOYMENT OF SINO-SOVIET BLOC AIR DEFENSE EQUIPMENT  
1 July 1961

AREA	JET FIGHTERS <sup>a</sup>				EW-GCI RADAR SITES		ANTI-AIRCRAFT GUNS		SAM SITES <sup>f</sup>
	All Weather		Day		Primary	Secondary	Light	Med/Heavy	
	Late Model <sup>b</sup>	Other <sup>c</sup>	Late Model <sup>d</sup>	Other <sup>e</sup>					
Asiatic Communists	....	140	....	2,253	64	318	2,500	1,700	0
TOTALS	308	1,159	104	10,118	882	1,378	14,100	10,900	470

<sup>a</sup> In operational units, excluding trainers.

<sup>b</sup> FITTER/FISHPOT.

<sup>c</sup> FRESCO D, FARMER B & E, FLASHLIGHT.

<sup>d</sup> FISHBED.

<sup>e</sup> FAGOT, FRESCO, FARMER.

<sup>f</sup> The numbers of surface-to-air missile sites shown within the USSR include only those sites deployed at urban-industrial areas. We estimate that, as of mid-1961, 36 SA-1 sites and 350-400 SA-2 sites are operational at about 70 urban-industrial areas in the USSR. Numbers given represent an average between the upper and lower limits of this estimate.

<sup>g</sup> Fighters and EW and GCI radars within 250 nm of Moscow, SAM sites within 45 nm, and AA guns within 20 nm, all of which are included above in the figures for Western, Northwestern, and West Central USSR.

<sup>h</sup> Includes Transbaikal Military District.

<sup>i</sup> There is evidence that many of the medium and heavy AA guns in the USSR are being placed in reserve status at the locations to which they are assigned.

Table 8

COMPOSITION OF BLOC JET FIGHTER FORCES BY  
AIRCRAFT MODEL<sup>a</sup>

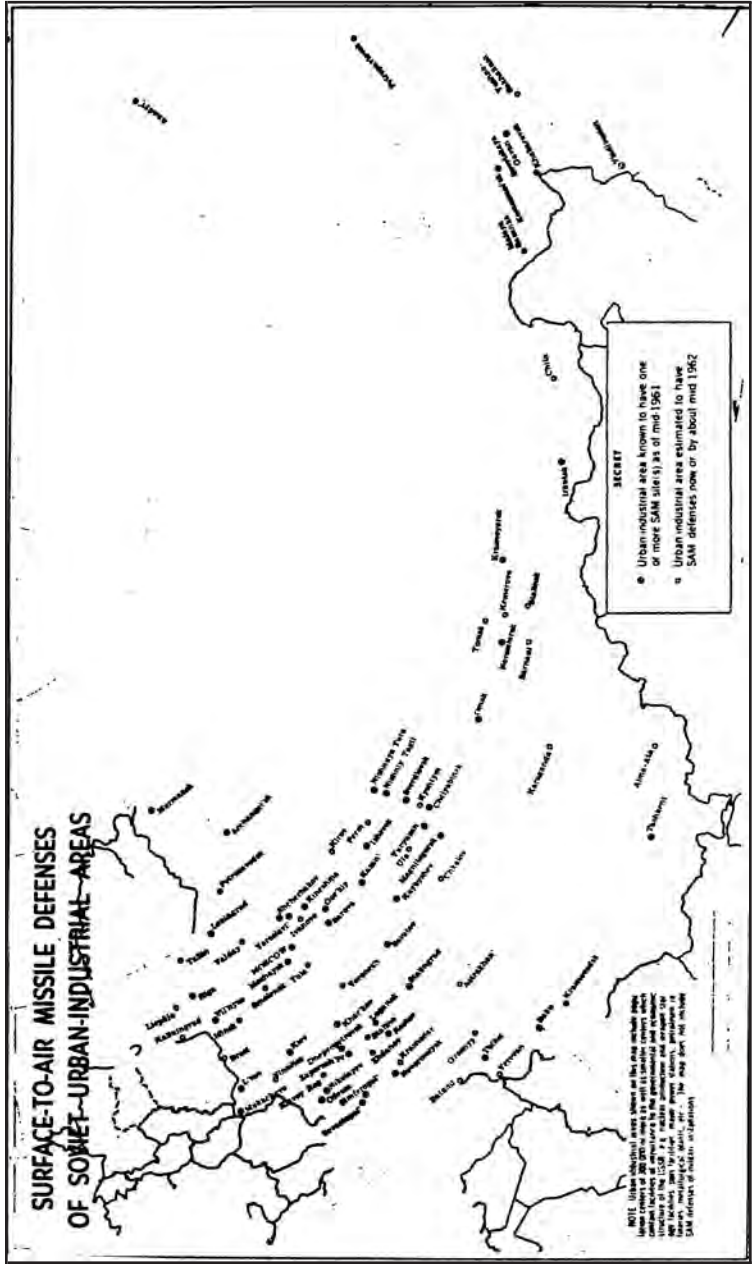
1 July 1961

Model	USSR	EE Satellites	Asiatic Communists	Total
FAGOT	524	1,270	1,035	2,829
FRESCO A, B, C	4,267	798	1,180	6,245
FRESCO D, E	383	87	135	605
FARMER A, C, D	825	179	40	1,044
FARMER B, E	107	12	....	119
FLASHLIGHT	430	....	5	435
FITTER/FISHPOT TYPE	308	....	....	308
FISHBED C	<u>104</u>	<u>....</u>	<u>....</u>	<u>104</u>
ROUNDED	6,930	2,330	2,400	11,700
TOTALS				

<sup>a</sup> Except trainers.



SURFACE-TO-AIR MISSILE DEFENSES OF SOVIET URBAN-INDUSTRIAL AREAS

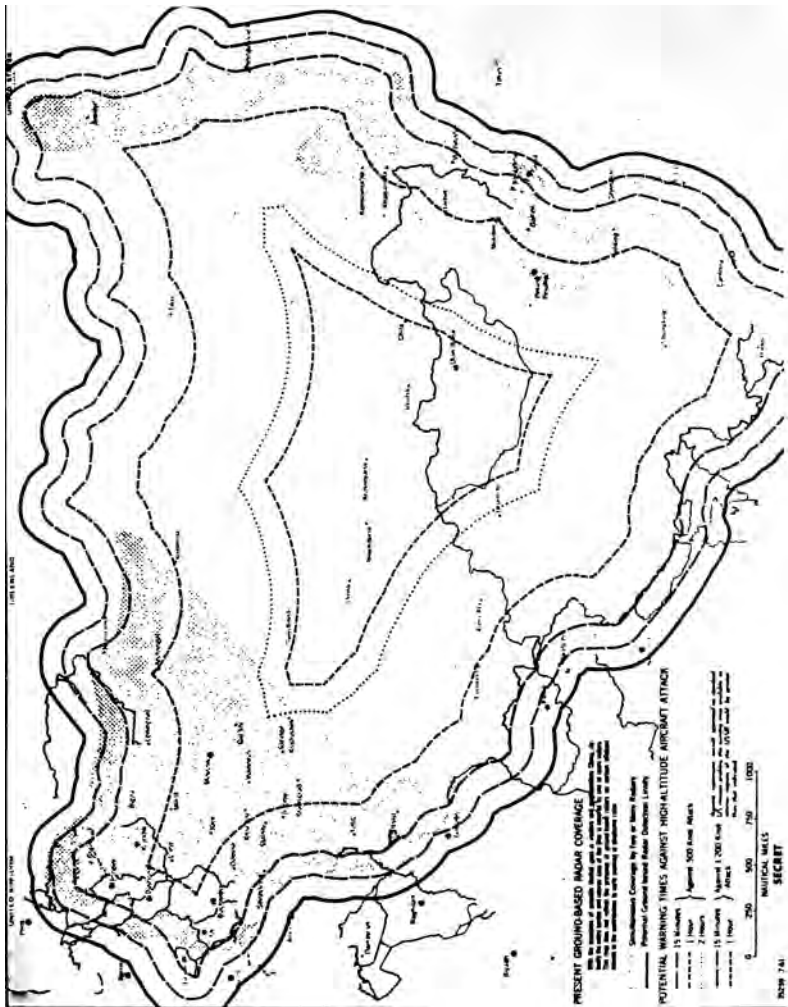


# SURFACE-TO-AIR MISSILE SITES IN EAST GERMANY, Mid-1961





Figure 4  
ESTIMATED LIMITS OF BLOC EARLY WARNING  
CAPABILITIES, Mid-1961



238. Memorandum from Kaysen to Bundy, July 22

July 22, 1961

[Source: Top Secret. Kennedy Library, National Security Files, Kaysen, BNSP 7/61–11/61. 2 pages of source text not declassified.]

## August 1961

### 239. Memorandum from Gen. Lemnitzer to McNamara, August 7<sup>1</sup>

CM-308-61

August 7, 1961

#### SUBJECT

Program Package I

I refer to your memorandum of 20 July 1961, in which you requested my recommendations on all major programs included in Central War Offensive Forces, Program Package I. I refer further to our discussion on 4 August 1961, during which I expressed my views on these programs. My views are confirmed as follows:

1. MINUTEMAN (Hardened and Dispersed)—The MINUTEMAN (H&D) system has great potential for rapid quantitative expansion. The retention of a production base to maintain this potential is important. However, in view of the substantial numbers of other important systems which make up the essential mix of delivery capability in Program Package I, I recommend procurement of no more than 300 additional MINUTEMAN (H&D) in FY 63. Decision as to the ultimate number of MINUTEMAN need not and should not be made at this time.

2. POLARIS—I am particularly impressed by the comparatively high reliability, low level of vulnerability, and versatile retargeting capability of the POLARIS system. I recommend further procurement at a rate of 6 additional FBM submarines per year. Decision on the end number required should be deferred at this time.

3. SKYBOLT (GAM-87)—In my view, the degree of invulnerability possessed by airborne B-52H/SKYBOLT aircraft plus the ability to attack from multiple directions without penetration of Soviet defenses justifies production of this system. This view is based, however, upon three assumptions, the validity of which I have not yet confirmed:

- a. SKYBOLT is now technically ready for production.
- b. Design criteria will be met.
- c. Can be operational by 1965.

Provided these assumptions are valid, I recommend procurement for 7 squadrons.

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<sup>1</sup> JCS recommendations on "Central War Offensive Forces, Program Package I." Top Secret. 3 pp. National Archives and Records Administration, JCS Records, JMF 7000 General (6 May 61), Sec. 3.

4. MINUTEMAN (Mobile)—During the mid-1960's, it appears to me that mobility will continue to be a most important factor in reducing vulnerability. I recommend procurement of 1 squadron, 10 trains, to provide a base of operational experience should additional mobile MINUTEMAN prove to be necessary.

5. KC-135—Based upon currently available information, a total requirement for 38 squadrons appears to be justified; this number to be adjusted pending outcome of Air Force study of the relationship of KC-135 aircraft to the SKYBOLT system.

6. 465-L Command and Control—I recommend research and development funding at this time. This system should receive further consideration following Air Force study of a survivable command and control system.

7. Airborne alert—In that deficit funding is now authorized, it appears there is no need for further decision at this time.

8. B-47 phase out—In view of the current and foreseeable world situation I consider it unwise to reduce the B-47 force in FY 1963, as is now programmed. Accordingly, I recommend retention of the 13 wing, 52 squadron force level through FY 1963. Subsequent B-47 phase out should be reassessed in one year.

9. TITAN II—TITAN II is the only quickly responsive missile system capable of delivering 6000 pound payloads. As such TITAN II provides versatility of a sort possessed by no other missile system currently being considered. I recommend procurement of two additional squadrons.

10. B-52H—I recommend no further B-52 procurement beyond the 14 wing force now approved.

11. ATLAS, JUPITER, and THOR phase out—The major expenditures for these systems have already been made. These are weapon systems which require Soviet targeting and have a considerable capability. Further, JUPITER and THOR can be retained at minimum cost in U.S. manpower. I recommend decision to phase out these systems be deferred another year.

**L.L. Lemnitzer**

*Chairman*

*Joint Chiefs of Staff*

September 1961

240. Memorandum from Gen. Cabell to Gen. Taylor,  
September 6<sup>1</sup>

September 6, 1961

Attached is the memorandum for the President which you requested. Because of the urgency of the request, there has not been time to coordinate this memorandum within the intelligence community.

**C.P. Cabell**  
General, USAF  
Acting Director

**Attachment**

SUBJECT

Current Status of Soviet and Satellite Military Forces and Indications of Military Intentions

1. *Changes in Capabilities.*<sup>2</sup> In recent weeks the USSR, and to a lesser extent the Satellites, have undertaken a series of measures aimed at several purposes: to display their military strength, to augment that strength, and to demonstrate their readiness to use it if necessary. These moves have included, in the USSR, the display of advanced aircraft and airborne missiles at Aviation Day, the announcement of a supplemental defense allocation of 3.1 billion rubles and of suspension of troop reductions, the subsequent announcement that an undisclosed number of men due for discharge will be retained, the invitation to Western attaches to attend an exercise featuring simulated tactical nuclear weapons, and the resumption of nuclear testing. In the Satellites, East Germany has launched a recruiting drive with a goal of 47,000 enlistments, Czechoslovakia is calling up some reservists and perhaps extending the terms of some personnel, and Poland has announced plans to follow the Czech lead.

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<sup>1</sup> Transmits memorandum on "Current Status of Soviet and Satellite Military Forces and Indications of Military Intentions." Top Secret. 15 pp. CIA Files, Job 80B0676R, DCI/EA Files, White House, Sep-Dec 61.

<sup>2</sup> A summary of Soviet and Satellite forces in Europe facing NATO is at Annex. For a full discussion and detailed tables of Soviet and Satellite military strengths, see NIE 11-4-61, "Main Trends in Soviet Capabilities and Policies, 1961-1965," Annexes A and B, dated 24 August 1961, TOP SECRET.

2. Of these moves, only those relating to manpower will affect capabilities in the near future. (The increase in defense spending is for unknown purposes, and part of it might serve to raise current capabilities by such means as intensifying military training or establishing alert forces within the bomber fleet.) When the Soviet personnel reduction was suspended, the military establishment totaled approximately 3 million; the extension of service could raise this, by year's end, by a further quarter million (or, if all personnel are held in service, by three-quarters of a million). We believe that this move reflects primarily a desire to improve the quality of Soviet forces by retaining trained personnel. In our view, it is almost certain that there has been no significant reinforcement of Soviet forces in Eastern Europe, or crash programs for re-equipment. Nor do we have evidence that advanced weapons have been deployed westward in recent weeks.

3. The status of the Soviet ICBM program deserves special attention. The USSR is now engaged in the flight-testing of at least one type of second-generation ICBM system. Test firings began early this year, and thus far the firing program has been more intensive but much less successful than the earlier program to develop a first-generation ICBM. Still another vehicle, which may be for space flight or weapon delivery purposes, is also being test-fired from Tyuratam to Kamchatka this year. Based on the chronology and the degree of success to date, we are confident that neither of these new vehicles will be operational as ICBM weapon systems during the coming autumn and winter. You are aware of existing disagreements in the intelligence community regarding current Soviet ICBM strength on launcher. These estimates cover the span from "a few" to 125 as of mid-1961 and are presently under urgent review. Although there has to date been no formal change in the estimates of Soviet ICBM strength contained in NIE 11–8–61, we now believe that our present estimate of 50–100 operational ICBM launchers as of mid-1961 is probably too high.

4. Our estimate was based on the belief that for several years the Soviets had engaged in a relatively steady though deliberately paced program to deploy first-generation ICBMs. On the basis of accumulating evidence of ICBM development and deployment, we now believe that the Soviet leaders recognized the serious disadvantages of their extremely cumbersome first-generation system and proceeded to the vigorous development of a more suitable second-generation system. We now believe that they deliberately elected to deploy only a small force of first-generation ICBMs in 1960–1961, even though they had the capability to deploy ICBMs in considerably greater quantity. During this same period, Soviet propaganda assiduously cultivated an image of great ICBM strength, relying heavily on Soviet space achievements to bolster these claims.

5. If our present view of the course of the Soviet ICBM program is correct, then the USSR has been and still is conducting its foreign policy from a position of less strength in intercontinental striking power than the Soviet leaders have sought to imply. Nevertheless, the present Soviet ICBM capabilities, along with those of bombers and submarines, pose a grave threat to US urban areas, but a more limited threat during the months immediately ahead to our nuclear striking forces.

6. On the other hand, we are more confident of our previous estimate of medium-range ballistic missiles. These weapons give the Soviets a formidable capability against our NATO allies and against our forces in Europe.

7. *Readiness.* Military ground and air activity in the USSR and Eastern Europe presently reflects a normal level of readiness. Naval out-of-area operations are somewhat higher than normal but this is not a greater divergence from normal than has occasionally occurred in the past. Commercial shipping is generally normal. The Soviet troops in East Germany which were deployed in connection with the border action of 13 August have returned to their locations. The two East German divisions which moved from the north to the Berlin area in July-August remain there, suggesting a permanent relocation which may involve some shift in areas of responsibility between the Soviet and East German forces. Intensified training by the East German Air Force suggests that it is being prepared for a greater role in the air defense of East Germany, including policing of the air corridors to Berlin.

8. The Soviet forces in Germany are at a generally high state of combat readiness. Activity is seasonally normal; the arrival of new conscripts has just begun, and the exercise schedule of former years is being followed. Regimental level exercises are now taking place, and preparations for divisional exercises are underway. This training cycle normally reaches its peak in late October-early November, at which time the Soviet forces are in their highest state of readiness. In December, when units return to their garrisons following maneuvers and rotation of troops eastward for discharge normally occurs, this readiness falls off. This drop will be avoided this year if the troops in East Germany are among those whose terms are extended, and if they are held in East Germany.

9. *Intentions.* We have no indications in the present pattern of military activity of actual intent to initiate the use of force. In the future, we do not expect that military activity will provide conclusive evidence of intent to attack, except perhaps late in a crisis situation, since most indications will also be consistent with an intention to deter or to defend if attacked.

10. With respect to intentions, Khrushchev has stated that a Western attempt, after a separate peace treaty, to maintain access by force would

be met with counterforce. We believe him. Despite his reiterations that such a conflict would “inevitably grow” into general nuclear war, we believe that the USSR would seek to keep such a conflict limited and non-nuclear, although it would almost certainly respond in kind to any raising of the stakes which threatened to result in a Soviet defeat.

11. *Possible Future Developments.* We anticipate that, in the coming months, the Soviets will take further actions designed to improve their general military posture, to intimidate the West, and to convince their opponents that they are determined to pursue their objectives in the face of high risks. On the ground in East Germany, they may increase their forces and deploy troops along the East-West German border or along Western access routes to Berlin. They may take measures to prepare their population for the possibility of war. To strengthen the image of Soviet military might, they may detonate a thermonuclear device of considerably higher yield than any they have yet tested. Other possibilities are the detonation of a variety of missile-delivered nuclear weapons—perhaps in the Novaya Zemlya area or in the vicinity of the instrumentation ships which are still at sea in the Pacific. They may stage large-scale Warsaw Pact maneuvers to create an impression of the solidarity of that alliance.

## Annex

### SOVIET AND SATELLITE FORCES IN EUROPE FACING NATO

1. Soviet ground strength in Eastern Europe is 26 combat ready divisions, backed up by 44 combat ready and 27 low strength divisions in Western USSR. Short-range ballistic missiles, capable of carrying either nuclear or conventional warheads, in mobile units, are probably assigned to these forces. The Satellite armies have a total of 59 divisions of varying degrees of effectiveness and reliability. Soviet and Satellite divisions by type are shown in Tables 1 and 2.

2. Soviet forces in East Germany represent a powerful armored force of about 350,000 men, with 10 tank and 10 motorized rifle divisions, well over 5,000 tanks, and supporting artillery and other units. The USSR has the back-up capability for reinforcement and continuing resupply so long as the logistical lines from the USSR are intact. These forces are equipped with dual-capable weapons and carriers. There is some evidence that nuclear warheads are presently stocked in East Germany for Soviet ground forces, although storage sites have not been identified. The Soviets could readily provide tactical nuclear weapons to their forces in Eastern Europe.

3. Soviet Tactical Aviation now has about 175 jet light bombers and 900 fighters in Eastern Europe. The Satellites together have about



125 light bombers and about 2,100 fighters intended primarily for air defense. In the European USSR, there are in Tactical Aviation an additional 75 medium bombers, 325 light bombers, and about 1,000 fighters.

4. The Soviet Navy has some 130 modern long-range submarines (including 21 missile launching ships), 3 cruisers, and about 50 destroyers and destroyer escorts in the Northern Fleet capable of engagement in the North Atlantic, in addition to units in the Baltic and Black Seas. There are about 250 naval medium bombers (BADGERS), the bulk of them equipped with air-to-surface missiles, with these European fleets.

5. Some of the 975 medium bombers of Long Range Aviation and medium and intermediate range missiles of the Rocket Forces are also available to support theater campaigns in Europe. We estimate that the USSR now has a force of medium range (700 and 1,100 n.m.) missiles which approaches 250–300 operational launchers, the majority of which are deployed within range of West European targets.

TABLE 1  
SOVIET LINE DIVISIONS FACING NATO

AREA	MOTORIZED RIFLE/ MECHANIZED				TOTAL
	RIFLE		TANK	AIRBORNE	
Eastern Europe					
Combat Ready	0	12	14	0	26
Low Strength	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	0	12	14	0	26
Western USSR					
Combat Ready	2	29	8	5	44
Low Strength	<u>7</u>	<u>19</u>	<u>1</u>	<u>0</u>	<u>27</u>
	9	48	9	5	71
TOTAL					
Combat Ready	2	41	22	5	70
Low Strength	<u>7</u>	<u>19</u>	<u>1</u>	<u>0</u>	<u>27</u>
	9	60	23	5	97



TABLE 2  
SATELLITE LINE DIVISIONS

COUNTRY	RIFLE	MOTORIZED RIFLE/ MECHANIZED			TANK	AIRBORNE	TOTAL
Bulgaria	6	0	1	0	7		
Czechoslovakia	0	12	2	0	14		
East Germany	0	4	2	0	6		
Hungary	0	5	0	0	5		
Poland	0	9	4	1	14		
Rumania	11	1	1	0	13		
TOTAL	17	31	10	1	59		

#### 241. Memorandum from Gen. LeMay to SAFS, September 18<sup>1</sup>

September 18, 1961

##### SUBJECT

(C) Recommended Long Range Nuclear Delivery Forces 1963–1967

1. (SECRET) I have reviewed the proposed memorandum to the President on “Long Range Nuclear Delivery Forces 1963–1967” which was forwarded to you on 29 August 1961, by the Secretary of Defense for comment. In my view, the reductions in certain strategic offensive systems substantially below Service recommended levels for Fiscal Year 1963 procurement are not justified.

2. (TOP SECRET) The general war deterrent strategy set forth as a basis for force level determinations is not clearly delineated. While rejecting the dangers of “minimum deterrence”, the posture counseled largely contradicts that intent.

a. For example, the requirement is recognized for the capability to respond with nuclear attack against the Soviets in case of major assault upon our Allies. It is implied, however, that we should not attempt to

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<sup>1</sup> Recommendations on long-range nuclear delivery forces, 1963–1967. Top Secret. 3 pp. Washington National Records Center, Records Group 330, OSD Files: FRC 71 A 3470, Misc Budget.

develop the capability to pre-empt in the case of unequivocal strategic warning of impending attack upon the United States itself.

b. This embodies the suggestion that we would be in a less favorable position if we responded to a threat of attack only against the U.S., than if we retaliated to assault upon one or more of our Allies. We would, in fact, be in a far better position in the former case, and could expect Allied contribution to our response.

c. In my judgment, both capabilities are vitally necessary to a viable deterrent strategy and to our collective security commitments; a force capable of either will be capable of both; and such a force is infeasible only if we choose to regard it as such.

d. I am particularly concerned over the implication that we cannot provide required strategic forces except at the cost of resources needed to increase the conventional capability of our theater forces. I have supported conventional improvements with the clear understanding that the strategic posture would not be permitted to weaken, since a strong nuclear deterrent posture is the essential element of military strength which makes a conventional option feasible. This is a fundamental tenet of the new U.S. policy toward NATO which is predicated upon the assumption that in preparing to meet non-nuclear attack in NATO we would not divert resources from "programs to assure an ample and protected U.S. strategic power".

3. (TOP SECRET) In addition, the calculations which underlie the judgment reached on forces give rise to questions on points such as the following:

a. While a range of assumptions are employed, only one basic case is assessed, and that includes a threat of unrealistic dimensions.

b. The enemy attack against the proposed U.S. force appears to have been developed without full regard for optimum programming against all elements of the U.S. and Allied nuclear threat to the enemy.

c. The estimates of the median numbers of enemy missiles appear to comprise an unweighted average between two extreme views in published estimates now in process of significant revision, rather than a median.

d. The assumptions regarding the deployment, hardening, yield and accuracy of enemy ICBMs are not consonant with current estimates, and seriously exaggerate the kill potential of the Soviet hardened follow-on ICBM.

e. The target system postulated omits important elements of enemy capability, obscures the distinction between targets and aiming points, contemplates indiscriminate attack upon enemy population and urban floorspace, and invites unacceptable risk by excluding Communist China and the satellites except for possible defense suppression objectives.

f. The weapon loading of bomber alert forces is significantly overstated.

g. It is stated that the Soviet IRBM/MRBM threat can be most economically attacked intercontinentally. In the face of rapid growth of this threat, NATO will not long exist without suitable countering weapons of its own. A NATO MRBM capability would be both cheaper and more effective.

4. (SECRET) A number of the judgments made on the ability to delay or modify current procurement decisions without impact upon future options are also questioned. The decision on increased MINUTEMAN force levels cannot be delayed beyond the Fiscal Year 1963 Budget cycle without the risk of serious penalties to an orderly, economical and operationally feasible program leading to timely final system installation and check out. Similarly, while there is apparent agreement on Fiscal Year 1963 procurement of additional KC-135 jet tankers, the proposed reductions in future force goals have immediate implications. Future KC-135 levels bear upon production rate, and support for an increase from 9 to 14 per month is required in the Fiscal Year 1963 Budget actions.

5. (CONFIDENTIAL) I am particularly concerned as to the security of sensitive war planning information contained in Sections II and III and the Appendices of the proposed memorandum to the President. The Joint Chiefs of Staff are in agreement that these sections should be removed, retained under close control in the Department of Defense, and not be forwarded to the President.

6. (SECRET) My views as to the levels of strategic offensive forces required are expressed in the Departmental Submission for the FY 1963 Budget. I have discussed the strategic concepts underlying the development of these force levels with the Secretary of Defense on at least two recent occasions. Additionally, the Joint Chiefs of Staff have reached full agreement as to the numbers of strategic weapons which should be specifically procured in the FY 1963 Budget. This agreement should be supplemented by funding of necessary long lead-time items to protect the option to attain the force goals reflected in Departmental submissions, for MINUTEMAN and POLARIS for example, upon possible later determination that such higher levels are required.

7. (CONFIDENTIAL) It is my strong conviction that our requirements for added military strengths in long-range nuclear delivery forces are a matter of the highest priority to the future security of the United States. If this dictates an expanded budget, then I am convinced that it can be expanded with public understanding and Congressional support.

8. (UNCLASSIFIED) This letter is classified TOP SECRET to safeguard details of planning for future force levels of strategic offensive weapon systems.

**Curtis E. LeMay**  
*General, U.S. Air Force*  
*Chief of Staff*

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**242. Memorandum from Gen. Taylor to Gen. Lemnitzer,  
September 19<sup>1</sup>**

September 19, 1961

The President has asked me to pass the attached list of questions to you for transmission to General Power.

He would like General Power to respond to these questions at their meeting tomorrow, September 20th.

**Maxwell D. Taylor**

**Attachment**

1. Attached herewith are a number of questions bearing on the Single Integrated Operations Plan (SIOP) which you may wish to ask General Power at your meeting with him tomorrow. The questions are designed to produce answers to some of the alleged weaknesses of the SIOP which include the following:

*a.* Without engendering dangerous confusion, it is difficult if not impossible to vary the schedule of planned strikes by excluding planned targets, bringing in new ones or stopping the schedule.

*b.* As a result of the inflexibility noted in *a* above, in an escalating situation over Berlin, we could not execute a surprise first strike exclusively against Soviet military targets if we so desired.

*c.* If four weapons are scheduled for delivery on a target and the target is destroyed or the enemy capitulates after two have been delivered, it is not possible to withhold the remaining two.

*d.* If the Alert Force is launched on a false alarm and later must turn back, our strike capability will be degraded for a significant period.

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<sup>1</sup> Transmits list of questions for General Power's use in his meeting with President Kennedy. Top Secret. 5 pp. National Defense University, Taylor Papers, 33 66 NATO.

2. In obtaining answers to the foregoing, it is important to separate out what controls are available now and what are for the future. This time factor was not clear in the briefing last Thursday. Also, when the point is made that the injection of some forms of flexibility will reduce military effectiveness, we should get some feel whether the reduction is so serious as practically to eliminate the option.

3. If the questions appear to cover the ground which you wish to cover with General Power, I will have them transmitted to him at once.

Maxwell D. Taylor

### Attachment

#### STRATEGIC AIR PLANNING

Question #1. I understand the strategic attack plan now contains 16 "options." I gather the impression, however, [text not declassified]. Is it now possible to exclude [text not declassified] from attack? If not, how soon could you develop a plan which contains such options? Can whole areas, [text not declassified] be eliminated from attack? If so, at what risk?

[text not declassified]  
[text not declassified]  
[text not declassified]  
[text not declassified]  
[text not declassified]  
[text not declassified]

Question #3. [text not declassified] would leave a sizeable number of MRBMs facing Europe.

a. Would the inclusion of these MRBMs in the initial attack so enlarge the target list as to preclude tactical surprise?

b. If so, is it possible to plan an immediate follow-on attack which would strike these targets before the first attack was completed? In particular, would our European land and sea-based air forces be suitable for this task?

Question #4. I am concerned over my ability to control our military effort once a war begins. I assume I can stop the strategic attack at any time, should I receive word the enemy has capitulated. Is this correct?

Question #5. Although one nuclear weapon will achieve the desired results, I understand that, to be assured of success, more than one weapon is programmed for each target. If the first weapon succeeds, can you prevent additional weapons from inflicting redundant destruction? If not, how long would it take to modify your plan to cover this possibility?

*Question #6.* What happens to the planned execution of our strategic attack if the Alert Force is launched and several hours later it is discovered that it has been launched on a false alarm? How vulnerable would we be, and how soon would the U.S. be in a position to attack the USSR?

*Question #7.* After the Alert Force has been launched, how do I know that our remaining forces are being used to best advantage. Are these follow-on forces automatically committed to predetermined targets, or do we have means of getting damage assessments to direct their attacks?

*Question #8.* Given the European situation, some of SACEUR's tactical fighters now scheduled for atomic attacks may be employed for conventional support of ground forces instead. Can other forces take over the responsibility of hitting SACEUR's atomic targets without jeopardizing the success of the plan materially?

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## 243. National Intelligence Estimate, NIE 4-3-61, September 21<sup>1</sup>

September 21, 1961

### NUCLEAR WEAPONS AND DELIVERY CAPABILITIES OF FREE WORLD COUNTRIES OTHER THAN THE US AND UK

#### THE PROBLEM

To estimate the capabilities and intentions of Free World countries other than the US and UK with respect to the development of an operational nuclear capability, i.e., both nuclear weapons and compatible delivery systems,<sup>2</sup> over the next decade.

(NOTE: In this paper we deal with the potential of certain individual Free World countries and certain groupings of them to develop an operational nuclear capability at present levels of external assistance, the likelihood of their initiating programs, and also the forms such programs might take. Any significant change in the level of external aid would clearly alter the basic estimates in regard to timing, likelihood, and form, contained herein.)

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<sup>1</sup> "Nuclear Weapons and Delivery Capabilities of Free World Countries Other Than the US and UK." Secret. 16 pp. CIA Files, Job 79R01012A, ODDI Registry.

<sup>2</sup> The words "operational nuclear capability" are used with this meaning throughout this paper.

## CONCLUSIONS

1. The prerequisites to developing a nuclear weapons program are becoming increasingly available to nonnuclear states. Uranium is easier to obtain; many countries are acquiring research and power reactors and are training technicians; information on weapons technology is more widespread. Nevertheless, the inhibitions on deciding to start a weapons program are formidable. At the present state of the art, the most limited weapons program would cost in the hundreds of million dollars and a moderate program of sophisticated weapons and delivery systems would run into the billions. We estimate that over the next several years there will be no technological breakthrough which would significantly alter the complexity and costs of these tasks. Furthermore, decisions on undertaking a nuclear weapons program remain profoundly influenced by psychological, political, and military considerations. (*Paras. 5–15*)

2. France, and possibly Israel, have already made the decision to develop operational nuclear capabilities. Assuming no increase of outside aid, we estimate their program as follows:

*a. France* will almost certainly continue its program, and by 1962–1963, if it overcomes the difficulties shown in the 1961 tests, it will probably have an initial operational nuclear capability using light bombers and compatible fission bombs. Provided France maintains a large-scale effort, by the end of the decade it could have a varied strike capability using aircraft, missiles with ranges up to 1,500–2,000 n.m. with either high-yield fission or thermonuclear warheads, and possibly nuclear-powered missile submarines. Loss of the Sahara testing sites could create major problems for the French. (*Paras. 20–22*)

*b. Israel* has strong incentives to develop a nuclear capability against its Arab neighbors and has received significant assistance from France. With the addition of plutonium separation facilities, Israel could probably produce by 1965–1966 sufficient weapon grade plutonium for one or two weapons a year, deliverable by aircraft. By 1968 Israel could also have its own 200–300 n.m. missiles. Israel's lack of space for testing weapons or missiles imposes a considerable obstacle to its programs. Without a continuation of the scale of aid Israel has received from France, the program would be delayed at least a year or two. (*Paras. 23–28*)

3. We believe that no other Free World country has made the decision to start a nuclear weapons program. Among the countries which might do so in time to produce an operational nuclear capability before 1971 are Sweden and India.

*a. Sweden* is not likely to make a decision before 1963. If it then decided to pursue a weapons program, it could probably explode a

device by 1965–1966, have a weapon deliverable by aircraft a year or so later, and fission warheads for domestically developed 500 n.m. missiles by the end of the decade. (*Paras. 29–31*)

*b.* If *India* decided within the next year or two to start a weapons program, it could have a modest capability, using aircraft and fission weapons, by 1968–1969. A decision by India to initiate a weapons program would probably be made only if the Communist Chinese first exploded a device, and if Communist Chinese foreign policy became more truculent. (*Paras. 32–35*)

4. We believe it unlikely that any other Free World country or possible grouping of countries will initiate weapons programs during the next several years. Even if they were to decide to do so, we believe that none except Canada could detonate a test device for at least 4–5 years after decision and could probably not, on their own, develop the types of weapons and delivery systems suitable to their needs before the end of this decade. (*Paras. 17–18, 36–44, Table II, page 4.*)

## DISCUSSION

### I. GENERAL CAPABILITIES

#### A. *Nuclear Weapons Capabilities*

5. The minimum requirements for the development and production of nuclear weapons include: (a) access to a supply of natural uranium; (b) the ability to separate weapon grade uranium 235 from natural uranium or to extract the plutonium produced in a reactor; and (c) the scientific and technical ability to design and fabricate the weapon. As indicated in Table I, these general requirements can, or could within the period of this estimate, be met by a number of countries. Moreover, as world uranium production and commercial sales of power reactors expand, it appears likely that, in absence of effective international controls, a country without domestic sources of natural uranium will be able to acquire it. It is also likely that any country will be able to obtain reactors which could be used for plutonium production, and could theoretically acquire the technical ability to produce at least a few crude weapons. While a number of countries supplying uranium to others impose restrictions on its use and ultimate disposition, sources which are willing to sell without restrictions are increasing, and some purchasers are reluctant to accede to limitations on use.

6. It is theoretically feasible for a country which has produced weapon grade fissionable materials to design and fabricate a nuclear weapon without testing. However, an untested weapon would be of uncertain reliability unless the producer had been supplied with the detailed design of a previously tested weapon. Hence we believe it highly unlikely that any country would manufacture and stockpile



weapons of original design without first having conducted tests. The finding of suitable test sites would be a very difficult problem for most of these countries. While countries could theoretically conduct nuclear tests underground, such testing would involve a significant increase in costs, considerable time delays, and reduced diagnostic returns.

TABLE I  
SELECTED INDICATORS OF NUCLEAR WEAPON  
PRODUCTION CAPABILITY

COUNTRY	XXX—Major XX—Moderate		X—Small P—Potential	
	Domestic Availability of Uranium <sup>a</sup>	Nuclear Research Program	Nuclear Power Program	Industrial Resources Capacity
France	XXX	XXX	XXX	XXX
West Germany	X	XXX	X	XXX
Italy	X	XX	XX	XX
Belgium	—	XX	X	XX
Netherlands	—	XX	P	X
Norway	—	XX	X	X
Canada	XXX	XXX	XX	XXX
Sweden	XX	XXX	XX	XX
Switzerland	—	X	P	XX
Japan	X	XX	X	XX
India	XX	XX	X	XX
Israel	—	XX	P <sup>b</sup>	X
UAR	P	P	P	X
Australia	XX	X	P	XX

<sup>a</sup> This is a factor of diminishing importance because of the increasing ease with which nations can purchase uranium ore either with or without restrictions on its use or disposition.

<sup>b</sup> See paragraphs 23–24 of text.

7. Between the decision of a country to undertake a nuclear weapons program and the time when the first crude weapons are produced, a considerable time would elapse. This would be true even in the case of a grouping of countries having a joint nuclear research and power program. This time would vary from a few years to a decade depending upon a country's level of nuclear technology, its general industrial and scientific potential, the availability of testing sites and type of testing pursued, as well as the importance and urgency it might attach to the acquisition of such weapons. In most cases, the bulk of this time would

probably be needed to construct and operate the main installations for obtaining weapon grade materials, either plutonium from a reactor or U-235 from an isotope separation plant.

8. As the number of power and research nuclear reactors in a country increases, the potential for producing plutonium will increase, which could reduce the time between decision and the availability of nuclear weapons. However, it is highly unlikely that countries which have not already initiated plutonium production programs could accumulate significant amounts of weapon grade materials in the next several years, given the present restrictions on the use of purchased uranium in many cases, and even more importantly, the absence of plutonium separation plants.

9. Furthermore, the steps between producing a first crude weapon and developing more sophisticated weapons are long and costly. If more than a token capability is aimed at, major isotope separation facilities for the production of weapon grade U-235 would be almost a necessity in view of the disproportionate cost of producing large quantities of plutonium. Advanced weapons development would require extensive testing. Moreover, in the case of a country with a small capacity to produce weapon grade material, testing would consume material which would otherwise be available for weapons production.

10. Assuming that there is a major effort to develop an operational nuclear capability, that outside aid continues at roughly what we believe to be current levels, and that present safeguard measures placed upon both materials and reactors remain effective for the next several years, Table II below indicates the probable time periods that various countries would require to explode a first nuclear device. Actual years are given for France which has already tested, and Israel which may have decided to pursue a weapons program. For the other countries, the time periods estimated are based upon the assumption that the programs will be initiated sometime in the next year or two.

11. These dates and time periods are also based on our estimate that there will be no significant technological breakthrough in the next several years which would significantly alter the complexity or economic costs of developing a nuclear capability. An example of such a possible technological development would be the perfecting of the gas centrifuge process for isotope separation. Compared to present separation methods, this process would require less electric power, be adaptable to small capacity production, and be more easily concealed. An advance of this kind would increase the number of countries which could afford to produce weapons, but would probably not advance the dates suggested in Table II.

TABLE II  
ESTIMATED TIME REQUIRED FOR SELECTED  
COUNTRIES TO PRODUCE A FIRST  
NUCLEAR DEVICE

COUNTRY	FIRST DEVICE <sup>a</sup>
France	4 tested (1960–1961)
Israel	1966–1967
Canada	1–2 years after decision
Sweden	3–4 years after decision
West Germany	4–5 years after decision
Italy	5–6 years after decision
India	5–6 years after decision
Japan	5–6 years after decision
UAR	<sup>b</sup>

<sup>a</sup> In most cases, a first crude weapon deliverable by aircraft, weighing some 5,000–10,000 pounds and with a diameter of 50–60 inches, could be produced in about a year after the first test device if sufficient materials were at hand. In the case of programs which were aimed at a specific sophisticated delivery system (e.g., the French program with its MIRAGE IV bomber—see paragraph 20), the production of more refined weapons would take longer.

<sup>b</sup> The UAR almost certainly wishes to offset Israel's progress towards a nuclear capability. The UAR, however, is so deficient in all the requirements for a nuclear weapons program that it would have to receive substantial assistance in all elements of the program. It could not, on its own, develop a nuclear capability during the period of this estimate.

*B. Delivery Capabilities*

12. An operational nuclear capability requires not only nuclear weapons, but also the ability to deliver these weapons with a reasonable degree of accuracy against potential targets. The specific delivery requirements of individual countries vary considerably, being determined in large part by a country's geographic position and the defensive capabilities of the potential enemy. For example, in the case of Israel the ability to deliver a nuclear weapon several hundred miles by aircraft could be of considerable military significance vis-à-vis Arab countries with little defensive capability. On the other hand, most of the European nations and Canada would require sophisticated and long-range systems to give them a capability against the nearest major Soviet targets.

13. The abilities of the various countries to develop a suitable delivery system, and the probable time required to do so, also vary considerably. All the countries listed in Table I probably could produce or acquire some aircraft delivery capability by the time their first generation of nuclear weapons became available. However, only a few of

these countries will be able during the next 10 years to develop and produce on their own suitable high-performance aircraft, and cruise-type or ballistic missiles. Even the more advanced countries now lacking modern delivery systems would probably require 4–6 years to develop and produce limited numbers of modern bombers or shorter range surface-to-surface missiles (200–500 n.m.), and probably closer to 10 years to develop IRBMs. Moreover, the longer the development of delivery capabilities is postponed—either through lack of decision or capability—the greater the chances that the defensive capabilities of potential enemies would also increase, thus increasing the sophistication needed in the delivery system.

## II. PROBABLE PROGRAMS

### A. *General Considerations*

14. While the above review indicates the overall capabilities of various countries believed capable of developing an operational nuclear capability, it does not answer the question whether they will actually do so. Decisions to go ahead on such a program, or to carry out such a program once launched, will depend upon a complex of considerations both domestic and international. These include in the case of any specific country the nature of its political relations with other states, its estimated military requirements, and general psychological and emotional factors such as the intensity of the desire to increase national prestige, the domestic opposition to the acquisition of nuclear weapons, etc. The economic burden of such a program would in all cases be a major factor to be considered since even a program for a few crude weapons and an unsophisticated delivery system would cost several hundred million dollars. A more ambitious program, involving modern aircraft or missiles with compatible warheads, would require expenditures of up to several billions of dollars. (See Annex A for more details on the costs of various types of weapons and delivery systems.)

15. The weight of the factors mentioned above is not fixed and may change as costs and difficulties change and the political-strategic factors alter. The prospect of an agreement among the major powers for a nuclear test ban, for example, especially if it were viewed as a forerunner to broader disarmament steps, would undoubtedly strengthen forces opposed to the spread of nuclear capabilities. Growing pessimism as to the likelihood of any realistic disarmament agreement could in some cases (e.g., Sweden, India) tend to undermine opposition to the acquisition of a national nuclear capability.

16. Despite these uncertainties, we believe it possible to suggest which considerations will probably have most weight in particular countries, and to indicate their likely course for the next several years

at least. Most countries considered in this paper are unlikely to be able to develop an operational nuclear capability in the period of this estimate, unless a decision is made shortly.

*B. Unlikely Candidates*

17. We believe it unlikely that Belgium, the Netherlands, Norway, Switzerland, Australia, Italy, and Canada will initiate independent nuclear weapons programs in the next few years. For the smaller countries in this group the costs of even a minimum program suitable to their geographic location would be burdensome, even if spread over 8–10 years, and would require substantial increases in present budgets. Such increases would probably necessitate simultaneous cut-backs in high priority economic and other military programs. Even Canada and Italy, despite their considerably greater potential, would feel the economic squeeze of such programs.

18. Moreover, these countries probably do not exclude the possibility that a nuclear capability—if deemed necessary for their defense—may be obtained in time more cheaply and easily from a major ally or friendly power. In most of these countries, moreover, and particularly in Norway and Canada, there is a strong and persistent domestic opposition to the creation of a nuclear capability and to the spread of nuclear weapons. However, at the same time many of these countries will probably continue to improve their overall capabilities in the nuclear field and develop their present peaceful programs with one eye cocked to the future possibility that they may eventually decide to develop an operational nuclear capability independently, or, if political circumstances should be favorable, together with other more advanced powers.

*C. Likely Candidates and Special Cases*

19. Special considerations apply to the remaining countries or groupings with capabilities to develop independent operational nuclear capabilities. France, and possibly Israel have already made the decision to develop such a capability. Other countries—Sweden, India, Japan, and West Germany—have almost certainly not made a decision to develop an independent capability. They have, however, the overall potential and have nuclear and missile activities underway which would facilitate the carrying out of a program to develop an independent operational nuclear capability. Finally, with the continuing trend toward European cooperation and integration in various fields European cooperation in the nuclear military field remains a possibility.

*France*<sup>3</sup>

20. The recent French tests indicate that France is having some difficulty with its weapons development program.<sup>4</sup> Nevertheless, France is continuing to press ahead with the development of an operational nuclear capability. Present plutonium production capacity is sufficient for [text not declassified] fission weapons a year, depending upon the yield, and will probably increase in 1963. In addition, the French have a gaseous diffusion plant under construction which could make weapon grade U-235 available by 1963–1964. The French program aims first at a bomber delivery system, to be followed by a missile system with a range of 1,500–2,000 n.m. If in the next few months France overcomes its apparent difficulties in its nuclear weapons development program, it will probably have an initial operational nuclear capability in 1962–1963 using land-based aircraft, including a few MIRAGE IVs, a supersonic jet light bomber. Present planning also indicates that de Gaulle intends that by the end of the decade France will have a varied nuclear strike capability using aircraft, IRBMs with either high-yield fission or thermonuclear warheads, and possibly nuclear-powered missile submarines.

21. So long as de Gaulle remains in power we see little likelihood of any slackening in French determination to carry through the program. While de Gaulle would probably welcome some external assistance, provided it was made available without military or political conditions, we believe that France is capable of carrying through its present programs without outside help. A successor regime, would probably, be unable or unwilling to carry on the program as vigorously as de Gaulle. As time goes by, however, it will become increasingly unlikely that any successor government, except a radical left government, would wish to abandon the effort.

22. French progress is heavily dependent on continued testing of both nuclear and missile components. Loss of testing sites in the Sahara would create major problems for the French program, the resolution of which would be costly and time consuming. Such a development could lead to basic modification in the French program—particularly after de Gaulle leaves—and could possibly result in greater reliance on multilateral arrangements within NATO.

*Israel*

23. There is considerable evidence to indicate that Israel is engaged in developing capabilities in the nuclear weapons and delivery fields.

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<sup>3</sup> See SNIE 22–61, “French Nuclear Weapons and Delivery Capabilities,” dated 11 May 1961, SECRET, for further detail.

<sup>4</sup> See RD Annex to SNIE 22–61.

Israel, surrounded as it is by hostile Arab states, has strong incentives to have an operational nuclear capability. It has been receiving substantial help from the French in the nuclear field. Furthermore, Israeli technical abilities are of a high order. While the Israeli program may not now be directed specifically toward an operational nuclear capability, we believe that the Israelis intend at least to put themselves in the position of being able to produce nuclear weapons fairly soon after a decision to do so.

24. Israel is engaged in the construction of a 26 MW heavy water reactor and supporting facilities in the Negev near Dimona. The official Israeli position is that this installation is a necessary forerunner to the future construction of nuclear power stations. However, the Dimona site will also provide the necessary experience to develop a plutonium production capability beginning with the processing of ore, and proceeding through the separation of plutonium. There is also extensive evidence that France has supplied plans, materials, equipment, and technical assistance to the Israelis, and is also training personnel. Israel has also attempted to purchase ore from sources not requiring limitations on the use and disposition of the fissionable material produced.

25. Israel differs from other countries in that its targets are much closer at hand, i.e., the Arab countries, particularly the UAR, and the defensive capabilities of its potential enemies are not great. For this reason, its delivery system needs neither the range nor the sophistication required by other countries.

26. While Israel is not developing any aircraft, it is procuring planes from France. At present the Israelis have the French Vautour II-B, a subsonic jet light bomber, capable of carrying a nuclear weapon weighing up to 5,000 pounds, to a radius of 550 n.m. In view of past political and technical cooperation with France, it is probable that Israel plans to acquire more modern French aircraft suitable for delivery of any future Israeli weapons. The firing on 5 July 1961 of a meteorological rocket, SHAVIT II, reportedly of native construction and design, lends credibility to reports of Israeli efforts to develop an independent surface-to-surface missile capability. SHAVIT II is reported to be a multistage, solid propelled, unguided rocket which reached an altitude of approximately 50 n.m.

27. We estimate that the present Israeli reactor operating at maximum power could produce sufficient weapon grade plutonium for one or two weapons a year by 1965–1966, provided separation facilities with a capacity larger than that of the pilot plant now under construction are available. By 1968, the Israelis could also have a few 200–300 n.m. missiles, but these would require nuclear warheads of refined design. The costs of both a weapons and missile program would require annual outlays which would considerably increase military expenditures over



the current level (\$232 million in 1960). A more serious impediment to the acquisition of an operational nuclear capability is the lack of space in Israel for conducting adequate tests for nuclear weapons or medium-range missiles. Further, the estimated rate of production of weapon grade material is so low that a test program might consume the material as fast as it was produced.

28. It is unlikely, therefore, that even a very limited operational nuclear capability, using aircraft, could be achieved until two or three years after weapon grade plutonium first became available unless the French provide major assistance (e.g., testing facilities for weapons and missiles or weapons designs which would obviate the need for tests). In the absence of major French or other external support, we believe that the Israelis would probably still continue to work toward a limited operational nuclear capability, setting their sights initially on a very few nuclear weapons deliverable by aircraft. They could probably achieve this by 1967–1968, and would probably work diligently toward an operational missile capability at a later date, probably after 1970. Even if Israel should go directly to producing crude fission weapons of original design without any testing, we believe it could not have a weapon before 1966–1967.

#### *Sweden*

29. Sweden has so far avoided making any clear-cut decision in regard to a nuclear weapons program. Military leaders and some conservative political elements, as well as a few leaders of the governing Social Democratic Party (SDP) have agreed that an operational nuclear capability would discourage Soviet attack on Sweden, alone or in connection with hostilities between Soviet and NATO forces. Moreover, basic nuclear research of high quality is continuing, and there are some indications that a facility for plutonium separation is in the planning stage. However, the economic and financial costs, the strong opposition within the bulk of the SDP, and the fact that it will probably be at least several years before enough domestically produced plutonium becomes available even to conduct a test, have all combined to keep a clear-cut decision in abeyance.

30. The present government is likely to remain in power for several years more at least, and it has taken the position that no decision will be made before 1963 on the question of whether or not to direct its nuclear program toward the production of weapons. If at that time the international climate appeared to be calm, especially if positive steps toward disarmament had been agreed upon by the major powers—or there were reasonable hopes that one would materialize—it is unlikely that the Swedes would decide to undertake a nuclear weapons program. In the absence of such reassuring factors and especially if other



countries had already decided to produce nuclear weapons, the pressure to initiate a nuclear weapons program would probably grow sharply. In the event of a rapid degeneration of the international situation, the Swedes might prior to 1963 make a decision to have a weapons program. However, even on a crash basis we believe they could not have enough domestically produced weapon grade material to conduct a test before 1964–1965.

31. Sweden's basic aim in developing an operational nuclear capability would be to command respect for its traditional policy of neutrality. Sweden recognizes, however, that its only potential enemy is the USSR and hence their delivery systems would be primarily for defensive, relatively short-range weapons. Given this aim, the considerable costs involved, and its geographic proximity to Soviet targets, Sweden would probably plan a limited program involving development and production of high-performance jet aircraft and shorter range (200–500 n.m.) missiles with compatible fission warheads. Provided a decision were made to go ahead in 1963, and given Sweden's advanced nuclear research program, its nuclear power program and its industrial resources, we believe it could produce enough weapon grade plutonium to enable it to start testing about 1965–1966, to have a weapon deliverable by aircraft a year or so afterwards, and missile systems carrying compatible fission warheads by 1970.

#### *India*

32. The psychological and political factors opposing any nuclear weapons program continue to be strong in India. The cost and reluctance to divert resources from present economic programs also constitute significant barriers. On the other hand, there is clearly a mounting Indian concern with Communist China's foreign policy, and a growing awareness that probable Communist Chinese progress in the nuclear weapons field endangers India's security, prestige, and ability to maintain a neutral posture.

33. There are indications that India is deliberately improving its overall capabilities in the nuclear field, possibly in anticipation that a future decision to develop an operational nuclear capability may be required. India has three nuclear reactors in operation, one of which—a 40 MW type constructed with Canadian assistance—is capable of producing quantities of plutonium sufficient for about one or two weapons a year. While India has agreed to some restrictions regarding the use of this reactor and the disposition of its fuel, India has indicated its desire to avoid such limitations and is pressing ahead with development of uranium sources which would make it independent of such limitations. A plutonium separation plant is also being designed and preliminary construction has been started with a completion date set

for 1963, although it is unlikely that it will be in operation before 1964–1965.

34. The explosion of a nuclear device by Communist China would greatly strengthen the view in India, particularly in conservative and military circles, that there is a pressing need for an Indian nuclear capability if India is to avoid either bending to Communist Chinese pressure or being forced into a position of outright dependence on Western external support. Even so, we believe India would not decide to devote its nuclear facilities to a weapons program unless its leaders were firmly convinced that no broad disarmament agreements were possible, or that Communist Chinese foreign policy was clearly growing more truculent. Such a decision would probably be more likely if, at the time, Nehru had left the political scene and had been succeeded by a right-wing Congress Party Government. If such a program were launched, the antinuclear voices would continue strong, and if the program appeared to encounter significant snags or involve excessive costs, the program might be cut back, if not actually abandoned.

35. In view of the considerable economic costs, and India's limited technological capabilities in the missile field, any independent Indian effort would be likely to concentrate on the creation of a modest stockpile of plutonium weapons and an aircraft delivery capability. Provided such a decision were made in the next year or two, India could have such a capability sometime around 1967–1968. While India now has the British Canberra bomber with a capability to deliver a bombload of 6,000 pounds to a distance of about 1,400 n.m., the Canberra could not carry internally a bomb with a large diameter and it would take India several more years to develop its own nuclear weapon compatible with the Canberra. However, India would probably expect to be able to procure foreign aircraft with improved nuclear carrying capabilities.

#### *Japan*

36. Given the state of Japan's scientific and technical advancement and its industrial resources, we believe that Japan could probably have its first nuclear device in five or six years, if it decided in the next year or so to embark on a nuclear weapons program, and that it could have its first weapon deliverable by aircraft a year or so later. It could also probably develop missiles with ranges up to 1,000 n.m. in about the same time and compatible fission warheads for such missiles by 1970.

37. It is highly unlikely, however, that Japan at this time has any serious intentions of undertaking a nuclear weapons program of its own. Antimilitary, particularly antinuclear, attitudes remain extremely strong among the populace and susceptible to exploitation by socialists and Communists. The diversion of resources from development and welfare programs would not be politically feasible. There is, moreover,

considerable support for continued reliance on US military support, and doubts in the minds of many that a nuclear capability would promote Japanese security, given Japan's highly concentrated population and exposed geographical position.

38. These attitudes and views could change in the coming years with changing circumstances, e.g., if it became increasingly clear that progress on international disarmament was unlikely, if Communist China detonated a nuclear device, if other countries, notably India, decided to develop nuclear weapons, or if confidence in the US alliance decreased. In such cases, pressures for an independent capability would probably increase. Nevertheless, barring the unlikely return to power of a right-wing authoritarian government, we believe that Japan will not undertake a nuclear weapons program of its own in the next few years.

*West Germany*

39. We do not believe that the West Germans now have any definite plans for developing an independent nuclear capability. The foreign and military policy of West Germany continues to rest on the principle that the country's security against the Soviet Bloc depends on a strong and cohesive NATO in which US power and leadership play the central role. Moreover, the obstacles to initiating such a program are considerable. Treaty restrictions and lack of space for testing constitute hurdles to an independent effort. Furthermore, to undertake a nuclear weapons program in the near future would probably involve serious political dissension both within West Germany, and in the Western Alliance, and act as a provocation to the USSR at a time when the overall West German military strength is still limited.

40. On the other hand, West German interest in improving the strength of West Germany's military forces by acquiring modern weapons, and sensitivity to any indications that West Germany has a second-class military status in the Western Alliance, continue to increase. Moreover, as West Germany continues to grow in strength and importance, such feelings are likely to mount, especially if following Adenauer's departure present Defense Minister Strauss moves into greater political prominence.

41. Since 1957 West Germany has been carrying on a nuclear power and research program as well as research in missiles. Of particular interest is the work which the West Germans have done on isotope separation including the gas centrifuge process. If this latter process bears fruit, the separation of U-235 from uranium ore would be greatly facilitated. West German participation in a joint European space program will also give West Germany a boost in the missile field and help remove what gaps may still exist between itself and other major European countries on this score.

42. We believe that West Germany could detonate a nuclear device in four to five years if it made a decision to have a crude weapon suitable for delivery by large aircraft and could also develop in that period missiles with ranges up to 1,000 n.m. Weapons suitable for missile warheads, or for delivery by such advanced aircraft as the F-104, would probably take several additional years to develop and would require considerable testing.

43. Whether or not West Germany makes such a decision will depend less upon its technical capabilities than upon broader political developments, and the degree of prosperity and security which it derives from its Western Alliances. For the present we believe West Germany will continue to seek the benefits of nuclear capability through cooperation with its allies. Initially, and so long as NATO strategic doctrine remains responsive to what the West Germans believe to be their security needs, they will seek NATO solutions including a multilateral nuclear capability under arrangements which would give the West Germans as much voice as other NATO countries in the use, if not the direct control, of nuclear warheads. If frustrated on these matters, West Germans might look to some form of European cooperative effort to produce an operational nuclear capability. Failing all these, the West Germans might be then tempted to initiate an independent nuclear program, or even to consider some political accommodation with the Bloc. Such a situation, however, is unlikely to develop unless there are fundamental alterations in the concept and nature of the NATO Alliance which are seemingly in conflict with what the West Germans believe to be their basic security needs.

#### *Western European Groupings*

44. Extensive cooperation between France and West Germany, especially within the framework of a larger continental European arrangement, would reduce both the time and economic burden involved in developing independent nuclear capabilities. Moreover, such cooperation would remove or mitigate substantially the major political, legal, and technical obstacles to an independent West German effort. European cooperative action on many levels, especially within the Common Market grouping but also extending outside this group in matters of defense production, and probably space activities, tends to improve the climate for cooperation in this field. Nevertheless, we believe it unlikely that any significant cooperation in the nuclear field between continental European countries will develop during the next several years.

## Annex A

### ESTIMATED COSTS OF DEVELOPING AN OPERATIONAL NUCLEAR CAPABILITY

#### I. GENERAL

1. The cost of attaining any given level of an operational nuclear capability in any given country is subject to so many variables that it cannot be estimated with any real precision. However, it is possible to estimate a rough order of magnitude of expenditure which a prudent planner at the present state of the art would probably have to be prepared to fund, assuming reasonable success in research, development, and production. We estimate that over the next several years there will be no technological breakthrough which would significantly alter the complexity and costs of this task.

2. As indicated below, the initiation fee for the nuclear club would probably vary considerably depending upon the class of membership sought. A minimum program, i.e., explosion of a device, production of a few crude weapons and the acquisition of aircraft able to deliver the weapons, could be pursued with a total expenditure of roughly \$200 million. A much more ambitious program, such as that of the French would probably involve expenditures of at least several billions of dollars.

#### II. HYPOTHETICAL MINIMUM PROGRAM

##### A. *Nuclear Weapons*

3. A minimum capability, e.g., 1–2 low-yield all-plutonium fission weapons a year to be delivered by aircraft (e.g., bombers or modified commercial aircraft) could be obtained in as little as six years with an initial investment of some \$150–\$175 million. The breakdown of costs for such a program would be roughly as follows: \$50 million for research and test facilities; \$50 million for the operation of research and test establishments; and \$50–\$75 million for the acquisition of materials and the construction of the plutonium production and separation facilities. Additional outlays of \$8–\$12 million would be required for each of the 1–2 weapons which could be produced annually.

##### B. *Delivery Vehicles*

4. The actual costs involved in developing or modifying available aircraft would depend upon the sophistication of the delivery system desired. However, if the requirement were only to obtain from others an aircraft big enough to accommodate a crude weapon, the costs would be small. The cost of developing such an aircraft from scratch would, of course, be large.

### III. A MODERATE PROGRAM: THE FRENCH EXAMPLE

#### A. Nuclear Weapons and Warheads

5. According to official French figures, France spent in the period 1946–1960 the rough equivalent of \$1.1 billion on its whole nuclear program, including peaceful uses. We estimate that of this sum about \$900 million has been allocated to such initial investments as research and development test facilities, uranium mines and processing equipment, the construction of reactors and separation plants; the remainder has been used for operating the uranium mines, ore processing facilities, reactors and the chemical separation plants associated with plutonium production. From this program, France has acquired a plutonium production capability sufficient for [text not declassified] weapons a year, the beginnings of separation facilities for U-235, and the ability to produce plutonium weapons at a cost of \$1–\$3 million each. At the same time, France has advanced a significant step toward the level of capability necessary to produce a wide variety of weapons, including thermonuclear types.

6. Provided the French continue to press ahead with a program intended to give them a considerable quantity and variety of weapons sizes and yields, the annual costs will undoubtedly continue to rise substantially over the next decade, especially if testing is pursued under restricted conditions. We estimate that between 1960–1965 annual outlays could average about \$400 million, the bulk of which will probably contribute to a military capability by providing rapid expansion of fissionable material production. Between 1965–1970 the corresponding figure could be about \$600 million, if thermonuclear weapons are developed.

#### B. Delivery Capabilities

7. The French effort in the delivery field has been focused on the MIRAGE IV light jet bomber which is now in production. By 1964–1965 France will probably have 50 such bombers operational at a cost of somewhere between \$200 and \$250 million. In the meantime, however, the main focus of French effort in the delivery field will shift to missiles. The actual outlays for missiles will obviously depend upon the types, sophistication, and numbers sought. Given the indicated French interest in developing a short-range missile, an IRBM, and a “Polaris” type system, the combined costs of such programs could run into the billions of dollars. For example, assuming the intent to have a limited number of operational missiles in each class, and using US programs as rough analogues, the cost for a 300–500 n.m. missile could be about \$200 million for an IRMB, about \$700 million. A “Polaris” system, comprising several nuclear-powered submarines and underwater launched missiles, could cost between \$2.5–\$3.5 billion.

**244. National Intelligence Estimate, NIE 11–8/1–61, September 21<sup>1</sup>**

September 21, 1961

**STRENGTH AND DEPLOYMENT OF SOVIET LONG RANGE  
BALLISTIC MISSILE FORCES<sup>2</sup>****(SUPPLEMENTS NIE 11–8–61)****THE PROBLEM**

To estimate current Soviet operational strength in ICBM's and other ground-launched ballistic missiles with ranges of 700 n.m. or more, to identify present areas and methods of deployment, and to estimate the probable trends in strength and deployment over the next few years.

**CONCLUSIONS**

1. New information, providing a much firmer base for estimates on Soviet long range ballistic missiles, has caused a sharp downward revision in our estimate of present Soviet ICBM strength but strongly supports our estimate of medium range missile strength.

2. We now estimate that the present Soviet ICBM strength is in the range of 10–25 launchers from which missiles can be fired against the US, and that this force level will not increase markedly during the months immediately ahead.<sup>3</sup> We also estimate that the USSR now has about 250–300 operational launchers equipped with 700 and 1,100 n.m. ballistic missiles. The bulk of these MRBM launchers are in western USSR, within range of NATO targets in Europe; others are in southern USSR and in the Soviet Far East. ICBM and MRBM launchers probably have sufficient missiles to provide a reload capability and to fire addi-

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<sup>1</sup> "Strength and Deployment of Soviet Long Range Ballistic Missile Forces." Printed in part in the print volume as Document 45. Top Secret. 29 pp. CIA Files, Job 79R01012A, ODDI Registry.

<sup>2</sup> NIE 11–8/1–61 revises and updates the estimates on this subject which were made in NIE 11–8–61: "Soviet Capabilities for Long Range Attack", TOP SECRET, 7 June 1961. [text not declassified] The new estimate is issued [text not declassified] so that the reader can fully appreciate the quantity and quality of information on which it is based.

A brief summary of this estimate, [text not declassified] will be included in the forthcoming NIE 11–4–61: "Main Trends in Soviet Capabilities and Policies, 1961–1966", now scheduled for completion in December 1961. In that estimate, the treatment of ground launched missiles will be incorporated into a summary of the entire Soviet long-range attack capability, including bombers, air-to-surface missiles, and submarine-launched missiles. For our current estimates on these latter elements of the long range striking force, see NIE 11–4–61, Annex A: "Soviet Military Forces and Capabilities", 24 August 1961, TOP SECRET, paragraphs 16–23.

<sup>3</sup> The Assistant Chief of Staff, Intelligence, USAF, does not concur in this sentence. See his footnote following the Conclusions.



tional missiles after a period of some hours, assuming that the launching facilities are not damaged by accident or attack.

3. The low present and near-term ICBM force level probably results chiefly from a Soviet decision to deploy only a small force of the cumbersome, first generation ICBMs, and to press the development of a smaller, second generation system. Under emergency conditions the existing force could be supplemented somewhat during the first half of 1962, but Soviet ICBM strength will probably not increase substantially until the new missile is ready for operational use, probably sometime in the latter half of 1962. After this point, we anticipate that the number of operational launchers will begin to increase significantly. On this basis, we estimate that the force level in mid-1963 will approximate 75–125 operational ICBM launchers.<sup>4</sup>

4. In addition to 700 and 1,100 n.m. missiles now available, the USSR will probably have a 2,000 n.m. system ready for operational use late this year or early next year. The USSR's combined strength in these missile categories will probably reach 350–450 operational launchers in the 1962–1963 period, and then level off.

5. Soviet professions of greatly enhanced striking power thus derive primarily from a massive capability to attack European and other peripheral targets. Although Soviet propaganda has assiduously cultivated an image of great ICBM strength, the bulk of the USSR's present capability to attack the US is in bombers and submarine-launched missiles rather than in a large ICBM force. While the present ICBM force poses a grave threat to a number of US urban areas, it represents only a limited threat to US-based nuclear striking forces.<sup>5</sup>

*Position on ICBM force levels of the Assistant Chief of Staff, Intelligence, USAF:*

1. The Assistant Chief of Staff, Intelligence, USAF believes that the Soviets had about 50 operational ICBM launchers in mid-1961 and that they will have about 100 in mid-1962 and about 250 in mid-1963. In his view, the early availability and high performance record of the first generation ICBM indicates the probability that, by mid-1961, substantial numbers of these missiles had been deployed on operational launchers. Four considerations weigh heavily in this judgment:

a. The continuance of [*text not declassified*] firings of the first generation ICBM;

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<sup>4</sup> The Assistant Chief of Staff, Intelligence, USAF, does not concur in paragraph 3. See his footnote following the Conclusions.

<sup>5</sup> The Assistant Chief of Staff, Intelligence, USAF, does not concur in paragraph 3 and the last sentence of paragraph 5. See his footnote following the Conclusions.



- b. The feasibility of adapting the type “C” pad—now identified as being deployed in the field—for use with the first generation system;
- c. [text not declassified]
- d. The USSR’s current aggressive foreign policy indicates a substantial ICBM capability.

2. In view of the time that has passed since the first generation system became suitable for operational deployment, now over 18 months, the Assistant Chief of Staff, Intelligence, USAF believes that about 50 operational launchers in mid-1961 is likely, even though the Soviets may have elected to await development of second generation missiles before undertaking large-scale deployment.

3. The Assistant Chief of Staff, Intelligence, USAF believes that the force now deployed constitutes a serious threat to US-based nuclear striking forces.

4. As to the future, the Assistant Chief of Staff, Intelligence, USAF believes that the Soviets will continue to deploy first generation missiles, as an interim measure until the second generation missiles become available. He believes that the Soviets would prefer this approach to acceptance of an inordinate delay in the growth of their ICBM capabilities. Once the second generation system has become operational, which could be in early 1962, he believes that deployment will be accelerated, with first generation missiles being withdrawn from operational complexes and replaced by the new missiles. It is evident from their test program that the Soviets feel obliged to increase the tempo of their efforts. The Assistant Chief of Staff, Intelligence, USAF believes that this sense of urgency, plus the gains realizable from experience will result, in the next year or two, in a launcher deployment program more accelerated than that indicated in the text.

#### DISCUSSION

6. The requirement to revise our estimates on Soviet long range ballistic missile forces stems from significant recent evidence [text not declassified] the 1961 activities at the Soviet ICBM and space vehicle test range has provided information on the new types of ballistic vehicles now being developed and on the pace and progress of the development programs. [text not declassified] the first positive identification of long range ballistic missile deployment complexes, [text not declassified] excellent guidance as to Soviet deployment methods, [text not declassified] useful evidence on the general status and organization of long range missile forces. Therefore, although significant gaps continue to exist and some of the available information is still open to alternate interpretations, the present estimate stands on firmer ground than any previous estimate on this critical subject.

#### *ICBM Development*

7. The test-firing program from the Tyuratam ICBM and space launching rangehead has been much more intensive in 1961, and has

at the same time suffered many more failures, than in any other period in its four year history. Thirty-nine launching operations were undertaken between January and 17 September 1961.<sup>6</sup> Of these, 13 involved either first generation ICBMs or space vehicles using essentially the same booster. All but one of these 13 were generally successful. The other 26 operations involved new vehicles not previously observed in range activities. Of these, only about half resulted in generally successful firings which reached the vicinity of the instrumented impact areas. Of the last seven operations involving new vehicles, however, six have been generally successful. (See Figure 1.)

8. One of the new vehicles (called Category B by US intelligence) is probably a second generation ICBM; the other (Category C) may be a competitive ICBM design or a special vehicle to test ICBM and space components. Both are tandem staged, that is, the upper stage is ignited at altitude as in the case of Titan, rather than at launch as in the case of Atlas and the first generation Soviet ICBM. Our data are sufficient to show that both of the new vehicles are liquid propelled, but not to establish whether the propellants are storable or non-storable. Some aspects of [*text not declassified*] performance of the upper stage of the Category B vehicle are similar to those of the 2,000 n.m. missile, which was tested intensively at Kapustin Yar for some months preceding the Category B operations at Tyuratam. The vehicles fired to a distance of 6,500 n.m. into the Pacific on 13 and 17 September 1961 were probably Category B vehicles. Some relationship seems to exist between the upper stages of the Category C vehicle and Venus probes. Despite this apparent relationship with space vehicles, it was a Category C firing which immediately preceded Khrushchev's remark to McCloy last July, that a "new ICBM" had been launched successfully. No further details are known about the configuration, propulsion, guidance, range, or payload of the new vehicles.<sup>7</sup>

9. The 1961 tests confirm our previous estimate that the Soviets would develop a new ICBM system, and we continue to believe that a major requirement for such a system is a missile which can be more readily handled and deployed than their original ICBM. This belief is supported by a reliable clandestine source who learned, in 1960 or early 1961, that the Soviet leadership desired an ICBM using higher-energy fuel which would require less bulk. In order to be flight tested

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<sup>6</sup> A more recent launching operation on 19 September 1961, which resulted in a failure, cannot as yet be categorized as to type of vehicle.

<sup>7</sup> We have taken note of Soviet statements concerning a 100 megaton weapon. We do not believe that present Soviet capabilities include a missile warhead with 100 megaton yield or a ballistic vehicle capable of delivering such a warhead to intercontinental ranges. We will examine this matter in fuller detail in an early estimate.

in early 1961, design work on a new missile was certainly underway in 1958. Nuclear tests appropriate to the development of lighter warheads were conducted in 1957 and 1958; the current nuclear testing program may serve further to prove the warhead design.

10. Although the flight-test failures in the first half of 1961 probably set back the Soviet schedule for development of second generation missiles, it is clear from the test range activities that the R&D program has been pursued with great vigor. The recent successes with the Category B vehicle, and the probable firing of such vehicles to 6,500 n.m. after only about 8 months of testing to Kamchatka, suggest that the initial difficulties with this system may now have been largely overcome. Moreover, it is probable that one or both the new vehicles have borrowed components or at least design techniques from proven systems, thereby aiding the R&D program. We believe that the program will continue to be pursued with vigor, and that a smaller, second generation ICBM will have been proven satisfactory for initial operational deployment in the latter half of 1962.

11. Thus we believe that the first generation system will be the only Soviet ICBM system in operational use for the months immediately ahead and probably for about the next year. Despite its inordinate bulk and the other disadvantages inherent in a non-storable liquid fueled system, the first generation system is capable of delivering a high yield nuclear warhead with good accuracy and reliability against targets anywhere in the US. (For a summary of its estimated operational characteristics, see Figure 2.) Test range launchings of first generation missiles (now called Category A) continued from January through July. [*text not declassified*]. These latest Category A firings were normal, [*text not declassified*]. Firings 16 hours apart could reflect the training of operational crews for launching second salvos, but it cannot be determined whether these firings were from a single pad. Accuracy could not be determined, but reliability continued high.<sup>8</sup>

#### *Utilization of Launching Pads*

12. Soviet ICBM capabilities at present depend in part, and in the near future will depend in considerable measure, upon whether or not the deployment complexes now being discovered [*text not declassified*] can be used to fire first generation missiles, or whether they cannot become fully operational until a second generation missile becomes available. The first generation missile is obviously compatible with

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<sup>8</sup> To date we have no firm evidence to indicate that the Soviets have experimentally investigated the decoy problem in ICBM flights to Kamchatka. [*text not declassified*] We believe that the Soviets can and will provide decoy protection, should they deem it necessary.

massive, fully rail-served launchers similar to those at Tyuratam Areas A and B. But the launchers at confirmed field complexes, whose construction began only in late 1959 or thereafter, resemble the simplified pair of pads at Tyuratam Area C, where missiles are transported to the pad by road and some of the support equipment is mounted on vans. (For artists' conceptions of the launchers at Tyuratam and a layout of the rangehead, see Figures 3–5.)

13. From our examination of the 1961 test firing program, the physical dimensions of various items at Areas A and C, and the requirements for handling and firing the first generation missile, we conclude that the simplified Area C was designed for a new and smaller missile now being test fired. Although it is technically feasible for the Soviets to adapt the rail-based first generation missile to road served launchers of the type at Area C, it would be necessary to redesign much of the check-out, handling, erecting, and fueling equipment. This redesigned equipment would differ from both that at Area A and that designed for use with the new missile. Such action might have been taken as an interim measure if a long delay in the advent of the second generation system had been anticipated well in advance.

#### *ICBM Deployment*

14. [text not declassified] over the past three months, we have positively identified three ICBM complexes under construction. Two are near Yur'ya and Yoshkar-Ola, in a region several hundred miles northeast of Moscow, and the third is near Verkhnyaya Salda in the Urals. The paired, road-served pads at these complexes closely resemble those at Tyuratam Area C. Near Kostroma, in the same general region but closer to Moscow, [text not declassified] we believe this is possibly a fourth complex similar to the others. [text not declassified] Plesetsk, farther to the northwest, [text not declassified] was too limited either to confirm or rule out this location as an ICBM deployment complex. (The locations of presently known and suspected areas of ICBM deployment activities are shown in Figure 9.)

15. The new evidence confirms that the present Soviet deployment concept involves large, fixed complexes, with multiple pads and extensive support facilities. The identified deployment complexes are served by rail spurs which provide their major logistic support. The complexes are highly vulnerable to attack. For example, although the Yur'ya complex is quite large, the entire installation is soft and each pair of pads is separated from its neighbor by only 3–4 n.m. [text not declassified]. For active defense against aircraft, SA–2 surface-to-air missile sites are being installed near the complexes.

16. At Yur'ya, the confirmed complex whose construction appears most advanced, eight launchers in four pairs were observed in various

stages of construction in mid-1961 (see Figure 6). Considerations of logistics and control, together with evidence from the MRBM program and other factors, lead us to believe that eight is the typical number of launchers for this type of complex.<sup>9</sup> Each pair of launchers has checkout and ready buildings which are probably capable of housing a missile for each pad; however, the extent of the support facilities strongly suggests that additional missiles are to be held there to provide a reload or standby capability. The designed salvo capability of the complex is apparently to be eight missiles. There would be at least 5 minutes delay between groups of four missiles if the system is radio-inertial (as is the first generation ICBM) and if one set of guidance facilities is provided for each pair of launchers. A second salvo might be attempted after some hours, assuming the launching facilities were not damaged by accident or attack. Although we have no direct evidence on this matter, we believe it might be feasible to prepare a second salvo in 8–12 hours.

17. On the basis of evidence dating back to 1957 and other more recent information, we have estimated that Plesetsk is an ICBM complex with rail-served launchers designed to employ the first generation ICBM. The installation at Plesetsk (see Figure 7) is even larger than the Yur'ya complex. Although the presence of ICBM launchers has not been confirmed, there are SAM sites, several very large support areas, and numerous buildings, including what appears to be housing for some 5,000 to 15,000 persons. *[text not declassified]* evidence is inadequate to establish the number of launchers which may be at Plesetsk. We believe that the number may be as few as two, but four or more is also possible. An ICBM complex involving this much equipment, investment, and personnel would probably have a reload of at least one missile per pad. Based on Tyuratam experience, we estimate the time to prepare a second salvo at about 16 hours.<sup>10</sup>

18. The new evidence gives a better measure of the timing of some ICBM deployment activities. Based on its size, the extent of its facilities, and its present state of construction, the Yur'ya complex must have been started in the autumn of 1959, concurrent with or very shortly after the start of construction at Tyuratam launch Area C. Yur'ya is probably one of the earliest complexes of its type. Construction and installation of equipment will probably be completed some time early

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<sup>9</sup> The Assistant Chief of Staff, Intelligence, USAF, believes that this typical number may be larger than eight. He agrees, however, that if guidance facilities are provided for each pair of launchers, the sequence of launching would be as described in the text.

<sup>10</sup> The Assistant Chief of Naval Operations (Intelligence), Department of the Navy, believes that evidence of ICBM deployment at Plesetsk is indeterminate but that, in the aggregate, it points against such deployment.

in 1962. The similar complex at Yoshkar-Ola is many months behind Yur'ya; the evidence is less conclusive with respect to Kostroma and Verkhnyaya Salda, but what can be seen is apparently in the early stages of construction. From the evidence, therefore, we have reasonably firm indications that at least two years were used for the construction of even the simpler ICBM complexes, although this may be reduced to about 18 months as experience is gained.

*Adequacy of Recent Intelligence Coverage*

19. [text not declassified] since mid-1960, our coverage of suspected deployment areas in the USSR has been substantially augmented. [text not declassified] Soviet missile test range installations, [text not declassified] are now known to bear a close resemblance to deployment sites in the field. On the basis of this activity, combined with other information and analysis, we now estimate that we have good intelligence coverage of [text not declassified] more than 50 percent of those portions of the USSR within which ICBM deployment is most likely.<sup>11</sup>

20. Of the five confirmed or possible ICBM complexes [text not declassified] Yur'ya, Plesetsk, and Verkhnyaya Salda were previously suspected [text not declassified]. We previously had not suspected Yoshkar-Ola or Kostroma. [text not declassified]

21. [text not declassified] many previously suspected areas did not contain ICBM complexes as of the summer of 1961. Four areas [text not declassified] remain under active consideration as suspected locations of ICBM deployment activity (see Figure 9). Past experience indicates that some or all of the areas now under active consideration may prove to be negative, and conversely, that deployment activity may now be under way in other unsuspected areas. [text not declassified]

*Probable ICBM Force Levels*<sup>12</sup>

22. We believe that our coverage of both test range activities and potential deployment areas is adequate to support the judgment that at present there are only a few ICBM complexes operational or under construction. While there are differences within the intelligence community as to the progress of the Soviet program to date and the precise composition of the current force, we estimate that the present Soviet ICBM capability is in the range of 10–25 launchers from which missiles can be fired against the US. The low side of this range allows for the possibility that the Soviets could now fire only a token ICBM salvo from a few launchers, located at the Tyuratam rangehead and an operational

<sup>11</sup> [text not declassified]

<sup>12</sup> The Assistant Chief of Staff, Intelligence, USAF, does not concur in the estimate of ICBM force levels. For his position, see his footnote following the Conclusions.

complex, perhaps Plesetsk. The high side, however, takes into account the limitations of our coverage and allows for the existence of a few other complexes equipped with first generation missiles, now operational but undetected.

23. The Soviet system is probably designed to have a refire capability from each launcher. The USSR may therefore be able to fire a second salvo some hours after the first, assuming that the launching facilities are not damaged by accident or attack.

24. The reasons for the small current capability are important to an estimate of the future Soviet buildup. The first generation system, designed at an early stage of Soviet nuclear and missile technology, proved to be powerful and reliable but was probably too cumbersome to be deployed on a large scale. One or more first generation sites may have been started but cancelled. [text not declassified] The urgent development of at least one second generation system probably began in about 1958, and an intensive firing program is now underway concurrent with the construction of simplified deployment complexes. We therefore believe that in about 1958 the Soviet leaders decided to deploy only a small force of first generation ICBMs while pressing toward second generation systems.

25. The net effect of this Soviet decision, together with whatever slippage is occurring in the development of second generation systems, has been to produce a low plateau of ICBM strength. Under emergency conditions the existing force could be supplemented during the first half of 1962 by putting some second generation ICBMs on launcher at one or two completed complexes before the weapon system has been thoroughly tested. However, the Soviets could not have very much confidence in the reliability, accuracy and effectiveness of such a force. In any event, operational ICBM strength will probably not increase substantially until the new missile has been proved satisfactory for operational use, probably some time in the latter half of 1962. Alternatively, the possibility cannot be excluded that second generation ICBMs could be proved satisfactory for operational use somewhat earlier in 1962, possibly as soon as the first simplified complex is completed. After this point, we anticipate that the number of operational launchers will begin to increase significantly.

26. We continue to believe, for the many reasons adduced in NIE 11–8–61, that the Soviet leaders have desired a force of several hundred operational ICBM launchers, to be acquired as soon as practicable over the next few years. In addition to the complexes known to be under construction, it is probably that work is under way on other undiscovered complexes and that the construction of still others is scheduled to begin soon. Taking account of this probability, together with our present intelligence coverage and our information on site activation



lead-time, we estimate that the force level in mid-1963 will approximate 75–125 operational ICBM launchers. The high side of this range allows for eight complexes of eight launchers each under construction at the present time, with four more scheduled to begin by the end of the year; it would require site activation time to decrease to about 18 months by the end of the year; it builds from a present force level of about 25 operational launchers. The low side of the mid-1963 range would be achieved if six complexes were now under construction, two more were begun by the end of the year, and the present force level were only about 10 launchers.

27. As noted in NIE 11–8–61, Soviet force goals for the period to 1966 will be increasingly affected by developments in US and Soviet military technology, including the multiplication of hardened US missile sites, the possible advent of more advanced Soviet missiles which can better be protected, and by developments in both antimissile defenses and space weapons. The international political situation will also affect Soviet force goals, and there is a good chance that the Soviet leaders themselves have not yet come to a definite decision. We have not been able as yet to review, in the light of the new evidence, these and other considerations pertaining to the probable future pace of the Soviet ICBM program. Therefore we are unable to project a numerical estimate beyond mid-1963. Considering the problems involved in site activation, however, we believe that a rate of 100 or possibly even 150 launchers per year beginning in about 1963 would be feasible. To accomplish such a schedule, the USSR would have to lay on a major program of site construction within the next year, which we believe would be detected [*text not declassified*].

#### *Medium and Intermediate Range Ballistic Missiles*

28. [*text not declassified*] confirms the large-scale deployment of 700 and 1,100 n.m. ballistic missiles in western USSR. [*text not declassified*] approximately 50 fixed sites with a total of about 200 pads suitable for launching these MRBMs have been firmly identified in a wide belt stretching from the Baltic to the southern Ukraine. [*text not declassified*] we are virtually certain that there are about 10 additional sites [*text not declassified*]. Taking account of indicators pointing to still other locations [*text not declassified*] we estimate with high confidence that in the western belt alone there are now about 75 sites with a total of about 300 launch pads, completed or under construction. (For known and estimated site locations in this area, see Figure 9.)

29. The new information does not establish whether individual sites are fully operational, nor does it reveal which type of missile each is to employ. [*text not declassified*] approximately three-quarters of the identified sites appeared to be complete or nearly so, some were under



construction, and the evidence on others is ambiguous. Construction has probably been completed at some sites [*text not declassified*] the installation of support equipment and missiles could probably be accomplished relatively quickly thereafter, perhaps in a period of some weeks. Three basic site configurations have been observed, all of them bearing a strong resemblance to launch areas at the Kapustin Yar rangehead (see Figure 8). Any of the three types could employ either 700 or 1,100 n.m. missiles, whose size and truck-mounted support equipment are virtually identical. The sites could not employ ICBMs, but one type might be intended for the 2,000 n.m. IRBM which has been under development at Kapustin Yar.

30. On the basis of the new evidence and a wealth of other material on development, production, training and deployment, we estimate that in the western belt alone the USSR now has about 200–250 operational launchers equipped with 700 and 1,100 n.m. ballistic missiles, together with the necessary supporting equipment and trained personnel. From these launchers, missiles could be directed against NATO targets from Norway to Turkey. On less firm but consistent evidence, about 50 additional launchers are believed to be operational in other areas: in the Transcaucasus and Turkestan, from which they could attack Middle Eastern targets from Suez to Pakistan; and in the southern portion of the Soviet Far East within range of Japan, Korea, and Okinawa. [*text not declassified*] the presence of some sites in Turkestan and in the Soviet Far East, north of Vladivostok.

31. On this basis, we estimate that the USSR now has a total of about 250–300 operational launchers equipped with medium range ballistic missiles, the bulk of them within range of NATO targets in Europe. This is essentially the same numerical estimate as given in NIE 11–8–61, but it is now made with greater assurance.

32. Contrary to our previous view that MRBMs were deployed in mobile units, we now know that even though their support equipment is truck-mounted, most if not all MRBM units employ fixed sites. Like the ICBM complexes, these are soft, screened from ground observation by their placement in wooded areas, and protected against air attack by surface-to-air missile sites in the vicinity. The systems are probably designed so that all ready missiles at a site can be salvoed within a few minutes of each other. Two additional missiles are probably available for each launcher; a second salvo could probably be launched about 4–6 hours after the first. There is some evidence that after one or two salvos the units are to move from their fixed sites to reserve positions. Their mobility could thus be used for their immediate protection, or they could move to new launch points to support field forces in subsequent phases of a war.

33. The Soviet planners apparently see a larger total requirement for MRBMs and IRBMs than we had supposed. While the rate of deploy-

ment activity in the western belt is probably tapering off after a vigorous three-year program, some sites of all three basic types are still under construction. There will therefore be at least some increase in force levels in the coming months. The magnitude of the buildup thereafter will depend largely on the degree to which the 2,000 n.m. system is deployed, and whether or not it will supplement or replace medium range missiles.

34. With the advent of the 2,000 n.m. IRBM, probably in late 1961 or early 1962, the Soviets will acquire new ballistic missile capabilities against such areas as Spain, North Africa, and Taiwan. To this extent at least, they probably wish to supplement their present strength. They may also wish to deploy IRBMs or MRBMs to more northerly areas within range of targets in Greenland and Alaska. Moreover, evidence from clandestine sources indicates that the Soviet field forces are exerting pressure to acquire missiles of these ranges. In general, however, we believe that the future MRBM/IRBM program will emphasize changes in the mix among the existing systems, and later the introduction of second generation systems, rather than sheer numerical expansion. Taking these factors into account, we estimate that the USSR will achieve 350–450 operational MRBM and IRBM launchers sometime in the 1962–1963 period, and that the force level will be relatively stable thereafter.

#### FIGURES

1. Soviet ICBM Test Range Activities, Tyuratam, USSR—Launching Operations in 1961.
2. Estimated Current Performance Characteristics, Soviet Long Range Ballistic Missiles.
3. Tyuratam Missile Test Center (Status in late 1960–early 1961).
4. Concept of Tyuratam Launch Area A.
5. Concept of Tyuratam Launch Area C.
6. ICBM Deployment Complex, Yur'ya, USSR (Status in mid-1961).
7. Suspected ICBM Deployment Complex, Plesetsk, USSR (Status in mid-1961).
8. Typical Fixed MRBM Launch Site.
9. Known and Suspected Areas of Soviet Long Range Ballistic Missile Deployment—September 1961.

#### FIGURE 1

[text not declassified]

FIGURE 2

ESTIMATED CURRENT PERFORMANCE CHARACTERISTICS SOVIET LONG RANGE BALLISTIC MISSILES					
	SS-3	SS-4	SS-5 <sup>1</sup>	SS-6 <sup>2</sup>	Second Generation ICBM <sup>1</sup>
Max. Operational Range (nm)	700	1100	2000	<u>5000</u> 7000	or least 6500
Guidance	Radio/ Inertial	Radio/ Inertial	Radio/ Inertial	Radio/ Inertial	NA
Accuracy	1 nm	1½ nm	1½ nm or better	2 nm	NA
Configuration	Single Stage	Single	Single	Partial or Parallel	Tandem
Propellants	NonStor. Liquid	NonStor. Liquid	Liquid	NonStor. Liquid	Liquid
Gross Takeoff Weight (lbs)	60,000	75,000	NA	450,000- 500,000	Prob less than SS-6
Warhead Weight (lbs)	3000	3000	3000- 5000	<u>6000-10000</u> 6000	NA
Ready Missile Rate	85%	85%	75%	70-85% <sup>3</sup>	NA
Reliability, on Launcher	90%	95%	80%	85-90% <sup>4</sup>	NA
Reliability, in Flight	80%	80%	75%	70-85% <sup>4</sup>	NA
Reaction Time - Condition I	1-3 hrs	1-3 hrs	1-3 hrs	1-3 hrs	NA
Reaction Time - Condition II	15-30 min	15-30 min	15-30 min	15-30 min	NA
Reaction Time - Condition III	5-10 min	5-10 min	5-10 min	5-10 min	NA
Refire Capability <sup>5</sup>	4-6 hrs	4-6 hrs	6-8 hrs	about 16 hrs	8-12 hrs

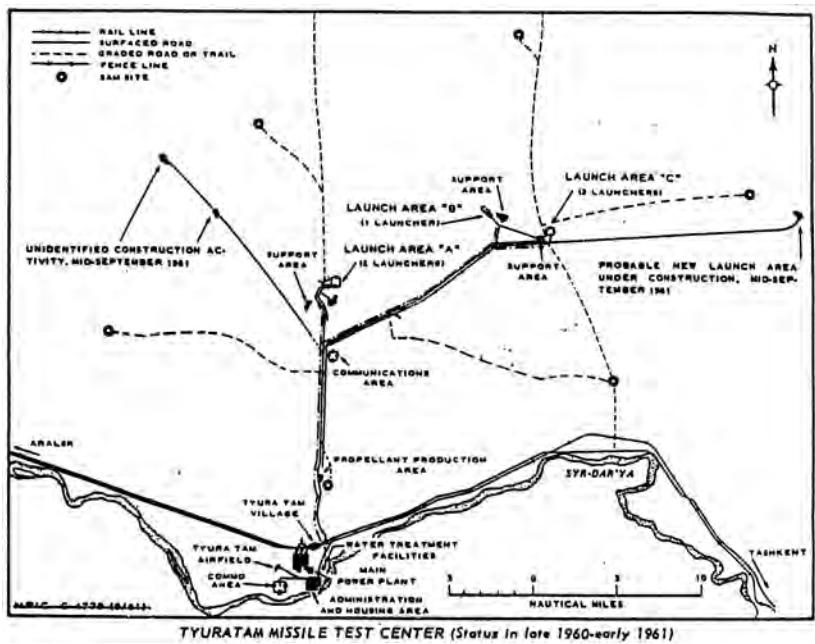
<sup>1</sup> Not yet operational.<sup>2</sup> For this missile the range and warhead weight figures are for heavy nosecone (top figure) and lighter nosecone (bottom figure).<sup>3</sup> The lower limit of this range approximates the percentage which might be maintained ready in continuous peacetime operations for an indefinite period. The upper limit might be achieved if the Soviets prepared their force for an attack at a specific time designated well in advance, i.e., maximum readiness.<sup>4</sup> The upper limit would be more likely to be achieved if the Soviets had provided time for peaking their forces on launcher prior to an attack at a specific time.<sup>5</sup> Condition I: Crews on routine standby, electrical equipment cold, missiles not fueled.

Condition II: Crews on alert, electrical equipment warmed up, missiles not fueled.

Condition III: Crews on alert, electrical equipment warmed up, missiles fueled and topped. This condition probably can not be maintained for more than an hour or so.

<sup>6</sup> From same pad, and dependent upon condition of alert.

FIGURE 3



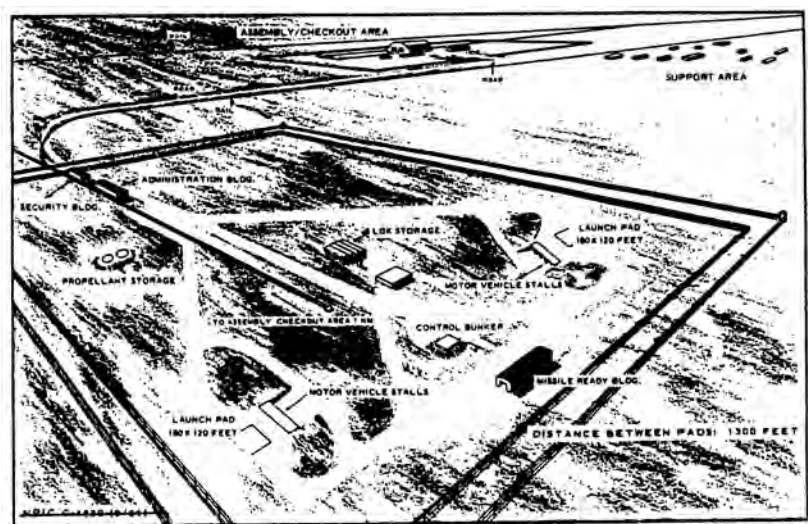
TYURATAM MISSILE TEST CENTER (Status in late 1960-early 1961)

FIGURE 4



CONCEPT OF TYURATAM LAUNCH AREA "A"

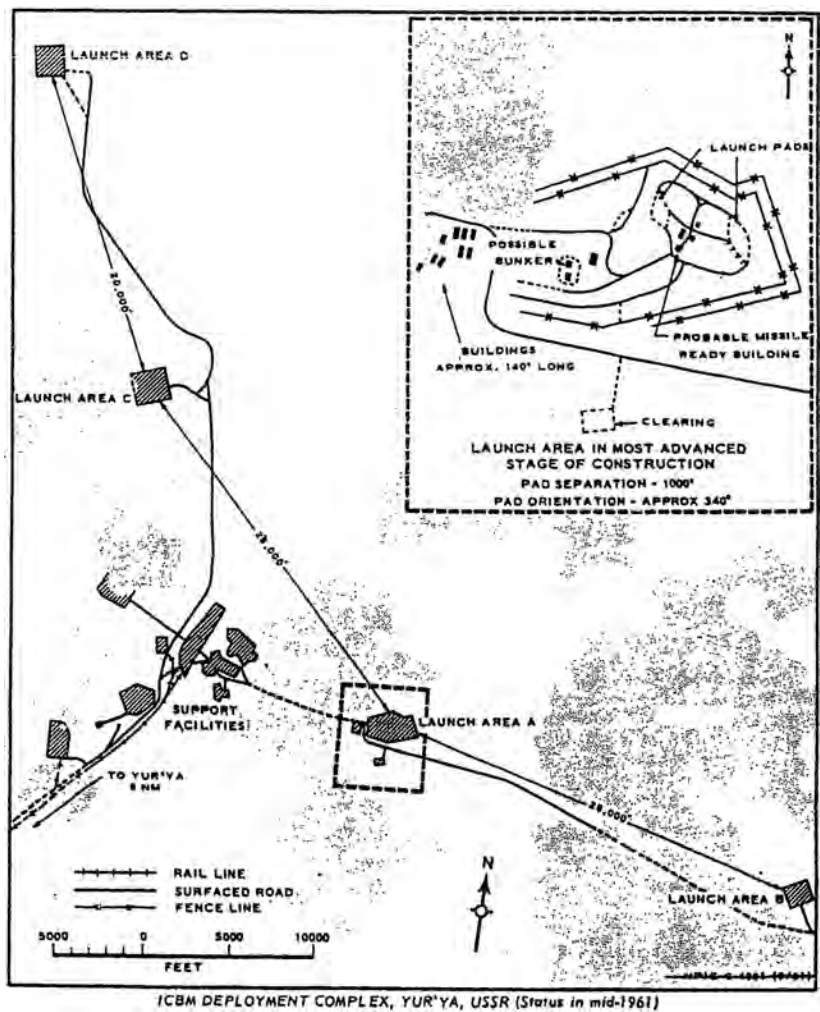
FIGURE 5



CONCEPT OF TYURATAM LAUNCH AREA "C"

CONCEPT OF TYURATAM LAUNCH AREA "C"

FIGURE 6

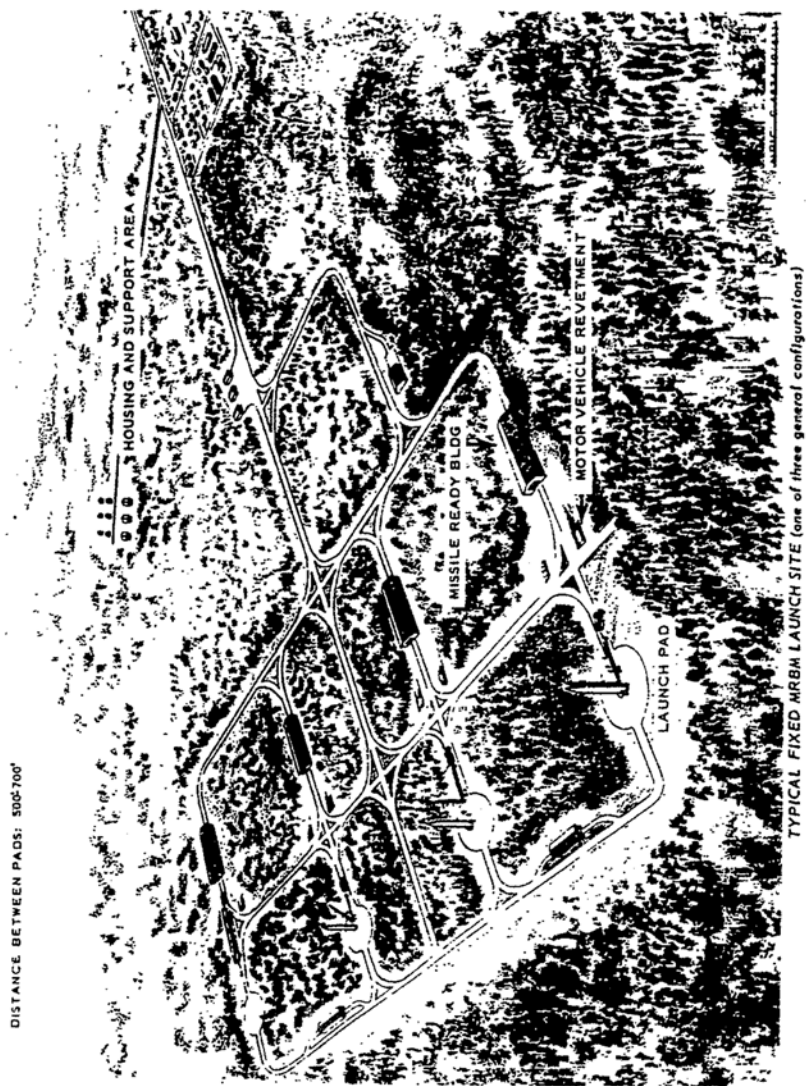


ICBM DEPLOYMENT COMPLEX, YUR'YA, USSR (Status in mid-1961)





FIGURE 8  
DISTANCE BETWEEN PADS: 500'-700'

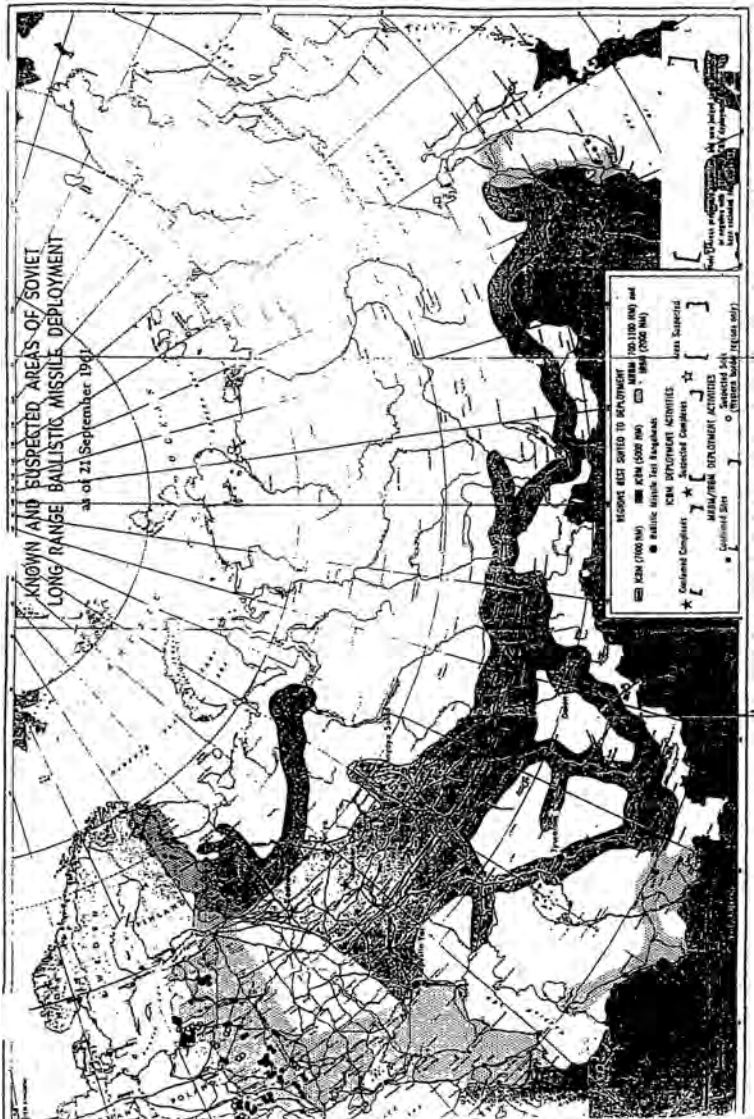


TYPICAL FIXED MRBM LAUNCH SITE (one of three general configurations)



FIGURE 9

KNOWN AND SUSPECTED AREAS OF SOVIET LONG RANGE  
BALLISTIC MISSILE DEPLOYMENT



**245. Memorandum from Bundy to President Kennedy,  
September 28<sup>1</sup>**

September 28, 1961

## SUBJECT

Washington News

1. The McCone appointment is the big news here. I, for one, underestimated the strength of the opposition in the second and third levels of CIA and State. It appears that most of the people involved in intelligence estimates on atomic energy matters thought McCone was highly prejudiced. He also had a reputation, in these circles, as an "operator" whose loyalty to Administration policy was doubtful. So there is a significant problem in working out a pattern of strong cooperation and support for him.

Less important in the long run, but more urgent at the moment, is the unrest in the President's Board of Consultants on Foreign Intelligence. Killian has made noises about resigning, and indicates that he thinks one or two other members of the Board may also withdraw. In part this is because they feel they were not consulted, but more deeply it arises from the fact that several of them—Killian, Gray, and Baker—have had sharp disagreements with McCone in the past. General Taylor has talked to Bobby about this and probably is trying to calm Killian down. I am planning to have a talk with Allen Dulles about it with the same purpose in mind, and I think I can also do something with Baker and the scientific community generally. I have also talked to Joe Alsop, and I think we will get a helpful column from him, aimed in part at this same problem. He thinks it is the best possible appointment and says he will try to say so in terms calculated to encourage sensible scientists and bureaucrats. (I have some doubt whether he will succeed—Joe's feeling is that anyone who is against McCone is a proven follower of twaddley, and I doubt his ability to be gentle with people whom he views in this light—unfortunately his diagnosis is wrong, and some very good men are disquieted.)

2. Bob McNamara has issued planning instructions for the military budget of fiscal '63, and there is one point in it which General Taylor and I think we should call to your attention. Bob has asked the Army to plan on a force level ceiling of 929,000 men for fiscal '63, as against

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<sup>1</sup> Conveys information on personnel matters; McNamara and the military budget; management of foreign aid; and news from Syria and Berlin. Secret. 3 pp. Kennedy Library, National Security Files, Departments and Agencies Series, CIA General 9/61–11/61.

a level of 1,081,000 toward which the Army is now building, on the basis of the add-ons and call-ups so far authorized in connection with the current crisis. Thus, budget planning emphasizes a very substantial reduction from crisis levels, and in particular it implies that the Reserve units and additional draftees of this crisis are not to be held in a permanent reinforcement of the Army. This bothers us as believers in permanently strengthened conventional forces, but it bothers us even more in terms of possible impact on our Berlin posture. Budget planning figures of this kind tend to leak rather quickly, and clearly this instruction will give the appearance that we expect the crisis to cool off so that the Army strength can be pushed back about where it was when you came in. From some points of view, this may be a good noise, but the matter is one which we think you should consider and decide.

I have talked to Bob McNamara about this, and he understands our concern. His own feeling is that it is better to have planning done on this narrow basis with possible separate additional arrangements later. He sees the point, but he still would prefer not to build larger figures into his budget planning now. He is struggling to get his budget down from \$60 billion to a much lower figure, and he says that if he lets the Army plan for a million men or more, every single item in the military budget will be swollen accordingly. If he later plans for specific additions, he hopes to avoid this fattening factor. His view is that we can meet the problem of [illegible in the original] on the budget ceiling by making it plain that we can add to this figure at any time as planning proceeds. Max and I are not quite persuaded—I think both of us in the end believe that 930,000 men are simply not enough for the world we live in, and that we should do better to recognize this fact and accept its costs.

3. There is an important management decision brewing in the foreign aid field. Dave Bell has been working on the executive order to put the new legislation into effect, and he is coming up against the key question of assignment of responsibility, within the Department of State, for coordination of military and economic assistance. Formally, this must go down through the Secretary of State, but the operating question is which of his subordinates will do the job for him, since no Secretary can find the time for this type of judgment—and, in any event, this is not Dean Rusk's major interest. Bell and I and our respective experts are inclined to press hard for delegation of authority here to Fowler Hamilton. In this case he would act as the Secretary's agent and not simply as the Director of the AID agency, and he would have to show the kind of wider judgment that is implied in balancing political, military, and economic considerations. But of the available senior men in the Department, he seems the best qualified. And, in particular, this seems a better answer than the one the Secretary may

prefer—which is to have the coordination managed directly from his office by a relatively junior special assistant acting in the name of the Secretary. An arrangement of this sort simply would not stick, and the result would be that issues would always be pressed beyond the Department to the White House. Big issues are bound to come to you, but day-to-day matters really should be settled by a man who has the seniority to make decisions stick. The Pentagon is happy to entrust this to Hamilton. Dave Bell is going to try to sell this solution to the Secretary of State, but if he fails, you are likely to find the issue on your desk next week.

4. Chester Bowles and I smoked a peace pipe this week. He is still wholly unclear about his relation to the Secretary and to the Department. With a man who had time to keep a close eye on him, I am now convinced that he could be an effective deputy for certain kinds of work. He really does have a sharp eye for personnel, and he understands better than the Secretary the need for executive energy in the geographical bureaus and other Assistant Secretaryships. The trouble is that he is constantly wanting to make policy, without even knowing, really, that this is what he is doing. And his policy just is not on all fours with your own, and still less with Mr. Rusk's. I recommended to him that he have a wholly frank and clear-cut discussion with the Secretary, but I am not hopeful of the result. Rusk finds it hard to use a Deputy, and Bowles finds it even harder to be a No. 2.

Yet when we turned to talk of empty embassies and how to fill them, Bowles made good sense, and I think his recommendations are well worth your attention. Unless you are planning to keep him in the deep freeze, I suggest that you invite him in for a talk on this specific subject.

5. The news from Syria is far from clear, but the initial sense of the problem, all around the town, is that we should avoid any action whatever. The net consequences for us of any given result are very hard to predict, but any appearance of U.S. interference would almost surely produce damage to our own position.

6. On Berlin, the most important focus of interest is of course the Rusk-Gromyko conversations. You will have heard directly from the Secretary, and we are holding this package to include the memorandum of conversation. There will be more talks here before the Saturday meeting, and if important questions of tactics arise, we will be sure to check with you.

McG. B.

October 1961

246. Memorandum from Maj. Smith to Gen. Taylor, October 2<sup>1</sup>

October 2, 1961

SUBJECT

Sec Def Recommended Long Range Nuclear Delivery Forces

1. In this appendix to an as-yet-unseen basic memorandum, the Sec Def provides the reasoning on long range nuclear delivery forces that leads him to recommend funds in the FY 63 Budget for 100 hard and dispersed Minutemen, 50 mobile Minutemen, 6 Polaris submarines, 92 air-to-surface Skybolt missiles, and 100 KC-135 tankers.<sup>2</sup>

2. Mr. McNamara states that his recommended forces are designed to avoid the extremes of a "minimum deterrence" posture on one hand, and a "full first strike capability" on the other.

a. He rejects "minimum deterrence" because deterrence may fail, and if it does, a capability to counterattack against high priority military targets can make a major contribution to our objectives of limiting damage and terminating the war on acceptable terms. In addition, a "minimum deterrence" posture would weaken our ability to deter Soviet attacks on our allies. (p. 4)

b. He rejects a "full first strike capability" because he considers it almost certainly infeasible; moreover, it would put the Soviets in a position which they would consider intolerable, thus risking an arms race; and finally, it would be too costly in terms of resources needed for other programs. (p. 5)

3. Mr. McNamara "tests" the capabilities of his forces on the assumption that war begins with a well-planned and well-executed Soviet attack (with limited warning) against our forces in a state of normal peacetime alert, and that we strike back after being attacked. He tabulates the percent expected kill of certain types of Soviet targets under such conditions. He then compares the percent expected kill in FY 65 and FY 67 of his forces with the capability provided by *the highest unilateral Service proposals* for the various strategic weapons. He concludes from this that the individual Service proposals run up against

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<sup>1</sup> McNamara's rationale on long range nuclear delivery forces. Secret. 2 pp. National Defense University, Taylor Papers, 30, T-357-64.

<sup>2</sup> His totals for FY 65 decisions    \$1,987 m  
Req'ments from previous years 6,939 m  
\$8,926 m

“strongly diminishing returns and yield very little in terms of extra target destruction”. His tables show that this is true for urban-industrial areas and population targets under optimistic, median, and pessimistic assumptions about the survival of our forces, but that this is somewhat less true for attacks on military targets under his median or pessimistic estimates. (p. 9–10) The constancy of percentages on urban-industrial and population targets most probably comes from holding back the Polaris submarines in the initial strikes, although this is not stated.

4. The Sec Def draws all his comparisons—cost, force structure, effectiveness—on the basis of the *initial positions* of the individual Services. Yet, as his paper indicates (p. 3), on 11 September the JCS submitted to him their corporate agreed recommendations. (Presumably their recommendations covered all program packages). After listing these recommendations the Sec Def does not refer to, or use, them again. Possibly this was necessary because his paper had been largely developed before he received the JCS corporate views.

a. By considering only the individual Service views, the Sec Def leaves unanswered the question of how much better his forces would look than those recommended by the Chiefs. By analyzing the Service going-in positions—positions that, given Pentagon machinations, are optimistically stated for negotiating purposes—the Sec Def may have inadvertently or intentionally, set up a “straw man.” Admittedly the Chiefs negotiated to reach their position, (in this particular case General LeMay undoubtedly took the lead; he is known to have strong feelings about the necessity for the Chiefs to settle their own differences, and he has well known ideas on strategic forces), but military budgets must be negotiated ones. Force structure planning involves many matters of judgment; it is not a science, and there is room for persuasion, both within the individual Services, and among them, once the problem reaches the JCS. Especially is this true looking to the future today, when any error must be on the conservative side.

b. If the pattern of comparing the Sec Def views with the initial positions of the individual Services continues in the analyses of the other program packages, and if his case is made exhaustively as is the case in this paper, Mr. McNamara will be the uncontested father of the FY 63 military budget proposed by DOD.

WYS



November 1961

**247. Memorandum from Gen. Taylor to President Kennedy,  
November 13<sup>1</sup>**

November 13, 1961

SUBJECT

FY 1963 Defense Budget Issues

Secretary McNamara's tentative recommendations for the 1963 defense budget, summarized in his memorandum to you of October 6, have now been considered by Secretary Rusk, Mr. Bundy, General Taylor, Dr. Wiesner, and Mr. Sorensen, as well as by the Budget Bureau. It is our common judgment that there are four major policy issues which require your consideration at this stage. Stated in crude and over-simplified form, these are:

1. Is the Secretary's program for general war forces (strategic missiles, bombers, etc.) too small—as the military services think—too big—as a number of your staff think—or about right?

2. Should we embark on the development of a new medium-range ballistic missile, which would have major usefulness in Europe—and if so, should the development be pointed toward a sea-based or a land-based missile or both?

3. Does it make sense to commit ourselves in the 1963 budget to the installation of Nike Zeus batteries around certain cities or should we continue to limit ourselves to a program of research and development in this field?

4. Is the Secretary's program for conventional forces (represented for short-hand purposes by his proposal to maintain 14 combat-ready Army divisions in FY 1963) acceptable from (a) military and (b) political viewpoints, or would a 16-division program be preferable, as a number of your staff think?

5. In addition, there is a question of balance as between strategic and conventional forces. General Taylor, among others, thinks that the McNamara proposals are relatively generous on the strategic side and relatively tight on the conventional side, and considers that an improved force structure would result by shifting resources from one field to the other.

In addition to these major policy issues, we will place before you at a later date a number of less significant issues concerning the defense budget. Moreover, as you know, the Defense Department has not yet

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<sup>1</sup> "FY 1963 Defense Budget Issues." Top Secret. 12 pp. National Defense University, Taylor Papers, 30, T-357-69.

completed its 1963 program for civil defense, so we do not know what issues will arise in that field.

Comments on each of the issues identified above follow.

### 1. *General War Offensive Forces*

Secretary McNamara's proposals are substantially below those proposed by the military departments—for example the Secretary proposes to make commitments in the 1963 budget for 100 Minutemen whereas the Air Force proposed 600 (both figures in addition to the 600 already on order). Moreover, the Secretary's 1963 proposals represent a slackening, rather than an acceleration in the future production rates of Minuteman and Polaris, as compared with the provisions of the 1962 budget. The essential reason for this is the Secretary's belief that we already have on order the main bulk of the strategic deterrent forces we will need in the time period before 1967, and while we need some additional forces of this kind, procurement can be at reduced rates for the next two or three years at least.

The Secretary's proposals have been questioned from opposite points of view.

*Are the proposed forces too small?* The military departments (particularly the Air Force) and the Joint Chiefs proposed larger forces. The adequacy of the Secretary's proposals, however, unlike those of the military departments, is supported by an impressively logical analysis of the relative capabilities of the Soviet and U.S. forces. This shows that his proposals will give us (even under pessimistic assumptions about survival, accuracy, etc.) a capability, after a Soviet attack, to destroy Soviet urban society and to strike heavily against Soviet military installations associated with long-range nuclear forces, thus reducing damage by Soviet follow-on forces. The Secretary's analysis has convinced all of us who have reviewed his proposals that force levels higher than those proposed are not required.

*Are the proposed forces too large?* It seems to most of us that the proposed force levels exceed requirements that can be justified on purely military grounds. The analysis used by the Secretary to demonstrate that higher force levels are not necessary also suggests that lower force levels would suffice, particularly when the more recent intelligence estimates are taken into account. Beyond this, some of the assumptions of the analysis may be questioned; for example, does an adequate deterrent posture require 41 Polaris submarines threatening 200 Soviet cities as proposed, or would not the currently committed 29 submarines threatening about 150 cities suffice?

*Will the proposed forces induce the U.S.S.R. to step up their armament plans?* To some extent, Soviet decisions with respect to their force levels may be influenced by our own force objectives. This raises the question



whether a build-up of our strategic offensive forces beyond those which clearly imply a capability to retaliate against urban areas, would have the effect of influencing the U.S.S.R. also to undertake a major increase in their long-range nuclear strike forces, which they otherwise might not do. This is, of course, a difficult question to analyze with any confidence. Insofar as it may appear significant, the presentation of the defense budget in January could be tailored to stress the slackening rate of the U.S. Build-up.

*Will the proposed forces seem small to the U.S. public?* The Secretary's proposals, if accepted—or any lower Presidential proposals—may require a major effort on the part of the Administration to change what appears to be a fairly widespread national attitude that national security requires ever-increasing strategic missile forces and airpower. For the first time the position will be presented that we are approaching the force levels we need, and that “deceleration” rather than “acceleration” of missile programs is the proper course of action.

*Note on mobile Minuteman.* On the basis of the discussions that have been held, the merits of embarking on the currently planned mobile Minuteman program for 100 railway mounted missiles, at a total development and procurement cost of close to \$1 billion, appear questionable. Substitution of a longer term development program for a more accurate, mobile ICBM, using some of the same guidance and other components of the proposed land-based MRBM system, is being considered. This change, if made, will result in a substantial reduction in the proposed NOA for 1963 for mobile Minuteman, shown at 270 million dollars in the Secretary's October 6th memorandum.

*Note on Skybolt.* Dr. Wiesner raises the question whether the proposed commitment to produce the Skybolt air-launched ballistic missile, (or even to continue its development) is justified in view of the technical difficulties, late availability and debatable military requirement.

## *2. Medium-Range Ballistic Missile*

The Secretary's proposals include starting the development of a high-accuracy, quick reaction, medium range (1000–2000 miles) ballistic missile, capable of being launched from mobile land vehicles or from ships. This missile could meet requirements for a NATO nuclear deterrent force in the period after about 1966, as well as other future U.S. requirements. The Department of State feels that it is highly desirable that the proposed MRBM development explore possibilities for sea-based as well as land-based deployment, since in their view sea-based deployment will fit best with our proposal that NATO develop a common sea-based nuclear deterrent, rather than separate land-based nuclear forces. Secretary McNamara expects to make sure that the sea-

based form is developed at least as rapidly as the land-based, and on this assumption I believe that there is general agreement on the desirability of developing the new MRBM. However, Dr. Wiesner, while agreeing with the objections to land-based deployment in Europe, also raises the questions whether a sea-based MRBM would provide a new capability beyond that available from Polaris missiles or is really necessary in view of the large number of Polaris missiles now planned.

### 3. Nike Zeus

The Secretary recommends a decision to proceed with the deployment of 12 Nike Zeus batteries for protecting 6 cities, at a total cost of about 3.6 billion dollars. This deployment would be completed by about the end of 1967, with an initial operating capability by 1965. Research and development would also proceed on possible improved systems.

The *technical characteristics* of the Zeus system are fairly well agreed, although the first field tests will not be conducted until next summer. It is estimated that the Nike Zeus system as now being developed would be:

*effective* against enemy ballistic missiles not equipped with penetration aids such as decoys;

*marginal* against missiles equipped with minimum (retrofit type) penetration aids such as the U.S. will have in inventory in 1963; and

*ineffective* against missiles with appreciable payload allocation to sophisticated penetration aids.

The U.S.S.R. could, therefore, negate the military effectiveness of Nike Zeus defenses, if they choose to do so, during the time period required to produce and deploy the proposed 12 batteries.

It may be technically possible to develop future systems which are more effective against missiles with penetration aids, although no such system is clearly in prospect at the present time. In any case it appears that such a system could not be developed and deployed prior to about 1970 and would be substantially a new system, not a retrofit modification of the present Zeus system.

The inescapable conclusion would seem to be that for the foreseeable future, attacking ICBM missiles will have inherent technological and economic advantages and tactical flexibility which will continue to make the achievement of an effective active ICBM defense at best a tremendously expensive venture of dubious effectiveness.

Secretary McNamara offers these *reasons for proceeding with Nike Zeus*:

—The Soviet Union may not in fact develop missiles with penetration aids; even if they do, the uncertainty of their decision-making

will have been increased, and they will have to devote resources to this purpose;

—Even limited Zeus deployment could inhibit blackmail from secondary powers, and provide some protection from accidental attack;

—Zeus deployment would help counter future Soviet claims to a successful anti-missile system, which otherwise might have serious political effects both in the United States and abroad. The U.S.S.R. has an active anti-ICBM development program, and we cannot successfully refute any claims they may make.

To some of us, these arguments seem less impressive than the counter-vailing *reasons against Zeus deployment*:

—The Soviet Union must be assumed to have the technical knowledge and resources to develop penetration aids which will make the Zeus marginal or ineffective by the time it is deployed, especially since the limitations of the Zeus system cannot be kept secret in our society;

—The proposed six-city program is not a “stable” objective; presumably once a deployment decision is announced it would not be politically feasible to deny Zeus defenses to other major population centers, and we would be committed to proceed with at least a 29-city, 70-battery program as recommended by NORAD and the Army, at a cost of about 15 billion dollars;

—Zeus deployment at cities would not seem to improve significantly our basic deterrent power, which depends on the survivability of our strategic forces, not the protection of our cities; this also would seem to be the essential protection against any potential blackmail by secondary powers.

—So far as political and psychological effects are concerned, it would seem arguable that the best course is that of honest appraisal: claiming appropriate credit for research progress in what are expected to be successful tests at Kwajalein next summer, but not installing a system which is expected to be overcome before it is deployed—whose installation indeed might instill a false sense of security and result in a strong adverse public reaction as its limitations came to be understood.

The *principal alternatives* to the Secretary’s proposal would seem to be as follows:

It seems clear that in any case (i) the development and full-scale testing of the present Nike Zeus system should be carried to completion, and (ii) aggressive research and development efforts on possible improved systems should be pursued. Since achievement of an effective anti-ICBM defense by either side would have tremendous foreign policy implications in addition to its military significance, it is essential that every promising approach that might lead to a technological breakthrough be vigorously pursued as a matter of highest national security priority.

With respect to the *deployment* of the present Zeus system, the main alternatives appear to be:

a. Proceed with the 1963 actions proposed by the Secretary, which involve primarily long lead-time components, but with no decision or

announcement as to the number of cities that might be involved or the ultimate scope of the program. The program would be presented as "buying a year's time" if production is actually undertaken after consideration of the results of the Kwajalein tests next year. It would be difficult to turn back from deployment once this initial step were taken, since the Kwajalein tests are not likely to yield any unexpected results.

b. Proceed with a token deployment of perhaps one or two partial batteries, with equipment produced quickly on a hand-tooled basis. This has been suggested as meeting some of the psychological and other pressures for deployment of Zeus, and having the advantage of doing so sooner than the proposed production program. This alternative is now under active consideration by the Department of Defense. It is not clear what further action would logically follow such a token deployment.

c. Make a positive decision not to deploy the present Zeus system; explain to the public (U.S. and worldwide) its limitations as well as its capabilities; use the Kwajalein tests to demonstrate our technological progress; and place main emphasis on development of an improved system.

#### 4. *General Purpose (Conventional) Forces*

The Secretary's proposals contemplate that in 1963 the general purpose ground forces would consist of 14 combat-ready regular divisions with supporting units, 3 combat-ready Marine divisions, and reserve forces in a high state of readiness consisting of 8 Army National Guard divisions, of which 2 would be in first priority status, and 1 Marine reserve division. The overall total active duty strength of the Army associated with this proposal would be 929,000.

The proposed ground forces program represents an *increase* over the original 1962 plans of 3 combat-ready Army divisions and of about 60,000 men in the regular Army, as well as a higher degree of readiness in the priority reserve forces. However, the proposals represent a *reduction* below the Berlin build-up of active duty forces of (1) the 2 National Guard divisions now on active duty, which would be returned to reserve status, and (2) a total of 152,000 men—73,000 associated with the 2 National Guard divisions and 79,000 associated with other temporary increases in connection with the Berlin crisis.

Two major questions have been raised about the Secretary's proposals.

First, some who have reviewed the proposals, notably including General Taylor and Mr. Bundy, question whether the proposed size of the conventional forces is large enough.

Second, some, notably including Secretary Rusk and Mr. Bundy, question whether it is desirable from a foreign policy standpoint to propose a reduction in January of the active duty Army forces that have just been built up.

Unfortunately, as Secretary McNamara points out, it has not yet been possible for him to provide for conventional forces the same type

of rigorous logical rationale that he has worked out for strategic forces. Consequently the basis for judgment on these questions cannot be as firm and persuasive.

The Secretary's view essentially is that a portion of the recent increases in Army strength should be regarded as temporary, and the ground forces he is proposing, in conjunction with the recommended increases in tactical air support and mobility of the forces, appear at this time to be adequate to meet our needs. In the 1963 budget, he feels that priority should be given to improving the capabilities of the existing 14 Army divisions by correcting known imbalances in equipment, tactical air support, and mobility. Following the Berlin crisis there appears to be no tactical or strategic requirement for more than 14 active divisions. He has pointed out that the long-term adequacy of the 14-division Army and all other aspects of the general purpose forces problem can be considered again in the 1964 budget if studies during the coming year clearly indicate that a different decision should be made.

The principal doubts that have been expressed concerning the proposed strength of the conventional forces are:

a. Adequacy of the forces for *fighting* in two or more separate local war situations simultaneously. This question involves an assessment of the needs of contingency plans in different areas of possible military action, and of the likelihood that two or more such situations in which we would actually wish to intervene might occur simultaneously.

b. Adequacy of the forces for *detering* the Soviet bloc or others from provoking crises which might require our intervention and for supporting our foreign policy, including the question of whether a larger permanent force level is required to convince our allies to maintain adequate forces of their own.

c. Feasibility of *relying on reserve forces* to augment the projected regular forces in time of crisis. The principal questions are: (1) how frequently situations are likely to arise which will require a call-up of reserves; (2) whether the types of threats that are likely to arise can be expected to be unambiguous or dramatic enough to justify publicly the decision to call up reserves; (3) whether as a practical matter the strength and readiness of the reserves can be maintained through repeated call-ups and demobilizations.

As indicated above, unlike the situation with respect to strategic forces, there is at present no firm and clear rationale for conventional force levels and deployment, against which to judge these opposing points of view. Secretary McNamara has stated he is proceeding to prepare a proposed rationale for the force levels; it will take some time for him to do this—at the earliest it cannot be completed before sometime next spring. In the meantime, it is worth emphasizing that there can be no satisfactory resolution of the question of the desirable size of the conventional forces. The issue may be posed today in terms

of 14 vs. 16 divisions, but when a better rationale is available it might indicate that some entirely different number would be preferable.

The principal doubts expressed with respect to the advisability of reducing the forces by the amount of reserves called to active duty are:

a. *The effects on the Soviets* and the rest of the Soviet bloc. Would the elimination of the reserve forces in the 1963 budget be interpreted as a sign that we are weakening in our will or capability to resist aggression in Europe, Southeast Asia, or elsewhere? Are there important gains to be obtained in deterring future Soviet moves by demonstrating that our response to crises they provoke is a permanent increase in force levels? If so, would the proposed additional 60,000 men have this effect, or would a larger increase be necessary?

b. *The effects on our allies*, especially with respect to our efforts to persuade the other NATO countries to increase their military forces. Would the reduction by the amount of the reserves called to active duty—even though the remaining force represents a 60,000 man increase in the basic 1962 Budget—be interpreted as a weakening in our offer to provide additional divisions to NATO for the Berlin crisis?

c. *The effects on our domestic posture and sense of urgency* regarding the Berlin and Southeast Asia situations. What events seem likely to occur that would provide the basis for a satisfactory public explanation for reducing our ground forces at this time?

If it were desired to provide for larger ground forces in the 1963 budget, Secretary McNamara would recommend planning for 16 active duty divisions, and for 30 to 35 thousand larger troop strength. This might cost in the neighborhood of 165 to 200 million dollars in FY 1963.

##### 5. *Balance between Strategic and Conventional Forces*

General Taylor in particular has raised the question whether the proposed 1963 budget evidences further the intention of this Administration to expand conventional as against strategic forces. General Taylor will comment more extensively on this; however, two observations seem warranted in this regard:

First, the proposed budget provides for a sizeable increase in *both* strategic and conventional forces.

Second, the question whether the relative emphasis between them would be shifted requires a careful and subtle analysis which has not been made by anyone. However, in crude dollar magnitudes, there is a striking shift which would begin in the 1963 budget. It is shown in the following figures from Secretary McNamara's memorandum:

<u>Program</u>	<u>Anticipated NOA (billions of dollars)</u>					
	<u>FY 1962</u>	<u>FY 1963</u>	<u>FY 1964</u>	<u>FY 1965</u>	<u>FY 1966</u>	<u>FY 1967</u>
General war offensive (strategic)	9.3	8.9	8.0	5.6	4.7	4.1
General purpose (conventional)	17.2	18.8	18.9	19.9	19.4	20.0

These figures are far from reliable; for example, they do not take into account possible new technological developments or requirements in the strategic field. Moreover, they do not necessarily indicate a shift in the balance between strategic and conventional forces available at any one time: we buy missiles once and they are available until they become obsolete, whereas we have to pay troops each year. A downward trend in the purchase of missiles is quite consistent with a rising trend in our total strategic strength. (Strictly speaking, of course, it is inaccurate to equate general purpose with conventional forces, since the amounts related to tactical nuclear and dual-purpose weapons are also included.)

What these figures represent in military terms is the possibility of a strategic force rising in magnitude only slowly, and conventional forces built around 14 Army divisions whose costs would gradually rise with increasingly complex equipment.

Nevertheless these figures indicate the possibility of a very substantial change in the apparent budgetary significance of strategic as compared to conventional forces, and if in fact future budgets do look something like those projected here, the political impact might be large.

In closing this memorandum I think I speak for all of us in noting the enormous advances in concept, clarity, and logic which Secretary McNamara has brought to the military planning-budgeting process. The difference between the 1963 budget presentation now before us, and the 1962 budget we all had to work with last winter and spring, is literally revolutionary. There is much more to be done, as Secretary McNamara knows better than any of us, but the improvement in the degree of rationality which can be applied to military planning and budgeting is already tremendous.



December 1961

**248. Memorandum from McGhee to Under Secretary,  
December 5<sup>1</sup>**

December 5, 1961

SUBJECT

Basic National Security Policy

The attached draft represents a major effort of the entire Policy Planning Council during recent months. It attempts a fresh statement of Basic National Security Policy rather than a revision of NSC 5906/1. It seeks to formulate a coherent national strategy embracing all phases of our national effort, taking, as its central theme, the objective of a community of free nations.

It is now circulated for written comment, both as to concept and substance. I realize that it will need to undergo many changes of detail before it can hope to meet general approval. Your preliminary comments would be appreciated by December 15.

It is also proposed that the concept of the paper, not necessarily its substantive detail, might be discussed at the Secretary's Policy Planning meeting. The date of December 12 is suggested.

**George C. McGhee**

**Attachment**

**BASIC NATIONAL SECURITY POLICY**

**SUMMARY**

1. *Introduction.* This paper outlines a strategy, which could provide a sense of coherence and direction to our total effort in the national security field. It is not intended to furnish a complete guide to every policy action, but rather to provide an over-all doctrine which will be relevant to the more important issues we face. Our decisions on these issues are most likely to be mutually consistent and reinforcing if they are based on a clearly defined strategic doctrine.

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<sup>1</sup> Conveys draft "Basic National Security Policy" paper. Printed in part in the print volume as Document 62. Secret. 85 pp. Department of State, S/S-NSC (Miscellaneous) Files: Lot 66 D 95, BNSP 1961-1962.



2. *National Objective.* Our basic national purpose is to help in the creation of a world environment in which a nation with values and purposes such as ours can flourish. Such an environment will be one in which countries can concert to promote their progress and security, without losing their freedom in the process. That environment can best be described as a “community of free nations”. A sustained US effort toward this end is needed not only to fulfill our positive purposes but also to defeat the Communist attempts to shape in their own image the order which will emerge from the present era of revolutionary change.

#### I. Needed Tasks

3. *Constructive Tasks in Less Developed Countries.* The community of free nations must be one in which less developed countries can progress toward becoming modern societies. We should use all the instruments of national policy—diplomacy, military aid, programming guidance and technical aid, capital assistance, and trade policy—to help them achieve evolutionary modernization. We should give higher priority to this objective than to the promotion of special ties with these countries or to securing their support for our political policies. We should urge other Atlantic countries and Japan to take the same view, and to act vigorously on it.

4. *Defensive Tasks.* The community of free nations must also be made secure against war and aggression. We should meet indirect aggression, the most urgent threat, primarily by strengthening the total capacity of governments under attack to mount effective politico-military programs in defense of their societies.

We should use US forces to defeat direct aggression in such a way as to defeat its purposes with minimum risk of escalation. This will require not only substantial and mobile conventional forces but also a reasonably stable overall strategic situation, i.e., one which is unlikely to degenerate into general nuclear war under the pressure of crises and limited conflicts. We should seek to create such an environment by maintaining an effective, invulnerable, and flexible nuclear striking force and by prosecuting adequate active and passive nuclear defense programs. The same purpose will be served by an arms control policy which looks to feasible stabilizing measures in the near term, e.g., safeguards against war by miscalculation and against nuclear proliferation, as well as to the long-term goal of general and complete disarmament.

#### II. Needed Framework

5. *The Atlantic Community.* To prosecute these constructive and defensive tasks we must mobilize the strength of nations, and groups of nations, which can deploy substantial resources beyond their bor-

ders. The European Community is such a grouping; we should vigorously support the movement toward European integration. A major purpose of US foreign policy should be to work toward an effective partnership between Europe and the US, through institutions of the Atlantic Community. We should seek vigorously to strengthen these institutions and the resulting capacity for common action. This partnership should be capable of embracing Japan in the economic sphere at the earliest possible time.

6. *Other Ties Between Free Nations.* We should, at the same time, seek to develop manifold ties, embracing as wide a range of human activities as possible, which will permit the developed and less developed nations to work effectively together, and which will limit their ability to harass each other or to act with utter irresponsibility. We should work to strengthen bilateral ties, regional associations, and the UN to this end. Such relationships are the warp and woof of the community of free nations.

7. *Relations With Communist Nations.* We should try to manage our relations with the Communist nations so that they will not divert us from constructive tasks in the free world, and so that they will promote long-term constructive evolution in the Bloc. To this end:

We should seek continuing communication with the Soviets, in business-like attempts to avoid crises and reduce the risk of war, and we should promote exchanges and cooperative ventures conducive to useful change in the USSR. When crises erupt, we should seek to resolve them in a way which will restore equilibrium without incurring the increased costs and risks that would be required to alter the existing balance of advantage drastically in our favor.

We should seek contacts, and extend and encourage assistance, designed to encourage helpful trends in Eastern Europe.

We should move toward policies which will place the onus for continued hostility between Communist China and the US more squarely on Peiping and thus mobilize greater free world support in resisting Chinese Communist expansion. We should try to create a political climate in which the Sino-Soviet rift will prosper; we should not go out of our way to make it look as though Khrushchev's preference for negotiation over fighting is a vain one; and we should make clear that the contrary Chinese view, if put to the test, is likely to entail swift disaster.

Our response to the Soviet ideological offensive should center upon projecting and explaining our own efforts to build a community of free nations. We should promote a free world consensus on this central goal. We should not be drawn away from this goal by a presumed need to react to Communist political and propaganda initiatives, but

should seek to keep the focus where it belongs: on our opportunities and affirmative purposes in the free world.

## INTRODUCTION

### Why Have a Basic National Security Policy Paper?

1. This paper is intended to define a strategic doctrine for US national security and to lay out the broad courses of action which seem required for its fulfillment.

2. Such a strategic doctrine may be helpful in different ways:

a. *The President and his principal officers* may find the doctrine helpful in determining which conflicting considerations should have first claim on their attention; in identifying long-term objectives which should be pursued as appropriate, regardless of efforts that might be required for immediate crises, and in ensuring that US responses to such immediate crises are consistent with their long-term policies.

b. *The bureaucracy* will be more likely to conform to national policy in its day-to-day operating decisions, if it is exposed to a clear and authoritative statement of the doctrine on which that policy is based.

c. *Public support* for needed measures to enhance our security, both in the US and other free countries, can more readily be secured if these measures are explained in terms of an over-all doctrine, which defines our long-term goals and sets forth a convincing strategy for their attainment.

3. In each of these respects, Winston Churchill's statement is apposite: "Those who are possessed of a definite body of doctrine and of deeply rooted convictions upon it will be in a much better position to deal with the shifts and surprises of daily affairs than those who are merely taking short views, and indulging their natural impulses as they are evoked by what they read from day to day." This paper is intended to provide that "definite body of doctrine".

4. To meet this need, the doctrine must be sufficiently clear and concise to be readily borne in mind from day-to-day by those concerned. Its strategy must be understandable, appear reasonable and constitute a useful guide to a wide variety of decisions. A doctrine which cannot be remembered in its broad outlines, but must be continually consulted in detail, is not likely to weigh heavily in the making of decisions or in the shaping of attitudes. The doctrine can, then, only treat of broad strategy. Should it seek to do more, the resulting mass of detail would merely blunt and obscure its basic import.

## PART ONE

### OUR NATIONAL OBJECTIVE: A COMMUNITY OF FREE NATIONS

1. Our fundamental purposes as a nation have not changed since they were first set down in the Constitution:

"to form a more perfect Union, establish justice, insure domestic tranquility, provide for the common defense, promote the general welfare, and secure the blessings of liberty to ourselves and our posterity."

2. The object of national security policy is to promote an international environment in which these purposes can be best assured.

3. We cannot do this merely by trying to sustain the *status quo*. For half a century such world order as we inherited from the nineteenth century has been breaking up under the impact of new forces. These forces are sufficiently extensive and powerful to ensure that the period ahead will continue to be one of unprecedented change.

4. If these forces of change cannot be contained by an attempt to maintain the *status quo*, neither can they be guided by *ad hoc* and piecemeal attempts to cope with their effect. For we face the challenge not only of a revolutionary age, whose pace and extent dwarfs previous changes in the condition of mankind, but also of Communist nations seeking to shape in their own image the new order which will emerge. These Communist efforts can be met successfully only if we have a clear view of the kind of world order *we* want to see develop.

5. The crux of the matter is thus whether we or the Communists are to organize the new world order. Our actions must be directed toward bringing into being the kind of world order we favor through peaceful and evolutionary means. We should have had such a purpose even if Marx and Lenin had never existed, but the need is the greater and more pressing since their heirs are now trying to impose their version of the future on all mankind.

6. The international order we seek to build must assure two preconditions to fulfillment of our national goal: peace, and freedom from Sino-Soviet control.

A world order which can assure peace must be able to generate enough power and will to deter or defeat attack.

A world order which can be assured against Sino-Soviet control must be able to assure progress by its members sufficient to convince them that their aspirations can be better fulfilled within its framework than without.

7. To discharge these constructive and defensive tasks, this world order must have a hard core of developed nations able and willing to pool their resources for such tasks beyond their borders; and must be able to draw these and the less developed nations together in a network of common ties which will direct their mutually reinforcing efforts to these ends.

8. We thus seek a world order which would be a genuine community of free nations. It would perform the normal functions of a community—i.e., help its members assure their material well-being and pro-

mote their security against outside attack—even though it lacked the organizational apparatus of one. It would enable its members to concert to meet these needs without either forming a super-state or losing their freedom. It would thus be sufficiently flexible in its arrangements to encompass the changing needs and aspirations of all free nations. It would be open to all nations willing to abide by its standards and accept its responsibilities. Its accomplishment would thus be a continuing task—open-ended, in the best sense of that term.

9. In our efforts to build such a pluralistic community, we will be pursuing a goal which commends itself more to most of mankind than the monolithic conformity of Communism. We can tolerate variety in the world; Communism cannot. If we fail of support among free peoples, it will be because we do not effectively articulate our goal, rather than because we are moving in what they consider to be the wrong direction. The community of free nations—should it be achieved—will rest on consensus, not coercion.

10. If we do articulate our goal effectively, we need not expect its appeal to be limited to the non-Communist world. The attractive power of a community whose members are able to assure the realization of their aspirations without losing their freedom should serve to weaken the bonds that now bind peoples under Communist rule to the Bloc. In the long run, changes may be induced in at least some of the Bloc states which would make it possible for them to adhere to the community.

## PART TWO

### NEEDED TASKS

#### Chapter 1: Constructive Tasks in the Less Developed Countries

##### I. Basic Purposes

1. Any effort to build and maintain an effective community of free nations must first of all address the constructive task of helping the members of the community achieve more rapid progress within a framework of interdependence. This task will, by its nature, center on the less developed areas. Politically active and literate groups in these areas have awakened to the fact that their lot can be improved by human effort. They demand that their countries achieve the national status, material base, and human well-being which they associate with a modern state.

2. Governments which try to repress or ignore these pressures are unlikely to survive over the long run. If these pressures cannot otherwise be fulfilled, they will likely lead to revolutionary change under extremist leaders. Some of these leaders may look to Communism, or something like it, for their salvation. Others may turn to foreign

adventures or domestic policies which encourage international anarchy. In either case, progress toward a community of free nations would be retarded. Instead of evolving into responsible members of such a community, the less developed countries would succumb to weakness and instability and become subjects of ever growing great power rivalry—with disastrous results, both from their standpoint and ours.

3. It must be recognized that modernization will not guarantee a successful outcome even over the long term, and may actually lead to increased instability over the short term. This is a risk, however, that we must take. Although modernization will not lead to dramatic improvements in the living standard of the common man, it should provide a basis of hope for all that the future holds promise. A concerted national effort toward modernization can also help cement national cohesion, develop leadership groups with constructive objectives, reward the most vigorous elements of the developing nation, and subordinate sectional and local differences to sound national goals.

4. Whether progress is achieved will depend primarily on the efforts of the less developed countries themselves. Modernization is a complex social, cultural, political, and economic phenomenon, whose main-springs must be found within the developing society itself.

5. External action can, however, make a useful—and, in some cases, indispensable—contribution. The less developed countries need to acquire physical resources, skills and knowledge from more developed countries. The US, Western Europe, and Japan can help to meet these needs. In so doing, they will help to create the ties which bind the community of free nations. Their assistance should permit the launching or acceleration of modernization programs which may be able, in the long run, to go forward increasingly without that help. The US should take the lead in seeking a consensus among other free developed countries as to the importance and nature of the task. The OECD is the place to seek that consensus, although NATO can also play a role in establishing political agreement among the Atlantic countries as to the urgency of the task.

6. The basic point on which to be clear is that the objective of the OECD countries in assisting less developed countries is to help them evolve into viable societies free from external domination—each an integral part of an interdependent community of free nations. Of course, the OECD countries also share other interests with the less developed areas—military, political, and economic. Actions to fulfill these interests must not, however, be permitted to retard the development of the community of free nations.

The varied instruments available to the US and other developed countries should each be directed to our primary purpose. These means are discussed below.

## II. Major Instruments of Policy

7. *Diplomacy.* We should use our normal diplomatic contacts with the governments of less developed countries to encourage them to preoccupy themselves with the modernization process. Through confidential exchanges of ideas and information, and through diplomatic assistance, strong ties should be developed which will provide sinews for the community of free nations. Our industrialized allies should be encouraged along similar lines.

8. *Information and Exchange Programs.* Our information programs should stress the importance of modernization to the less developed countries' survival and progress. They should help emerging elites in these countries to understand the nature and complexity of the development process and how to promote it. US and other OECD programs for the exchange of persons should seek to expose key groups in these countries to the wide range of skills and attitudes which have sparked development in the West. Such exchanges should result in strong national and personal sympathies and ties which can help to bind the community of free nations together.

9. *MAP.* Our military aid program can be helpful in encouraging and enabling the local military to take a constructive part in modernization, e.g. through development and education. We should make a conscious effort to exploit MAP, the US military missions that go with it, and the despatch of foreign military students to the US to this end. A consensus of aims and methods between military leaders and establishments will also contribute to the cohesion of the community of free nations.

10. *Programming Guidance.* The US should provide less developed countries with expert advice and personnel, as requested, in planning effective programs to modernize their societies. It should urge private and international agencies, as well as other governments, to play an ever larger role in the provision of programming guidance. We should demand no monopoly in this field.

11. *Technical Assistance.* The US and other OECD countries should also provide less developed countries with technical help in carrying out modernization programs. We should emphasize projects that will involve as many groups as possible in the modernization process. Here again, other advanced nations have a vital contribution to make and should be encouraged to do so. The wider the participation by free nations, private agencies, and international organizations in the provision of programming guidance and technical assistance, the greater will be the contribution to stronger ties within the community of free nations.

12. *Capital.* External capital should be offered in sufficient amounts and with enough continuity to provide a convincing incentive to less



developed countries to go forward with needed programs and to mobilize fully their own resources in carrying them out. This will require a steadily rising level of capital assistance in the years ahead. A good share of this should come from other free industrial nations, and we should be active in promoting increased assistance by these countries. The US should promote OECD coordination of these efforts, and urge formation of OECD consortia to meet specially large and pressing needs.

Aid programs of the TMP and of the IBRD and its related organs—IDA and IFC—will generally be effectively directed to purposes which make sense in countries with development potential. The US should encourage maximum contributions to the international agencies' programs and maximum recourse to them by the less developed countries.

Outside private investment should be encouraged, not only because of the capital it brings but also because of the exposure of local groups to the skills and attitudes which make up a business class—and the resulting ties which promote interdependence.

US assistance programs should emphasize projects that would assist in the growth of an indigenous entrepreneurial class, which can be the driving motor in further economic development. This will require aid for needed infrastructure in the public sector, as well as new enterprises in the private sector. Pragmatic—rather than ideological—considerations should guide our decisions regarding relative amounts of aid for these activities. We should be careful to avoid giving the appearance of seeking to impose our own patterns of thought and economic activity on less developed countries.

13. *Surpluses.* Provision of US agricultural surpluses to less developed countries can also be an important part of this capital assistance, and should be consciously geared to the promotion of economic development.

14. *Criteria.* The US should urge donor countries to agree in the OECD on realistic criteria for national aid programs, which would encourage and reinforce self-help by the receiving countries. If countries conform to these criteria, they should not be discriminated against because they do not align themselves with us in the cold war or agree with all of our policies. Such discrimination will not alter their views, it will merely slow down their modernization and thus make them more vulnerable to instability and subversion. And the fact of our effort to associate political "strings" with our aid will sit poorly with other less developed countries.

In applying criteria designed to encourage self-help, we should recognize that such criteria will have limited relevance in some countries. These will be countries with out early potential for development



or self-support whose needs must nonetheless be met if disintegration of non-Communist societies is to be avoided.

It is important to bear in mind, moreover that even those countries with development potential fall into different categories, and that the criteria for aid must vary among these categories.

(a) In countries which are still close to the traditional stage, we can hardly insist that applicant governments have comprehensive development programs—much less the means of executing them—at hand. In these countries, we should judge, and provide aid for, elementary pre-development needs on their individual merits: resource surveys, training and education programs, help in creating needed institutions, and capital in such basic fields as agriculture and transport.

(b) In countries which have broken with their traditional way of life but have not yet fully committed themselves to modernization, our object should be to encourage modernization programs of the required scope and effectiveness. We should hold out the prospect of assistance on terms which these countries can realistically expect to meet if they make the requisite effort.

(c) In countries that are fully launched on the process of modernization, we should insist on conformity with strict criteria. Indeed, it is in these countries' interest that we do so.

15. *Soviet Aid.* The OECD countries should not generally be diverted from the carrying out of their own positive programs of assistance by efforts to "counter" Soviet aid. They should recognize that Soviet attempts to subvert less developed countries will best be frustrated by progress in these countries, and they should gear their own aid primarily to promoting that progress.

Efforts to preclude Bloc aid should be limited to a few key and sensitive sectors (such as police, education, and planning) in countries where this tactic promises permanent, rather than temporary, success. In a few cases, US aid may be able to support efforts of countries attempting to avoid overdependence on Bloc aid and trade. Such cases should not set a pattern whereby US aid appears highly correlated with solicitation of Bloc aid offers.

16. *Trade.* Exports are roughly ten times as large a source of foreign exchange for less developed countries as capital assistance. Trade also provides the greatest opportunity to develop permanent, mutually advantageous, and freely accepted ties between peoples and nations. It is the warp and woof of a community of free nations. The OECD nations should accord high priority to measures for giving the developing countries free access to their markets.

The US should eventually be prepared to join Japan and the European Community in reducing their restrictions on certain imports from

the less developed countries on an across-the-board basis. We should not expect symmetrical concessions from these countries. The burden of absorbing increased imports of any given product will be less onerous if it can be shared by all of the major industrial countries. Steps to reduce barriers to imports from less developed countries will have to follow steps by them to free up trade in industrial goods and to concert about their agricultural trade and production. The United States may need to take domestic measures to facilitate adjustment by the industries most affected to an increased volume of imports. It should urge other OECD countries to do the same, as needed.

17. *Commodity Price Stabilization.* The problem of price stability of primary products is no less important than that of the less developed countries' export volume. Fluctuations in export prices of primary producers and the resulting instability in foreign exchange earnings of less developed countries seriously hamper their economic development programs. Only if there is price stability will there be the needed financing and incentive for increased production. Just as nations must face this problem internally, a community of free nations must face it if it is to achieve wide acceptance.

The long run remedy for price instability is sustained growth and economic diversification in these countries. In the meantime, it is essential that the OECD states examine together means for reducing specific commodity price instabilities and for mitigating adverse effects of wide market variations on over-all export earnings of less developed countries.

18. *Change in Culture and Attitudes.* In all of this, one cardinal point should be borne in mind: Although the pace and process of modernization will vary from country to country, its success will hinge in most countries more on a real determination to achieve progress—with all that this involves in the way of effort—risk and innovation—than on any other single factor. A major purpose of our aid should be to generate the change of cultural attitudes which will produce this determination in as wide a range of the social groups in the less developed countries as possible. As these groups come to share our view of the modernization process, a consensus between us on this important front will strengthen the bases of the community of free nations.

Assistance for education can help to generate this kind of change in attitude by opening up new intellectual horizons for tradition-bound groups. Assistance for improved transport, connecting rural areas with modern cities, can serve the same purpose by exposing these groups to modern values and influences. These two cases are cited to illustrate a general policy, which we should constantly seek to devise new ways of applying and carrying forward.

19. *Political Change.* Political, as well as cultural change will be required to promote modernization. One of our major objectives in

providing capital to less developed areas should be to assist and promote reforms, notably in regard to taxation and land tenure, which would weaken the power of tradition-minded elites which resist modernization. The Alliance for Progress is a promising approach to this objective.

We must recognize that, as modern-minded groups become more numerous, they will demand more and more from the traditionally privileged. The latter will, in turn, be increasingly reluctant to make concessions which threaten their positions. It is all the more important to ensure that promising modern opportunities are also open to the more flexibly-minded among the traditionally privileged, so that they too can become identified with the modern order if they wish.

We must expect many abrupt and often immoderate changes as countries thus move toward more modern ways. Due to the less rigid organization of center parties, moderate leaders will be alternately attacked by both extreme left and right and under pressure by both to seek their protection. The course of progress will not be an easy one, but it would be greatly assisted by the emergence of powerful Center political parties, offering modern-minded elements a constructive alternative to more violent extremes. We should use our influence discreetly to help bring this about, where feasible.

## Chapter 2: Defensive Tasks

1. It should be our purpose to shield the constructive task of building a community of free nations, insofar as possible, from interruption and disruption at Communist hands. This means, among other things:

(a) Maintaining and using military strength along the frontiers of the community of free nations, and within the community, to deter or defeat aggression against its members.

(b) A sustained effort to create a stable strategic military environment, which will not automatically dissolve into general nuclear war under the pressure of crises and limited violence.

Efforts to meet these two needs are discussed in Sections I and II, below.

2. The common keynote to these efforts is that they are geared to defensive, rather than offensive, purposes.

3. Given our estimate of Bloc intentions and capabilities, the chances of “winning” the present competition by using or threatening force to roll back the frontiers of the Bloc seem slim. Given our faith in the greater effectiveness and attractive power of a community of free nations, our chances of winning that competition through success in our constructive programs seem good. These programs would tend to be disrupted by military conflict. The gains which we might achieve

through an aggressive military or diplomatic strategy would thus probably be outweighed by the damage such a strategy might do to our basic goals.

### I. Uses of Force

4. Making clear our will to resist any aggressive use of force should, of course, be our first line of defense. Collective security pacts, bilateral treaties, unilateral statements, and token US deployments abroad—all contribute to deterring aggression. But none are likely to have the intended effect unless we are, *in fact*, ready to use defensive force, as necessary.

5. We should beware of enticing arguments for not doing so, e.g., Berlin is “indefensible” or Vietnam is “peripheral.” Circumstances beyond our control have drawn the borders of the free world where they now stand, and in most contested areas we have, either implicitly or explicitly, associated ourselves with its defense. If we draw back, the Communists will be encouraged to test us elsewhere and our allies will be discouraged from resolute resistance to Communist threats and aggressions. We should, however, seek to minimize the commitment of US prestige to defense of positions which are not clearly within the borders of the free world, unless we intend to fight to hold them.

6. *Direct Aggression.* When the threat is one of direct aggression, we should be ready to meet it by despatching US forces, preferably in concert with other free world nations, to the assistance of the country under attack. Deployment of US forces and their supplies overseas should be such as to permit rapid and effective action to this end.

Our aim in such action should generally be to restore a situation comparable to the one which existed before the aggression, and to do this with minimum risk of general nuclear war. The scale and scope of allied military operations should be related to this aim.

Early initiation of use of nuclear weapons would not be consistent with this objective, since there is a significant probability that it would lead to counter-use. Use of nuclear weapons should only be initiated if it is wholly clear that the aggression cannot otherwise be defeated and if a careful calculation shows that it would be possible, should the Communists respond with nuclear weapons, to draw net advantage from a limited local exchange of these weapons.

If nuclear weapons must be used because the aggression cannot otherwise be defeated, the initial use should be limited and selective, geared if possible to the essentially *political* purpose of demonstrating firm intent with minimum risk of escalation. If our political use of nuclear weapons fails to dissuade the Communists from continuing the aggression, nuclear weapons should be used to seek a military decision. We should strike at military targets directly related to the

fighting, on the minimum scale needed to end that fighting. Where consistent with the object of achieving a military decision, nuclear weapons should not be used against the territory of the USSR and Communist China.

We should seek to deter the kinds of Communist counter-use which would lead to rapid escalation. We should make clear that any Soviet attack on Western cities and/or strategic delivery systems would lead us to attack these systems with such force as might be required to destroy them.

7. *Indirect Aggression.* Our national strategy must recognize that the more likely threat to the less developed countries will be that of *indirect aggression*. Local groups, often with clandestine support from abroad, will be used to seek control of a part or all of the country. This type of internal subversion can escalate, through guerrilla revolt, to conventional civil war with foreign involvement. The battlefield of such an attack is the society itself, since that society furnishes most of the resources, motivations and targets of the struggle.

A comprehensive development program calculated to minimize dissidence and meet popular aspirations—starting at the village level, is the best preventive action. Such a program should be mounted, wherever possible, before dissatisfaction reaches the point of unrest.

If indirect aggression nonetheless boils over, our primary response should be to enhance the over-all strength of the government under attack. We should encourage it to use this strength to win back dissident elements supporting the hard-core of rebel leadership. This will require a combination of balanced internal security capabilities (police, dual-purpose armed forces, adequate intelligence).

The US role should be to advise, finance, and train and equip indigenous personnel. We will be better able to perform this role if appropriate emphasis is placed on means of countering irregular warfare in US aid, training, research and development, and other national security programs. We should develop programs which are geared to the problems and tensions of vulnerable societies in their totality, and which seek to bring to bear appropriate politico-military responses through indigenous leadership.

US combat troops should be committed only if they would clearly have a decisive effect in meeting an indirect aggression which could not be contained in any other way. This will rarely be the case. US troops will seldom be adequate substitutes for properly trained and oriented indigenous troops acting under local leadership, in programs intimately related to local conditions. Their introduction will, on the other hand, involve some risk of a counter-productive local response and some danger of escalation—due both to Communist reactions and to the frustrations that would be generated in the US by prolonged

use of US forces in the prolonged, ambiguous, subtle and difficult tasks of suppressing internal rebellions.

Proposals for meeting the threat of indirect aggression by large scale air and/or ground attack on its external source should be viewed with skepticism.

If we cannot successfully meet the aggression on its own terms—i.e., by developing indigenous leadership which can prevail, widening the war will probably not protect the government under attack. If we *can* discharge the task, widening the war may well be unnecessary. Large scale attack on the external source of aggression would, moreover, probably lead to Chinese Communist or Soviet counter-action, with possibilities for escalation that are, quite literally, incalculable. Our effort to build a community of free nations might be greatly slowed, if not wholly halted, by the resulting spreading hostilities.

8. *Role of Other Countries.* In all these actions, we should seek to persuade our major European allies, as well as any countries in the area with the needed capability, to make their full contribution.

The will and ability of less developed countries to make an effective external contribution to such military actions will not generally be great, however.

We should not posit military aid programs or contingency plans on the assumption that these countries will do more than contribute to their own defense.

In increasing their capability to defend themselves, priority should be given to the most urgent threat they face. Where this threat is internal, we should help these countries to develop effective counter-guerrilla and related capabilities. We should not generally burden less developed countries in this category with ambitious military programs to meet direct external aggression, as well. This would merely prevent economic progress needed to meet the internal danger.

A few less developed countries may face an urgent threat of direct external aggression, however. In these countries we should try to build up local armies which could complement our own forces in resisting direct aggression. Even here, we should not press this effort to the point of diverting local resources and energies from needed internal tasks. It is more in our interest to maintain a US military establishment which will be sufficient to meet the external threat than to urge these countries to military programs which might threaten their viability.

We must recognize, of course, that these countries' military programs will only partly be subject to our influence. Where local governments are determined to maintain larger armies than we believe wise, it will still be in our interest to try to help these armies become a force for responsible leadership and effective modernization of the country

concerned, and to orient them generally toward the free world. Such an effort by the US will be especially relevant in the case of African and Latin American countries, which seem determined to maintain the military trappings of sovereignty even if no external threat is at hand. These countries' armies may well play a major role—for better or worse—in their countries' economic and political life; we should not cut ourselves off from them merely because they are wasteful and unnecessary.

It may sometimes help to persuade less developed countries not to mount larger forces than are required if we give them guarantees of prompt and effective US military action in case of attack, e.g., through security pacts. We should not, however, allow ourselves to be trapped in a vicious circle, in which we find ourselves providing aid for still larger forces in order to keep these pacts alive.

9. The threat of aggressive use of force has so far been discussed in terms of Communist action. The problem is more difficult. Forceful change is also sometimes threatened by the threats of non-Communist countries against each other. It might conceivably also be threatened by a desire on the part of one or more of them to fight Communist nations when this was not required for defensive purposes.

A prime object of US policy should be to avoid allowing non-Communist countries thus to trigger hostilities which might either create opportunities for Communist expansion or involve the US in unnecessary conflict. To this end:

(a) We should keep our more hot-headed allies on a tight logistic leash, seek to develop joint command arrangements which would give us a voice in their forces' use, and work out joint contingency plans which would orient these forces to defensive purposes in case of local hostilities.

(b) Regional arms control should be favored, particularly when it is proposed by the countries concerned. Tacit agreement with the Bloc for restraint in shipping arms to troubled areas, e.g., Africa and the Arab countries and Israel, might be helpful. Normal intelligence techniques might be sufficient to ascertain whether such an agreement was being generally observed.

(c) We should try to enhance UN procedures for peaceful settlement of disputes and use them wherever feasible. Stand-by arrangements for sending UN patrol forces to meet emergency needs should be strengthened. We should seek to improve UN command and staff organization, to expand training for UN functions, and to secure earmarking of additional forces for possible service with the UN to this end.

(d) We should focus on situations, e.g., West New Guinea, which might explode into local conflict between free nations, and try to initiate preventive diplomatic action before the event.



All these kinds of action will serve our basic purpose shielding the community of free nations against violence and aggression—no less directly than will our preparations to meet Communist attack.

## II. A Stable Military Environment

1. Our ability to shield the community of free nations from aggression will depend not only on the specific use of force to meet or deter aggression but also on the overall military environment within which such use takes place. Measures to create a stable military environment, i.e., one which will not readily deteriorate into general nuclear war under the pressure of crises and limited conflicts, are discussed below in relation to US military and arms control programs.

### A. Military Programs

2. *Strategic Forces.* The US should give the Soviets no reason to doubt our will to use nuclear striking power, if necessary. We should maintain a strategic force which is:

(a) sufficiently *effective* so that Sino-Soviet aggressive power clearly could not survive its all-out use;

(b) sufficiently *invulnerable* so that its survival need not rest on (i) striking first, (ii) our taking such “crash” measures in a crisis to reduce its vulnerability as the Soviets might consider evidence of impending attack; or (iii) an instant US response to ambiguous evidence of impending enemy attack;

(c) sufficiently *flexible* to be susceptible of discriminating and controlled use against a wide variety of alternative target systems—both in any initial use, and in continuing hostilities in accordance with assured continuity in decision-making.

3. *Non-Nuclear Forces.* A second major element in a stable military environment must be a Free World capability to use force within certain limits without taking actions involving a high probability of nuclear war. The contribution that overseas forces might make to this capability has already been discussed. To this same end, the US should maintain non-nuclear forces in the continental US which are:

(a) sufficiently *substantial* so that they could, in conjunction with foreign forces and US forces abroad, contain aggression short of all-out Soviet or Chinese Communist attack without using nuclear weapons;

(b) sufficiently *mobile* so that they could respond promptly and in needed numbers to two simultaneous threats in distant parts of the world;

(c) sufficiently *flexible* to be susceptible of use—both by themselves and in support of other countries’ forces—in irregular and sub-belligerent, as well as regular, military operations;



(d) sufficiently *ready* so that they could accomplish these purposes without large mobilization of US reserves. We cannot assume that the threats we will have to face will be so infrequent, dramatic, and unambiguous as to make recurring reserve call-ups a feasible or desirable means of meeting them.

4. *Active and Passive Defense.* A third major element in a stable military environment must be sufficient US defense against Soviet nuclear attack to assure, and hence to make clear to the Soviets, that the US Government:

(a) would be able to function and to dispose of its remaining resources in an organized fashion after general nuclear war;

(b) could protect the civil population sufficiently to count on popular support in facing up to the threat of general nuclear war.

*Active* defense of the continental US contributes to these purposes. Few actions would so change the world scene as the development of a genuinely effective anti-ballistic missile capability by either side. Research and development directed to this problem should have high priority.

*Passive* defense programs, including fall-out shelters, should also be carried out as needed to serve the purposes outlined above. It follows from the basic doctrine set forth in this paper that care should be taken not to generate such an undue popular preoccupation with these programs as to divert public attention and energies from other tasks needed to achieve a community of free nations.

## B. Arms Control

5. US policy regarding arms control should have the same basic purpose as our military programs: to create a stable military environment, in which our security can be assured with minimum risk of nuclear war.

6. *General Disarmament.* To this end we should continue to propose a phased program for the achievement of general and complete disarmament.

Such a program must be one that is consistent with our goal of community of free nations. Thus, it must ensure that disarmed nations can pursue legitimate international goals at least as effectively as they do today. And it must equally ensure that the right of these nations to determine their own political, economic, and social system is at least as effectively protected as it is today.

A disarmament policy that satisfies these conditions must seek to develop, parallel to the curtailment and ultimate abandonment of national military power, the growth of international mechanisms, including international force, which will permit international relations

to proceed in such a way that change and evolution occur peacefully and in broad directions consistent with our long-term goals.

7. *Limited Arms Control.* While seeking agreement with the Soviets on such a comprehensive program, we should also press for consciously limited measures designed to reduce the more explosive possibilities inherent in possession of national armaments.

One element of such a limited program should be measures to reduce the risk of war by accident or miscalculation. This should be given very high priority, and actively pursued. Consideration should be given to negotiating on this matter through procedures and in a forum different from that in which more comprehensive and complicated programs dominate the stage, and thus create a highly charged propaganda atmosphere.

A second main purpose of limited arms control should be to reduce the risk of nuclear proliferation to other national governments, e.g., by an agreement between the nuclear powers not to give warheads into the national custody of other countries, and by an agreement to cease production of fissionable materials for weapons purposes, which might also involve nuclear stockpile reductions.

In the long run, other stabilizing measures may also be feasible. As both sides achieve increasingly effective and invulnerable missile capabilities, for example, it may be possible to consider agreements to abate great power competition in missiles and also in the stockpiling of nuclear weapons. Prevention, or at least inhibition, of the extension of arms competition to outer space and celestial bodies could also serve a stabilizing purpose.

Total nuclear disarmament is unlikely of early achievement. So long as we and the Russians alike possess the enormous but somewhat inhibited power of the thermonuclear weapon, however, its sobering effects will continue to obtain in some measure. If we can supplement these sobering effects by other measures likely to inhibit a resort to arms, we may then have the best of an imperfect world, until general disarmament comes about.

### PART THREE

#### A FRAMEWORK FOR NEEDED TASKS

##### Chapter 1: The Atlantic Community and Japan

A community of free nations can only be built if some of its members are willing and able to deploy substantial resources beyond their borders in prosecuting the needed constructive and defensive tasks which have been outlined. Given the realities of power, this will and ability must be found largely in the US, Western Europe, and Japan.

## I. The United States

1. *Economic Base.* A higher rate of economic growth than has been achieved in recent years will be needed to generate an increasing level of resources for US assistance and security programs, to give convincing evidence to other countries of the attractive power of our social and economic system, and to ensure that the US continues to be the leading workshop and trading partner of a community of free nations. Our broad national objective should be to achieve the annual average of 4.2% growth in gross national product agreed on at the OECD in November, 1961. Achievement of this objective will be dependent, in some degree, on government action.

Fiscal, tax, and monetary policies should be such as to permit fulfillment of this growth objective without generating such continuing inflation as would impair public morale, divert labor and capital to uneconomic purposes, and prevent a balance in our international payments. This balance should be sought through policies which will assist, or at least not slow down, progress toward an effective world community—e.g., by seeking to improve the US competitive position, lower world trade barriers, and promote US exports.

2. *Political Base.* Sustained US public support and understanding will also be needed to prosecute the broad strategy outlined in this paper.

This will only be forthcoming if a clear sense of direction and meaningful effort can be conveyed to the American people—a sense which outweighs the effect of particular interests, partisan passions, and traditional prejudices.

To convey that sense, the general strategy that is being followed by the US should be laid before the American people with the same candor as within the executive branch. Specific measures for which public support is being sought should be related to this strategy, in public expositions, wherever possible.

## II. The European Community

3. The resources of Western Europe will only add up to an effective grouping if the separate European nations pool these resources in common enterprises. The beginnings of concerted action to this end are to be seen in the European Community.

4. The guiding rule of our European policy should be to enhance the strength and cohesion of this Community within a broader Atlantic framework.

5. We should encourage any tendency in the Community to extend its integration into the political field. We should not be deterred by fears of a “third force,” which would play the US and USSR off against

each other. The danger that a united Europe will deliberately follow policies that favor the Communists is slight. Much more real is the danger that Europe will be induced by a sense of internal division and external weakness not to react vigorously to efforts to extend Communist influence into the less developed areas. This danger will be reduced in proportion as European strength and confidence is enhanced within an effective Atlantic Community.

6. We should encourage the UK to participate fully in the movement toward integration, both to strengthen that movement and to balance present Franco-German leadership. We should be chary of "special" US bilateral relation with the UK, which might serve as a bar to its full integration within the European Community.

7. We should use such influence as we can exercise on German events to support those German leaders and groups which believe that the European Community should be the main focus of Germany's foreign policy. An increasing absorption in the affairs of that Community will be the best safeguard against a recrudescence of irresponsible nationalism in German national life and policy.

The danger of such a recrudescence may grow as time shows no signs of weakening or eroding Soviet control of East Germany. We should represent to German opinion that the most effective way of moving toward reunification lies in enhancing the strength, stability, and attractive power of the European Community into which East Germany might eventually be absorbed. We should make clear that we do not abandon the goal of reunification as one hoped-for outcome of building this Community. The credibility of this posture will be enhanced by a firm defense of the freedom of West Berlin, and of the Western presence in and access to West Berlin, since West Berlin is a symbol of reunification to German opinion.

### III. US-European Partnership

8. A closer partnership between the US and an integrated Europe within the Atlantic Community will become the more feasible as progress is achieved toward European integration; the US can work more effectively with a single integrated Europe than with several weaker European nations. Despite obvious obstacles, resulting partnership should be capable of embracing Japan in the economic sphere at the earliest possible time.

9. *Economic Base.* If these nations are to engage in undertakings abroad on the scale required to build a larger community of free nations, they must devote increasing resources to this purpose. This means that they will need to take joint—as well as individual national—steps to accelerate their economic growth.

The US should negotiate with the European Community and Japan for drastic across the board reductions in restrictions on trade in indus-

trial goods. This will permit these countries to achieve more effective use of their resources and hence more rapid growth. The benefits of any agreed cuts should be extended to other countries. Attempts to promote freer non-discriminatory trade on a worldwide basis should be prosecuted with utmost vigor; they make a vital contribution to economic health of the free world.

These advanced countries should also eventually seek to concert on steps regarding production, trade, and pricing of the agricultural commodities which they produce in surplus amounts.

Progress along these lines will create an atmosphere in which it will be easier for them to agree on reductions in present restrictions on imports from less developed areas, such as were discussed earlier in this paper.

The European Community, the US, and Japan should also seek to accelerate their growth by coordinating their monetary and fiscal policies. They should work to develop or strengthen international monetary arrangements that make it possible for them to pursue multilateral and non-discriminatory trade. These will include measures to limit destabilizing movements of liquid funds, and arrangements for making effective use of present world reserves. This may require new institutions.

Such monetary and fiscal policies will permit these countries to press forward with expansionist domestic policies without undue fear of generating costly and disruptive imbalances in their international payments.

Over the long run, steps toward still closer US economic association with the European Community may be feasible and desirable. The form that these steps might take cannot now be defined, but the possibility of such closer association should be constantly before us.

10. *Military Base.* The European countries will be more likely to join the US in needed tasks throughout the free world if they have some assurance that their home base will be reasonably secure against Soviet threats and military pressures.

(a) They must believe that adequate nuclear power will be available to deter or defeat all-out attack upon them. We should assure them that US strategic forces will cover targets essential to the defense of NATO Europe and seek to develop with them guidelines and procedures for consultation and decision regarding use of these strategic forces.

This may not, however, be enough. We should, therefore, also be willing to explore with our allies the concept of a multilaterally owned and controlled sea-borne NATO MRBM force, as outlined by the President in his Ottawa speech. Use of this force would be on the basis of

guidelines and procedures agreed to by our allies. In the process of exploring this concept with our allies, we could determine whether sufficient pressures existed to warrant our seriously considering procedures which would permit the force to be used under certain conditions without our consent.

Even if the European countries were unable to agree on decision-making procedures which would make it feasible to establish this force, the mere fact of our having proposed it should help to reduce fears of US willingness to use nuclear weapons in Europe's defense. Even if the decision-making formula were agreed upon and left uncertainty as to whether the force would ever be used, the basic credibility of the nuclear deterrent to Soviet attack would not be affected since the bulk of that deterrent could remain under US control.

It should be recognized that there are grave risks and difficulties associated with proceeding along these lines. The alternative, if European concerns cannot otherwise be met, is probably a growing pressure for the creation of separate nuclear capabilities by individual European countries. This would generate fears and divisions more grievous than any now resulting from the US nuclear monopoly.

We should continue our existing policy of opposing and discouraging any movement in this direction (i) by refusing assistance for the French national nuclear program; (ii) by trying to phase the UK out of its independent strategic program—which stimulates France to wish to follow suit; and (iii) by refusing to deploy additional MRBM's to the forces of individual European countries, since this deployment would tend to evolve into *de facto* national nuclear capabilities, whether or not the resulting forces were committed to SACEUR.

(b) A sound military base for a confident European association with the US must also be one which convinces European nations that they could defeat non-nuclear aggression short of all-out Soviet attack without destroying themselves in the process. They have so far viewed US attempts to lead them in building up an improved conventional capability with suspicion, since they believe that these attempts reflect a US desire to disengage from their nuclear defense. The matter will appear in a different light if the steps referred to under (a) above are also being taken: The Europeans will be more likely to welcome US leadership in a defense policy that will enable them to defeat and survive limited attacks, if they believe that this policy will also deter all-out attack.

US leadership in enhancing Europe's non-nuclear capabilities will only be effective, however, if it involves more than exhortations. Maintenance of substantial US forces on the continent, continuing modernization of these forces, and US participation in cost-sharing arrangements which distribute the defense burden equitably through the alliance as a whole will all be needed.

11. With a secure military base and expanding resources the US and Western Europe should, with Japan as their partner in some cases, be able to cooperate more effectively in meeting the needs of the rest of the free world.

We should continue the effort which the Secretary of State inaugurated at the NATO meeting in Oslo to persuade the other NATO countries that there are no areas peripheral to their vital interests.

This can best be done if there is full and frank consultations with these countries about the best use of our combined resources. We come closest to doing this in our relations with the UK. We should increasingly treat France and Germany, the European Community as it emerges, as well as Japan in certain fields, with the same candor and intimacy. These entities are more likely to act the part of powerful and responsible allies if we treat them as such.

The forum for concerting about *defensive* tasks is NATO. We should be forthcoming in our NATO consultation, and seek to strengthen and extend the use of NATO for this purpose.

The forum for concerting about *constructive* tasks is the OECD. The US should take the lead in pressing for increased consultation in this forum. OECD's organizational arrangements should be sufficiently flexible to reflect the fact that Japan is an indispensable partner in many of these tasks; some of the OECD members are not.

It is essential to continue our efforts to strengthen NATO and the OECD as European integration goes forward. The best way to guard against a stronger Europe becoming a "third force" is to bind it tightly to the US through ever more effective Atlantic institutions.

## Chapter 2: Other Ties Between Nations

1. The community of free nations is based on the sum total of all the manifold ties—private and public, tangible and intangible—which bind its members to each other. These ties make it possible for them to work together with good effect, and limit their ability to harass each other or to act with irresponsibility. The development of such ties cannot be forced, but must flow normally from the development of a consensus of views, the sharing of common ideals and aspirations, and the existence of a true "community" feeling. Such ties can, however, be developed by public and private initiatives, properly timed, where the precondition for them already exists. Bilateral, regional, and world-wide measures to this end are discussed below.

2. *US Bilateral Ties.* We should seek to strengthen bilateral ties between the US and other free countries—whether they are allies or neutral. A wide variety of activities can serve this purpose, aside from the day-to-day conduct of diplomatic affairs, e.g., the Peace Corps,



the people-to-people program, reciprocal state visits, tourism, and the exchanges of people.

3. *Other Developed Countries' Bilateral Ties.* We should encourage other developed nations at the "core" of the community of free nations to maximize their contacts with the less developed nations, on a basis of consent, mutual interest, and self-respect. Concentrations of influence such as the Dutch once exerted in Indonesia and the Belgians in the Congo would thus increasingly be substituted for in a given country by the composite influence of a number of free developed countries.

4. *Bilateral Ties Between Less Developed Countries.* We should urge the less developed nations also to increase bilateral ties among each other, and encourage any tendency among them to pool their sovereignty in larger units. Where disputes between them hinder this process, we should consider remedies: UN action, or an offer of good offices by the US or some third nation or grouping, e.g., the Commonwealth.

5. *Regional Ties.* We should encourage regional ties and groupings among the less developed countries, wherever a significant desire and sound basis for such ties exists. These ties are more often a result, than a cause, of basic drives for regionalism, but initiatives to stimulate or exploit them can sometimes be helpful. Where the possibility exists of formalization of constructive groupings, we should provide incentives in the form of assistance to group enterprises. Within regional groupings, differences between neighbors may tend to become submerged to the exigencies of the group. Groups can thus achieve constructive results which would not be attainable by individual nations. Bilateral relationships are also more intimate and meaningful between members of a group.

6. *Economic Regionalism.* The US should encourage any less developed countries that may wish to do so to form not only political associations but also regional customs unions or free trade areas that conform to GATT criteria. It should support arrangements of this kind, or other regional trading arrangements in the less developed areas, that would lead to the competitive exploitation of larger markets.

7. *OAS.* The OAS is a prime example of a useful regional grouping. After the Atlantic Community, it is the most effective grouping of which we are a member. We should continue to value our membership, and take care that our participation in other groupings does not detract from the attention and energy that we devote to strengthening of the OAS. We should seek to remove or reduce obstacles to its effectiveness; e.g., by working to isolate the Cuban government and Castroist movements in the Hemisphere.

We should support other regional activities in the Americas, such as the Economic Commission for Latin America and the embryonic common market areas under discussion in Central and South America.



8. *Africa*. Here is an area in which closer regional ties could help to minimize some of the more dangerous consequences of Balkanization. We should encourage any tendency on the part of the African states to concert for the peaceful settlement of disputes, arms limitation, and the promotion of improved transport and economic development. We should not exaggerate the likely pace of progress, however.

9. *Asia*. We should also seek increased regional cooperation among Asian countries along the rim of Communist China. We should exploit existing instruments and seek to create new ones to this end.

In the economic field, the Columbo Plan Organization brings many of these countries together with each other and with countries from outside the region in pursuits which they rightly conceive to be in their interest. It is thus a significant force both for regional cohesion and for closer ties between the region and the West. We should support and strengthen it, and also ECAFE, in any way we can.

There is no grouping in the security field which commands such widespread local support in Asia. We should continue to support the two existing regional security pacts, SEATO and ANZUS, so long as they appear to enjoy sufficient acceptance among their members to outweigh any divisive effects which they may have in free Asia as a whole. If possibilities for new and more effective regional groupings in defense of Southeast Asia open up, we should exploit them. We should be willing to submerge SEATO in any such groupings if this would enhance their chances of coming about.

We should also explore the possibility of finding common ground in the economic field, on which to base a Pacific Community, for which the US, Canada, and Japan could provide a nucleus of developed states and around which other states of the area could usefully be grouped, if they wish.

10. Where participation by ourselves or other industrialized nations in these regional groupings is acceptable to the other members, this will help to weave a still tighter web of free world ties. But we should not press. If other free states wish to consider matters of mutual concern without outsiders present, their grouping, if constructive, will still help build the community of free nations.

11. The UN is the most important forum in which closer political ties between developed and less developed free nations are to be sought. It is the only forum in which we and all these less developed nations come continuously together and work toward common goals. It is a continuing means of educating the emerging nations about the facts of international life. It creates international institutions, e.g., the FAO and WHO—which also tend to strengthen the community of free nations.

The UN can thus make a continuing and powerful—if not decisive—contribution to the growth of the community of free nations.

To this end, we should seek to extend the scope and enhance the effectiveness of its activities. We should continue to give vigorous support to the development of its executive function, i.e., the concept of a single and effective Secretary General and the independence of the UN Secretariat.

We should try to persuade the less developed countries that it is in their interest to do the same. The UN is now dependent for its continued effectiveness on these countries' support. Persistent Soviet efforts to hobble the UN can only be frustrated with that support.

It will help to convince these countries that effective UN activities advance their welfare and help them to guard against great power domination if UN activities of direct benefit to them—e.g., UN aid to African education, UN food surplus disposal, UN peace-keeping machinery, and UN activities attendant on the International Development Decade can be pressed forward vigorously. We should seek to do just this.

We should also make a major effort to consult and concert intimately at the UN with the less developed countries about measures that we are taking outside the UN to build a community of free nations. To facilitate this intercourse, we should avoid exclusive or preclusive ties with the Atlantic nations in UN voting or debate. We should try to persuade our European allies that the broad purposes they and we are pursuing jointly in the world will best be advanced by a US posture which thus seeks to attract new nations into the emerging community of free nations—even if it ruffles some European feelings in the process.

12. There is another worldwide forum worth commending. The Commonwealth is a useful and effective tie between some developed members of the free world community and a wide variety of emerging nations in Asia and Africa. It can probably do more to bring some of these diverse and widely separated nations together than any other instrument now available in the free world. We should encourage its continued effectiveness in every way consistent with our support for European integration. We should take care not to urge newly independent members of the Commonwealth to substitute close relations with the US for their Commonwealth ties.

13. The French Community is not yet in the same league but it holds promise. We should act in ways which would help it to fulfill that promise, so long as it seems to rest on a solid base of support among its less developed members.

14. A wide variety of private worldwide forums can also be helpful. It is worth remembering that the community we know best, the United

States, is held together not only by constitutional ties between the fifty states but also by a complex network of non-political ties between private groups in each of these states. We should seek to encourage and bring about similar ties between the wide variety of business, labor, professional, fraternal, philanthropic, and civic organizations that span the free world. The great world religions can serve to bind the community of free nations closer together; they have much in common, and stand out in sharp contrast with the atheistic principles of Communism.

Our ultimate hope is to create, in all these ways, a multilateral framework of world contacts so complex and so strong that it can truly be termed a world community.

15. The success of this US policy will require, however, that the other free nations come to understand and share our goal of creating a community of free nations. The US public posture toward the outside world should be designed to help create that understanding.

US leaders—in their addresses at home and in the UN—should lay out that goal, describe its content and advantage, and make clear how the manifold aspects of US policy are related to its attainment.

Our public information programs should do the same. They should indicate how our effort to build a community of free nations helps to assure the freedom, security and progress of other countries. The US can only prosecute its worldwide policy effectively if “it is so directed,” as Sir Eyre Crowe well said of Britain’s policy before World War I, “as to harmonize with the general desires and ideals common to all mankind and, more particularly, that it is closely identified with the primary and vital interests of a majority, or as many as possible, of the other nations.”

In fact, this identity exists. In trying to build a pluralistic community of free nations, we have a long-term goal which coincides with the interests and aspirations of other peoples. As our public statements and information programs bring this fact home to them, the broad consensus which is the indispensable foundation of that community will tend to be created.

## PART FOUR

### RELATIONS WITH THE COMMUNIST NATIONS

1. Our political posture toward the Communist nations should be geared to our basic purpose: the building of a community of free nations.

2. This posture should, therefore, keep the main focus of free world attention where it belongs: on opportunities in the free world, rather than on the need for reacting to Communist propaganda and diplomatic

initiatives. It should keep free world relations with the Communists in perspective as one element of our concerted effort to build and defend a free world system. And it should encourage evolution in the Communist nations which might eventually permit them to be absorbed into that system.

3. The following sections discuss the implications of these broad purposes for our relations with (i) the USSR; (ii) the satellites; (iii) Communist China, (iv) Communist ideology.

#### I. The USSR

4. The best way to avoid an excessive preoccupation with periodic crises in our relations with the USSR is obviously to avoid the crises.

One step to this end is to build up the military strength to deter them. This has been discussed.

Another step is to address situations within the free world which could lead to crises. For example: the conflict in Angola might, if not alleviated, eventually become the focus of Bloc intervention (as in the case of the Congo) and thus erupt into a full-blown crisis which would engage our resources and prestige. US policy should make a deliberate effort to identify such possible crisis situations and to resolve them before the Communist nations can exploit them.

It will also be desirable to reduce the number of East-West friction points which contribute to crises, where this can be done without prejudice to our national objectives. We should periodically review US positions in international organizations (e.g., ostracism of Hungary) and Western intelligence and propaganda operations from this standpoint.

The most useful way to avoid crises will be to convey a clear understanding of our intentions to the Soviets. We should cultivate a maximum of informal communication with them to this end. We should discuss fully our policy toward the areas and situations in which crises could erupt, so that they will not mis-read this policy as being weak or provocative.

In the long run we might try to work toward tacit understandings as to the ground rules governing our competition with the USSR, if only by making clear the ways in which we are likely to respond to different types of Communist actions. We should bring out the need for both our countries to exercise restraint in the use of their power in weak and unstable less developed areas, in order to keep that competition within manageable bounds. We should try to identify other areas, e.g., inflammatory propaganda, in which mutual restraint might be desirable.

5. When crises do erupt, our purpose in them should be clear and simple: to restore equilibrium as quickly and with as little violence as

possible, and without a net loss for our interests. We should avoid either:

(a) trying to resolve the crises by concessions which would encourage the Communists to believe that crisis mongering is a profitable occupation;

(b) being moved either by rising tensions or by the importunities of our allies or our own public to prolong and extend the crisis in an effort to inflict a dramatic humiliation on the Communists.

6. We should also ensure that crises, when they erupt, do not wholly dominate US policy. These crises would be rewarding for the Communists if they thus decisively diverted our attention and energies from long-term endeavors.

We should also beware of reacting to crises in ways which would jeopardize those constructive endeavors. The recurring temptation to take actions to meet immediate threats which would change the direction of our long-term policies will need to be resisted, if the basic strategy outlined in this paper is to be carried forward.

7. All of this will clearly require vigorous US leadership in shaping Western public opinion during crises. We should make clear to our own and allied peoples the need for both firmness and restraint. We should resist any pressures for a military show-down or a diplomatic “triumph.” We should define our basic purpose—prevention of *forceful* change—and indicate how this relates to our over-all strategy of seeking *peaceful* change in the building of a community of free nations. This will be the easier to do if we have publicly and convincingly rehearsed that strategy before the crisis.

8. It is equally important to avoid being diverted by either false detente or an excessive preoccupation with East-West negotiations.

The best way to avoid the paralysing effects of false detente is to indoctrinate our own and allied peoples in the basic facts of the East-West struggle. We should make clear that this struggle arises out of the nature of the Soviet and Chinese Communist systems. While avoiding making ideology a *casus belli*, even in the propaganda field, we should be wholly clear as to the underlying conflict between ourselves and the Communists, and the fact that it is likely to continue for a very long time.

The best way to avoid the excessive preoccupation with East-West negotiations which periodically seems to sweep over the West is: (i) to avoid over-dramatizing either the likelihood of negotiations’ success or the consequences of their failure, and (ii) to resist pressures for inflating the level of negotiation beyond what is substantively useful.

It will be helpful to this end if we can avoid formal Summit meetings, except where needed business cannot otherwise be transacted.

One such case may be where the full authority of the heads of government is needed to halt a chain of military action and counter-action leading straight to war. This is not to say that it would not be useful to develop further informal contacts and exchanges between the President and the Soviet leadership.

It will also be helpful if we can maintain a posture in negotiations which suggests that they are a businesslike attempt to reduce the risk of war, and do not reflect any basic change in US or Soviet attitudes toward each other. We should stay clear of meaningless camaraderie.

9. Our long-term purpose is to increase the chances of constructive evolution in the USSR, which might eventually move it to participate in the community of free nations.

Change is the law of life, and there will surely be internal change of some kind within Soviet society over time. This is not to say that the change will necessarily be of the kind which we would prefer, or will have any early useful effect on the USSR's external posture. But there is obviously some possibility of this, and that is enough justification for US measures designed to reinforce any civilizing pressures which may be at work.

(a) We should maintain continuing pressure on the USSR to expand exchanges of persons on equitable terms and to reduce restrictions on the flow of information. It may be somewhat difficult for Soviet leaders, like the Japanese Shoguns, to maintain a stable repressive system in the face of widening exposure to outside influence.

(b) We should press for cooperative ventures in such fields as outer space, Antarctica, public health, and peaceful uses of atomic energy. Such ventures might give the Soviets somewhat more of a vested interest in respectability and perhaps even induce some of their officials to think—albeit on a very small scale—in terms of business-like dealings with the West on matters of mutual advantage.

(c) To the extent possible in the existing climate, we should grant to the USSR the position its status as a great power warrants. We should also hold out, by word and deed, the prospect of fuller Soviet participation and influence in the community of free nations if and as the Soviet leaders show a genuine interest and will for such constructive participation. This will not change the basic policy of Soviet leaders now in power, but it may have some moderating effects on their conduct, or that of their successors. It may also make it that much more difficult for the Soviet leadership to persuade its people that any change in the Soviet external posture is precluded by relentless Western hostility.

None of this may do any good. Clearly we do not have such a good chance of success through such efforts that we can relax our efforts in other directions. We cannot expect Soviet society, which is

also Russian society, to lose quickly the hostile and dangerous features that stem from the Communist philosophy and Russian environment. But our effort to build a community of free nations would be incomplete if it did not include some efforts toward this long-term goal.

## II. The Satellites

10. We want the nations of Eastern Europe eventually to become members of the community of free nations. This will hinge largely on an evolution in Soviet policy, which we should seek to encourage—through means that have been outlined. It will also hinge on changes within the satellites themselves; the rest of this Section discusses means of promoting these changes.

11. We should try to widen contacts between the nations of Eastern Europe and the West at every level. Such contacts will bring home in some way, however muted, the message of freedom. That message may encourage these peoples to press their governments, insofar as they safely can, for gradual internal liberalization and for steps toward greater national independence.

12. Western contacts with the satellites will generally depend on the consent of their governments. That consent will hinge, in part, on the nature and apparent intent of the contacts which are being proposed.

These contacts should not, therefore, appear to reflect an intent to create early political changes in Eastern Europe. We should play “liberation” in low key, in order to achieve the wider East-West relations that are likely to promote gradual progress toward this eventual goal.

When occasions arise on which our silence might be misinterpreted, however, we should make clear that the community of free nations is intended, in the long run, to include the peoples of Eastern Europe.

13. Western Europe has a special role to play in all of this. As European integration and economic progress proceeds, its pull and attraction will increasingly be felt in Eastern Europe. We should encourage and assist the Western European nations to exploit any resulting tendency toward closer relations between the two parts of a once united continent.

14. Poland and Yugoslavia offer special opportunities. It is in our interest that Poland maintain some freedom from Soviet control, and that Yugoslavia preserve its present relative independence. We should be prepared to furnish economic aid to this end, and we should encourage Western European nations—perhaps acting through the European Community—to do the same.

15. Albania is a special case. It is in our interest that the break between Albania and the USSR continue. Ultimately, we should hope



that Albania would return to the community of free nations. For the time being, however, our interests would be best served by Albania's remaining a bone of contention between Communist China and the USSR.

16. East Germany is a problem of particular moment.

To indicate that we regard the division of Germany as permanent would be to shake West German confidence in the West and thus perhaps jeopardize effective German participation in the European and Atlantic Communities. On the other hand, it will probably not be possible to insulate ourselves from dealings with the East German regime over the long term.

We should be prepared to do business with the East German regime, as the need arises, on a technical level—much as the West Germans do. We should not grant diplomatic recognition. We should continue to make clear our dedication to German unity and our expectation that it will prevail. But with the passage of time our East German policy should tend to converge with our general European satellite policy.

17. If revolts break out in East Germany or any other satellite, we should bear in mind the defensive goal laid out for our military policy in Part Three of this paper. Our grand design is to build a community of free nations which will expand by its attractive power; we do not wish to jeopardize this design by allowing Eastern Europe to become a battlefield between ourselves and the USSR, unless we are attacked. We should maintain this posture if turbulence erupts in this area, and urge our allies to do the same.

### III. Communist China

18. The chances of promoting a helpful evolution of the Chinese Communist state and its policies through increased contacts and diplomatic dealings appear remote indeed. US efforts to achieve them at this time would invite the rebuffs of the Peiping regime and could lead to harmful misunderstanding of US policy among our friends in Asia.

19. However we do need, as part of our effort to build a community of free nations, to strike a posture towards Communist China which will place the onus for continued hostility squarely on Peiping and thus enhance free world confidence in US leadership and gain firmer support for policies designed to counter Chinese Communist expansion.

By thus holding ajar the door to a better relationship between Communist China and ourselves, we can avoid serving the Peiping regime's interest in convincing the Chinese people that the US is their implacable enemy. Our doing so might also contribute to the emergence of more moderate policies if a deepening of Communist China's diffi-



culties in feeding its populace and building the industrial base for world power should result in a leadership split.

20. Since the present Chinese Communist leadership has a vested interest in having the US appear to the world at large and to its own populace as implacably hostile, we cannot expect it to cooperate with US efforts toward the ends outlined above. That being so, we must place primary reliance on US actions which are unilateral, in the sense of not necessarily requiring a ChiCom response. For example:

(a) Avoiding apparently unnecessary provocations.

(b) Pursuing negotiations with Communist China on specific matters of mutual concern, as needed.

(c) [illegible in the original] to develop a course regarding the UN membership question which would make Communist China's non-inclusion appear to be the result of Peiping's unwillingness to accept specified conditions, rather than US intransigence.

21. The same general purpose of gaining support for a policy in an area where it is unilateral in a dangerous degree, and thus enhancing acceptance of US leadership, will be served by measures which make the position of the US on Taiwan more acceptable to majority free world opinion.

(a) We should use our influence and aid as a means not only of protecting Taiwan through our alliance with the GRC, but also of progressively promoting the timely emergence there of government based on popular consent.

(b) We should work, within the limits which a useful relation with the GRC will allow, for a damping-down of the GRC-Chinese Communist civil war. As a first step, we should consider seeking a major reduction in the garrisons on the offshore islands—on purely military grounds.

(c) We should, at the same time, make plain to the GRC our enduring commitment to sustain and defend a free Chinese government on Taiwan. We should outline our view as to the role such a government can play as an attractive counter to the Chinese Communist regime over the long term.

22. These measures may enhance free world cohesion, but it is unlikely that they will prevent Communist China from continuing to grow in power and from eventually acquiring a nuclear capability.

This growth of Chinese Communist power might be slowed if the Sino-Soviet split widened. There is little we can do to promote that split, but we should at least avoid actions which might have the effect of healing it. We should not go out of our way to make it look as though Khrushchev's preference for negotiation over fighting is a vain one; and we should make clear that the contrary Chinese view, if put

to the test, is likely to entail swift disaster. We should try to avoid giving the Chinese Communists a more effective basis than they now have for seeking Soviet nuclear aid, e.g., by US provision of offensive nuclear delivery systems to Communist China's neighbors or by basing such systems in areas close to mainland China before they are needed to counter a Chinese Communist nuclear capability in being.

We should not, however, become so fascinated with the Sino-Soviet split as to lose sight of the larger prospect. That both states will continue to wax in strength, without waning in hostility toward us. The only effective means of offsetting this prospect will be a continuing build-up of free world strength and cohesion, through our own constructive policies.

#### IV. Communist Ideology

23. We should not be diverted from these positive policies by an excessive preoccupation with psychological warfare. Our best response to the Communists' ideological offensive will be to get on with the building of a community of free nations and to make clear that our policies to this end are compatible with the wish of people everywhere to live, to develop, to do things in their own way—and not in accord with a superimposed pattern.

24. In elaborating this goal and concept, we should seek to undermine the appeal of Communist ideology—in both the free world and the Bloc.

We should oppose the Communist thesis that the nations of the world now find themselves, and will continue to find themselves, in either one of three blocs—Communist, capitalist, and neutral—the thesis that the nations are divided only between those that want to be free and those that would destroy that freedom.

We should meet the Communist contention that unrelenting hostility and conflict are a law of history with the contention that international peace and cooperation would actually exist but for the policies by which the Communist-ruled states exclude themselves from the world community.

We should expose the Communist concept that “peaceful coexistence” is a form of struggle between nations, and substitute the concept that honest coexistence is a framework for genuine cooperation for constructive purposes.

We should not lend the Communists prestige by echoing their talk about a “world Communist movement.” We should speak less of “international communism” and more of the national power complexes behind it. We should stress that the only genuine international movement, in the true sense of that term, is the movement to build a community of free nations.

In all these ways, we should seek to expose to the light of reason the confused thinking on which Communist ideology feeds and to refute the accuracy of Communist claims.

We should, in all that we do or say, accept as hard reality that the problem we face is not one of articulating words and phrases, or even concepts. We best refute the Communists' ideological claim to be the "wave of the future" by denying them further successes in the present and by working toward ever greater free world successes for the future.

Thus the conclusion of this paper reaffirms its beginning, by stressing that the only effective long-term response to the Communist challenge is to press ahead with efforts to build and defend a community of free nations.

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#### **249. Memorandum from Bissell to Bundy, December 11<sup>1</sup>**

December 11, 1961

##### **SUBJECT**

Report of Counter-Guerrilla Warfare Task Force

1. For some months a task force of senior officers, under my chairmanship, has been discussing how best to ensure an adequate focus within the U.S. Government on the problems of dealing with Communist indirect aggression and subversive violence. The officers on this group have included officials of the State and Defense Departments, the White House, and CIA. They have, however, participated as individuals and have not committed their respective organizations.

2. The result of our effort, unanimously approved by the task force members, is herewith submitted for your consideration. I am also sending copies to General Maxwell Taylor for his comments in his capacity as chairman of the NSC Special Group, the charter of which would be enlarged by the report's recommendations. Copies of the report are also being sent to the State and Defense Departments through their task force participants.

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<sup>1</sup> Conveys report of the Counter-Guerrilla Warfare Task Force on "Elements of US Strategy to Deal with Wars of National Liberation." Secret. 20 pp. Kennedy Library, National Security Files, Departments and Agencies Series, CIA General, 12/61.

3. I suggest that after soliciting the views of the agencies concerned you might well wish to take the initiative in submitting the report to the NSC for Presidential review of the action recommendations.

**Richard M. Bissell, Jr.**  
*Deputy Director (Plans)*

### **Attachment**

#### **ELEMENTS OF US STRATEGY TO DEAL WITH "WARS OF NATIONAL LIBERATION"**

**Report Prepared By**

**Counter-Guerrilla Warfare Task Force**

#### **CONCLUSIONS**

1. Serious Communist intent and capability to press forward with the technique of subversive intervention, often extending to guerrilla warfare in various underdeveloped countries or regions, confront the US with a critical problem which will persist throughout the Sixties.

2. However, despite the clear consensus within the US Government as to the magnitude and urgency of this problem, we are not yet organized to help threatened countries to deal adequately with it. We have at our disposal a variety of potential resources and programs for facilitating the prevention of Communist subversive violence and for repressing active guerrillas, but these have not yet been harnessed by a unifying concept of operations, high level focus on the problem, and greater impetus to the development of programs commensurate to the need.

3. Such policies and programs cut across a wide spectrum of existing agency responsibilities. In particular, they will require concerted and carefully focussed civil and military actions by the State and Defense Departments, AID, USIA, and CIA.

4. But there is no single high-level locus of authority and responsibility within the Executive Branch to undertake this vitally needed concerting of inter-agency resources. There is no present coordinating mechanism, short of the NSC, which is empowered to provide the needed centralized direction of effort, and there is none which is devoting a significant share of its energies to the peculiar requirements of the guerrilla warfare challenge and to its inter-agency program implications. Except for such country Task Forces as have been constituted in specific instances, there are no mechanisms for focussing Government-wide resources on identifying and finding solutions to the unique problems of particular countries. Moreover, present Task Forces

for critical areas have lacked a source of guidance and support on the special problems of preventing and dealing with Communist subversive violence, and they have not always focussed sufficiently on these aspects.

5. Therefore, the most immediate need is for adequate institutional arrangements to ensure continuing focus on and attention to the problem at a high governmental level. Because of its responsibilities in directly related fields and because the agencies chiefly concerned are already represented on it, expansion of the mandate of the NSC Special Group seems the most effective way to carry out this function.

6. New arrangements are also needed to facilitate the stepping-up or reorientation of existing departmental and agency programs to achieve maximum effectiveness in those countries where the need is most critical, and to enable us to anticipate future needs. However, action responsibility for programs to prevent or counter subversive violence should continue to rest with the appropriate departments and agencies. Most of these programs also involve broader objectives. The preventive aspects of our diplomatic, economic aid, overt informational, and certain covert programs on behalf of social, economic, and political progress in threatened countries are inevitably closely related to the totality of US foreign policy toward such countries.

#### *RECOMMENDATIONS*

Accordingly it is proposed that:

1. The NSC Special Group, chaired by the Military Representative of the President, should be given the additional responsibility of providing focus and direction to interdepartmental programs for coping with threats of Communist subversive intervention, actual and potential, in nations and areas abroad which the President considers critical. Where appropriate, the Directors of the Agency for International Development and the US Information Agency would be invited to participate in Special Group deliberations in this field.

2. As a first step, the Special Group should recommend a directive delimiting and defining the new scope of its responsibility, to include the designation of the specific areas where subversive violence or guerilla warfare is either already a major factor (e.g., South Vietnam, Laos, Colombia) or a potentially serious threat (e.g., Thailand, Iran, Bolivia). The designation criteria should be rigorously narrow so as to focus attention and resources on only the few most critical situations.

3. For countries or regions determined by the NSC Special Group to be critically threatened by Communist subversive violence and approved by the President for assignment to its jurisdiction, the Secretary of State in coordination with the department heads should constitute inter-agency country or regional Task Forces in Washington (if

not already in being), charged with the development and review of integrated action programs to deal with Communist violence or its threat in their geographic areas. The Task Forces would normally be chaired by senior State Department geographic officers at the Assistant Secretary level. If the endangered country is in an active US Military Theater of Operations or if the NSC Special Group determines that the military aspects of the country situation predominate, the Defense Department should assume the chairmanship. Members would be formally assigned and regard as primary their duties on the Task Force. Task Forces would report to and be under the guidance of the NSC Special Group on matters bearing directly on Communist-inspired violence.

4. In countries designated as critically threatened, the Country Teams should be charged with developing and forwarding integrated program recommendations and with ensuring effective local coordination in the execution of approved programs to counter the threat. The Country Teams would submit their recommendations and reports through normal channels to the chairmen of the competent Task Forces, who would keep the NSC Special Group informed of plans and progress.

5. The Special Group should also be responsible for focussing increased attention on those aspects of broader US Government programs which generate resources for the prevention or neutralization of Communist subversive intervention, e.g., Military Assistance Program (MAP), Overseas Internal Security Program (OISP), certain specialized military forces and covert action programs. It should interest itself in the following types of problems, drawing on the informational resources and special skills of the various departments and agencies as appropriate:

a. The organization, equipment, funds, doctrine, and techniques required to improve the capabilities of designated threatened countries for internal security and counter-guerrilla measures. This may involve strengthening or initiating OISP activities, reorienting MAP activities to give increased emphasis to the counter-guerrilla training and equipping mission, or the provision of new authority, funds, facilities, personnel and equipment for CIA counter-guerrilla paramilitary operations.

b. Ways in which MAP and MAAG activities in threatened countries, possibly supplemented by AID and CIA capabilities, can help realize the constructive economic and political potentialities of civic action by the armed forces of the countries.

c. The adequacy of current appropriations, fiscal procedures, and enabling legislation to satisfy indicated program needs, with possible requests for new Congressional authority to permit inter-agency transfers of funds and achieve greater flexibility for counter-violence aid programs.

6. While action responsibility for programs related to preventing or countering subversive violence would remain in existing departments and agencies, it is appropriate that the Special Group be authorized to comment or submit recommendations on the particular implications of such programs for the critical problems of deterring Communist subversions and violence, especially for the shorter-term purposes of winning local popular support away from the Communists. The Special Group would provide focus on counter-subversion implications of departmental critical area planning both through its collective guidance to the critical area Task Forces and through the instructions of individual Special Group members to their own area representatives through their respective departmental and agency channels. The Special Group would also review integrated critical area program proposals, prepared by the Task Forces in coordination with the senior US field representative, and would approve them for execution if they fall within existing policy. In the event of inter-agency disagreements, or actions requiring fresh policy determinations, the Special Group members would refer them to their respective principals.

7. Once a critical area inter-agency program had been approved, the Special Group would monitor its execution both through the appropriate Task Forces and through the departmental/agency channels of Special Group members. The main contribution of the Task Forces in the monitoring and review process would be in providing collective judgments, by country or region, on the adequacy of program objectives and achievements in relation to the problems of preventing or countering subversive violence.

8. In view of the sensitivity of covert action programs and the special procedures in effect for authorizing and reviewing them, covert aspects of counter-guerrilla warfare country and regional program planning and execution would be handled through special channels.

9. In considering action programs to counter Communist subversive intervention in designated critical areas, the Special Group and Task Forces should give attention to the possibilities for “offensive counter-measures”, as discussed on pp. 33–43 of this report.

[Here follow the first 32 pages of the report.]

*D. Offensive Countermeasures Across International Borders*

In reviewing the problems, resources, and kinds of action available to us to negate the threat Communist subversive violence in underdeveloped countries, we have hitherto dealt only with programs that affect the causes and manifestations of such violence in the threatened countries themselves. As previously noted, however, the Communist ability to mount and support subversive violence often depends on their control of an adjacent country which serves as a base of operations, a source of logistical and guerrilla troop replacement support, and a



safe-haven for guerrilla forces if the pressure on them becomes too great at the scene of operations in the threatened country. Unless some feasible and acceptable means can be found to retaliate against the Communist-controlled third country from which subversive violence in a threatened non-Communist country is being mounted, we are faced with the patently unjust situation that the physical destruction and human misery stemming from actions to counter the Communist threat will be limited to the soil of the victim. The situation also places us in the militarily and tactically disadvantageous position of being unable to destroy or neutralize the enemy's base and source of strength.

We have generally felt deterred, however, in situations short of declared and formal hostilities between sovereign states, from carrying the military conflict onto the territory of the third country. This, of course, plays into the Communist pretense that violent upheavals in a threatened country are of strictly indigenous origin. Our reluctance to take offensive countermeasures, except for occasional limited and non-attributable covert operations, has stemmed in part from concern lest an escalation and widening of the conflict result, and in part from strictures imposed by US adherence to the doctrine of non-intervention.

The United States (and virtually all other nations) has always historically supported the doctrine of non-intervention in the internal affairs of other nations. It has occasionally been suggested that our vigorous, and often self-righteous, public support of this doctrine inhibits us in efforts to counter Communist subversion and Communist use of violence, especially in the underdeveloped nations, and that we should therefore consider some modification of the doctrine.

The counter argument seems, however, not only to have more support within the US Government but also to have greater validity. It is to the effect that the doctrine of non-intervention, even though universally flouted by the Communists, nevertheless is more valuable to us than to them. The reasoning is that although the open societies of the West are less successful than the Communist societies in practicing covert intervention while publicly adhering to a doctrine of non-intervention, nevertheless the public doctrine does exercise considerable restraint on the Communists. Since it is alleged that the Communists, if unrestrained, would have a vastly greater capability of violent intervention than the West, the conclusion is that the West can well afford to accept a greater restraint on the use of its lesser capability in order to maintain a greater degree of restraint on the Communists' very much greater capability.

This appears to be the reasoning behind what might be described as the cold-blooded case for continuing publicly to uphold the doctrine of non-intervention. A more powerful pragmatic case is simply that this doctrine has acquired such wide respectability and appeal that the



US could not propose publicly to modify or weaken it without paying an unacceptably heavy price. Accordingly, it is probably not worthwhile to debate whether if we threw off some of the restraints we could not develop a capability fully equal to that of the Communists. Realistically, our public commitment to the doctrine of non-intervention has to be accepted as a fact of life.

Taking this as a starting point, however, an ingenious application and extension of the doctrine is proposed. It can be expressed in the following propositions:

1. Since all nations accept the doctrine of non-intervention, the US is going to treat the activities of any nation which incites and supports violence within another nation as a form of aggression morally equivalent to the military crossing of a border.

2. When a situation arises in which this subversive form of aggression is threatened or is being practiced, the US will generally favor the use of international control machinery to halt it, *provided* such machinery can be made to operate with full effectiveness.

3. If, however, in the face of clear evidence that violence is being supported across an international border, the establishment of international machinery to curb this type of aggression is opposed, or the machinery is ineffective, the US reserves the right to employ force (or to support the employment of force) up to at least the same scope and level in defense of the threatened nation.

4. Any such unilateral use of force by the US, or with US support, will be strategically a defensive action. That is to say, its purpose will be to induce a cessation of the subversive aggression to which it is a response.

5. Nevertheless, in taking such action the US will not deny itself (or its friends) the advantage of the tactical offensive, nor will it limit itself to weapons of the enemy's choosing. Specifically, it will feel free to incite and support violence within the aggressor's territory and to use weapons in which it has an advantage, but will endeavor to avoid major escalation of the scale of violence or sophistication of weapons.

In the above form, this doctrine is proposed both as a policy to guide the US response to situations of violence and as a rationale which would underlie the public posture of the US. As a rationale this amounts to an assertion that the US (a) takes the doctrine of non-intervention so seriously that it is going to treat violent intervention as the equivalent of overt aggression, and (b) recognizes the right of any country which is the victim of subversive violence to practice subversive violence in its own defense. It may well be asked whether this is not a justification for a declaration of war by the victim of subversion against the aggressor. It could of course, be just that. But the essence of the doctrine is that, because subversive violence involves the use of force for purposes of aggression but on a scale considerably less than that typical of a declared war, it is necessary to recognize the right of the victim to use force on a similarly limited scale in its own defense. It could well be

argued that unless either this remedy of the unilateral limited use of force or the preferred remedy of effective international policing is available, then the doctrine of non-intervention operates one-sidedly to benefit the nation that undertakes violent subversion. In a situation like that existing between Communist Northern Vietnam and South Vietnam, it would be difficult to justify to what is called "world opinion" a declaration of war by South Vietnam as a response to the guerrilla activity of the Viet Cong within its own borders. A declared war would indeed involve a major escalation of the scale of violence as well as serious danger of a widening of the conflict. Under these circumstances, a persuasive case could be made to the effect that the doctrine of nonintervention should not deny South Vietnam a remedy against this form of aggression.

As an operational policy, this doctrine has important implications for US action in situations of the type to which it is intended to apply:

1. First, it puts a premium on acquiring persuasive proof that subversive violence is being employed in a particular situation. The test set up in this doctrine is that support is being provided and control exercised across a border. The aggressor country in such a situation has always claimed that the violent resistance is a purely indigenous revolution. Persuasive proof will presumably have to take the form of intercepting communications or of prisoners who can be produced in sufficient numbers or of captured boats, trucks, or aircraft. If the support being rendered across the border is in a mild enough form (for instance limited to money payments), it will usually not be worthwhile to try to invoke this doctrine.

2. The most interesting concept in the doctrine is that of the tactical offensive and of independence in the choice of weapons. As to the former, the advantages of carrying the war to the enemy's country are obvious. It is particularly unjust that the population which supplies most of the victims in guerrilla warfare should be that of the victim of aggression while the aggressor's people and lands are untroubled. As to the latter, it is indeed high time that we applied ingenuity to the choosing or the development of weapons which involve no major escalation in the degree of sophistication but in which for one reason or another our friends have a relative advantage in a given situation. For instance, small boat operations may be much easier in certain situations than the infiltration of guerrillas into enemy territory by land. We may be able to develop weapons (other than conventional bombs) that could be used from aircraft with effects having some similarity to those of sabotage carried out by teams on the ground.

Finally, although the doctrine as here stated makes no specific reference to covert activities, it has an important application to them. It would lose much of its value as operational policy unless, in its aspect as a rationale, it became widely known. Accordingly, it must be assumed that, even if not in some official manner announced by the US Government, public expression would be given to the rationale in various ways. This would have two implications. On the one hand,

it would permit the US to support more or less openly certain activities which, without such rationale, can be supported only covertly. In this way, the vague disclosure of the doctrine would permit the realm of covert paramilitary action to be narrowed. On the other hand, the political risks of certain covert actions would be significantly reduced, since a rationale for such actions would have been made known publicly.

Taking these two implications into account, it seems likely that it would still be desirable for tactically offensive actions, those involving the support of violence within the territory of the enemy, to be done in such a manner as to be at least officially disclaimable. The whole reason for limiting the scale and technical sophistication of a paramilitary action taken in response to violent subversion is to avoid escalation. This advantage is lost if an offensive operation against the aggressor is conducted in such a manner as to compel him to regard it as a formal act of war. Unless, therefore, the enormous advantages of being free to employ the tactical offensive are to be foregone, every precaution should be taken to make such acts symmetrical in form, as well as in scale and technical sophistication, to the strategic offensive originally mounted by the aggressor. This would usually require that the acts be disclaimable but, with the proposed new rationale, it is far less important that they be truly covert.

Application of this doctrine to the problems of negating externally-supported Communist inspired subversive violence in non-Communist underdeveloped countries should be actively considered. Apart from the issues of the doctrine of non-intervention and the risks of escalation, however, there are several other factors that should be evaluated before undertaking specific operations against a Communist-controlled third-country base. These factors mainly concern the objectives to be achieved and the likelihood of attaining them without involving ourselves in implicit commitments that are greater than we wish to assume.

Offensive countermeasures are primarily intended as diversionary and harassment operations. They will serve as distractions and nuisances to facilitate achieving a defensive victory elsewhere. The enemy will have to deploy his forces both to contain these outbursts and to assure that any resultant unrest does not become the preliminary to a serious liberation movement. If an area where these activities are taking place explodes in the Communist face, as did Budapest, we will have some quick decisions to make on the pros and cons of exploiting the break, and we should be prepared to do so if it appears advisable. But the concept presumes that the operations will have achieved their purpose of diverting enemy forces from the offensive long before the boiling point of true popular insurrection is reached.

Here perhaps lies the main point of contention of the concept. It can be argued that if the enemy leaders believe there is real likelihood

of their losing territory or being overthrown, the dangers of escalation through their over-reacting to the threat will increase sharply, and the policy of offensive countermeasures will become almost unpredictably dangerous. The other side of this argument is that only a serious danger of losing control of a region will force the Communists to shift significant effort from other activities and that a succession of raids and minor depredations will not gain meaningful ends.

If indeed offensive countermeasures are successful only as diversions, and if the people of the region where they are undertaken cannot hope for the sustained large scale outside assistance needed to push through a successful insurrection, those people are more likely to be sullen than rebellious. A community which rises and fails in revolt loses its leaders and suffers grievously. Once burned they are thereafter twice wary. No matter how unpopular a Communist regime may be we cannot expect much help from the people in fighting it if we do not propose to see that the regime is overthrown. As T. E. Lawrence wrote of motivations in another revolt, "Freedom is a pleasure only to be tasted by a man alive".

Under some circumstances in Communist areas, it may not be practical to count on the measure of local support essential to indigenous guerrillas even though they receive material aid from the outside. Hence, many offensive countermeasures will depend in large part on the work of specially trained men or groups introduced into the aggressor country to operate on a largely self-sufficient basis. While these groups may sometimes work with dissident local elements when such exist, they will have few sources of information once they are in the field. This will place heavy and exacting loads on indigenous intelligence nets already organized and working in the area, and great care must be taken to assure that these nets are not compromised by direct association with the operating groups. The size of the groups committed to operations of this type can vary from the single agent up to whatever point the current risks of sharp escalation will bear.

Whatever the built-in limitations on cross-border operations, however, they may well be advantageous for us. They will offer the tactical values of destroying or disrupting supply lines and logistical installations vital to the Communist guerrillas and of causing some lessening or diversion of the Communist effort. They may also demonstrate to the people of the threatened country that its government, and such friendly non-Communist foreign powers as are supporting it, are resolved to carry the conflict to a successful conclusion and to reduce as far as possible the human and material losses of the friendly population. The psychological and political implications of this effect should reinforce the impact of our other overt and covert development and counter-subversion measures.

The successful orchestration of the total strategy discussed in this report may be expected to win the needed grass-roots popular support, to facilitate the negative aspects of countering Communist subversion and guerrilla operations, and to achieve a viable basis for sound long-term economic growth and social and political development.

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## 250. Memorandum from Komer to Bundy, December 12<sup>1</sup>

December 12, 1961

McGB:

Here is the report of the so-called Counter-Guerrilla Task Force set up under Bissell following the President's approval of first list of Planning Projects we sent him back last March. The report itself is just so-so, but the important thing from our point of view is the *Action Recommendations* on how to get some movement in this whole critical field.

Though we have long since reached consensus in the town on the importance of dealing with Bloc "indirect aggression"—actual and potential, no one has been assigned high-level responsibility for getting things done. To me, this is the nut of the problem. Hence I took advantage of Walt's imminent departure to press for what I think is the most logical solution, i.e., to tag Taylor and the Special Group with this task. Since it cuts right across inter-agency lines, no single agency has a clear title (State comes closest, but is the least likely to have the necessary steam). Moreover, Taylor is already heavily involved in this problem area, and expansion of Special Group functions builds on a going concern. Walt and I touched base with Taylor; he is in full agreement.

While Task Force is unanimous that this is the proper solution, getting official inter-agency concurrence may be quite another matter. Therefore, the technique we decided on was to have Bissell transmit the report to you so that you could send a chit to the agencies concerned suggesting that we have an NSC meeting on it. We've tried to draft the Recommendations so that they could be issued as an NSAM.

As to the Action Recommendations, I had to do them quick and dirty in order to force everybody's hand and avoid another six weeks

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<sup>1</sup> Discussion of Counter-Guerrilla Warfare Task Force report and recommendations regarding same. Secret. 2 pp. Kennedy Library, National Security Files, Komer, 11/61–12/61.

of delay. Such matters as the jurisdictional ball park proposed for Taylor and the Special Group and for the task forces may need some redefining (State, for example, may not wholly approve giving Taylor such broad terms of reference). But the main thing was to get humping, and these problems can be worked out in the process of inter-agency review.

The next step is for you to look this over. If you go along, I suggest we send out the attached memo to the town.

**RWK**

### **Attachment**

Your representatives have received a report on "Elements of US Strategy to Deal with 'Wars of National Liberation'" prepared by a task force of senior officials set up pursuant to the President's request last March. It contains a set of action recommendations which the President desires to discuss at an early NSC meeting. He feels that we urgently need some such form of high level coordinating mechanism as that recommended, in order to focus adequate attention on this crucial problem.

Therefore, I propose to schedule this report for NSC discussion during early January.

**McGeorge Bundy**

January 1962

**251. Memorandum from McNamara to President Kennedy,  
January 2<sup>1</sup>**

January 2, 1962

SUBJECT

Reorganization of Army Divisions

Last April, the Chief of Staff of the Army recommended a reorganization of Army divisions. This recommendation served as a basis for the material provided you for your May 25 address to Congress. Since that time, the Army has translated the new concept into detailed tables of organization and equipment. My recommendations for the implementation of the Army's program are set forth here, preceded by a discussion of the proposed reorganization and its resource implications.

*The Proposed Divisional Organization*

The proposed reorganization of Army division (ROAD) is intended to remedy what the Army considers three deficiencies revealed by five years' experience with the current pentomic structure of infantry and airborne divisions. (Armored divisions were little changed in the 1956 reorganization and little change in this division is now proposed.)

First, the current division structure lacks organizational flexibility. There is a single table of organization for each type of division. In contrast the proposed ROAD divisions are to be more flexible. The basic elements of the ROAD divisions are a division base (artillery, reconnaissance, headquarters, and support elements) and four kinds of maneuver battalions: tank, infantry, airborne infantry, and mechanized infantry (equipped with armored personnel carriers). Divisions of various types will be formed by combining varying mixes and numbers of the standardized combat maneuver battalions with the division base. This will permit the tailoring of a division to terrain and mission. Thus, for example, divisions composed largely of infantry battalions could be deployed in Korea where the terrain does not favor tracked vehicle operations, whereas divisions composed largely of mechanized battalions could be used in Europe. Similarly the number of battalions in a division might be as few as six or as many as fifteen depending on mission and availability.

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<sup>1</sup> Recommendations on implementation of Army reorganization proposal. Secret. 4 pp. Washington National Records Center, Record Group 330, OSD Files: FRC 71 A 3470.

This kind of tailoring of divisions is done currently by deletions and augmentations to standard TOE's. The use of relatively standard division basis and battalions as building blocks in the proposed divisions is intended to facilitate such tailoring.

Within the division, the introduction of a new command echelon, the brigade, to control the maneuver battalions is intended to facilitate the creation of combined arms teams. The battalions are relatively self-contained units logistically and can be shifted from brigade to brigade as the tactical situation requires. This kind of internal divisional tailoring is a wider application of the current practice in the armored division. In the pentomic division, combined arms teams are formed around the battlegroup. However, since the battlegroup has logistical as well as tactical functions, the size and composition of these teams is restricted because of inelastic support capabilities.

Second, the Army considers the commanders' span of control in the current division to be overextended. There is only a single echelon (the battlegroup) between the company and the division. In the pentomic division, commanders control five principal elements (companies for battlegroup commanders and battlegroups for the division commanders). In addition, other units such as artillery, engineers, and armor often increase the number of tactical units reporting to a commander to as many as twelve. The proposed divisions will have in the brigade another echelon of command. Adding a command echelon reinstates the triangular structure of the World War II division (each level of command having three principal maneuver elements). The Army considers that the reduction in the commanders' span of control will improve the combat effectiveness of the division, particularly in non-nuclear battles requiring the close coordination of combat elements.

The divisional commander's span of control also would be reduced by the creation of a divisional support command composed of all the divisional supply and maintenance activities under a single commander. The support command will be organized on a functional basis rather than on technical service lines. This change has been frequently recommended and the concept has been tested in several of the current divisions.

Third, the present division is not as self-sufficient as the proposed division. Tactically, the proposed division has more artillery, armor, and reconnaissance elements in order to reduce reliance on non-divisional troops. In peripheral wars divisions are less likely, especially during the initial phases, to be part of a balanced corps or field Army so that divisions must be more self-sufficient. The proposed reorganization also involves increases in support personnel and equipment to permit a division to be more logistically self-sufficient. The divisions



would increase in strength from about 14,000 men to about 15,500 men to make possible this increased self-sufficiency.

These proposed changes in divisional organization are evolutionary developments from the World War II and Korean division, rather than from the current pentomic structure. While the changes do not reflect a markedly new tactical concept of how the division will be maneuvered in combat, it does reflect an emphasis upon the increased likelihood of peripheral wars and of sustained non-nuclear combat.

Finally, the proposed division, with its brigades and triangular structure, is more like the divisions of our major NATO allies. Similar divisional organization may simplify NATO operations by increasing the comparability of divisions and the interchangeability of divisional units.

#### *Resources for the Reorganization*

In addition to changes in command structure, the ROAD concept proposes substantial increases in the equipment and personnel authorized the division.

For equipment, the Army has estimated that under current logistic guidance and divisional organization, the equipment requirement remaining unfunded after FY 1962 will amount to approximately \$8.0 billion. With the new divisional organization, the Army estimates that this deficit will increase by about 20% to \$9.5 billion.

Most of the increase in requirements is not directly associated with the ROAD organizational changes. Rather they are increases which in the absence of a proposal to reorganize divisions well might have been proposed as additions to current Tables of Equipment.

Furthermore, most of these increases in equipment are not essential to the reorganization of the divisions. There are, of course, exceptions. Adding an echelon of command, for example, generates a requirement for more communication equipment merely to keep intra-divisional communications at its current level.

Finally, there are acceptable substitutes for many of the items for which there are added requirements under ROAD. For example, the deficit under ROAD of 7,600 M-60 tanks would be met by operating an equivalent number of the 10,000 serviceable M-48 tanks now in the Army inventory. In view of the availability of substitute items and the fact that many of the increased requirements are not essential to reorganizing the division, I believe that we will have the critical equipment to permit the ROAD reorganization.

Similarly, it is possible to reorganize divisions within the present planned Army end strength of 960,000 men. The additional personnel (about 2,000 men for each division) will become available partially from reducing the number of non-divisional combat battalions and

brigades, partially from the augmented strength already authorized for the European deployed divisions and partially from the reduction in personnel in training centers as the build-up levels off.

*Recommendations*

The review I have made of the Army's proposal supports their contention that the new divisions would have improved combat effectiveness. The Joint Chiefs of Staff have approved the reorganization and recommended its implementation.

I do not agree, however, with the Army that the reorganization of all divisions should be approved for completion by the end of FY 1963. I am reluctant at this time to accept the reduction in the combat readiness which would result from such a schedule. Furthermore, I feel that field testing during the next twelve months is desirable before the new organization is adopted throughout the Army. Previous reorganizations were preceded by extensive field testing and these field tests have customarily resulted in substantial modifications in the new organizational structure. In a period when there should be a minimum of disruption of the combat ready divisions, it is important to establish that the new organization has the same superiority in the field as it appears to have on paper.

For these reasons I recommend that the 15th and 16th divisions be activated with the new organizational structure. Following the organization and field testing of these divisions, your approval of the reorganization of the remaining active and reserve divisions will be requested.

May I have your approval to activate the 15th and 16th Army divisions with the new organizational structure.

**Robert S. McNamara**

**252. Memorandum from McCone to President Kennedy,  
January 8<sup>1</sup>**

January 8, 1962

Dear Mr. President:

The attached memorandum is in response to your request for further information about the Soviet missile program.

Respectfully,

**John A. McCone**  
*Director*

**Attachment**

**ESTIMATED SOVIET ICBM REACTION TIMES**

There is no intelligence specifically indicative of Soviet ICBM reaction time. The following minimum reaction times for ready missiles, therefore, are based (1) on the assumption that rapid reaction time has been a Soviet objective, and (2) on what is known about Soviet ICBM performance characteristics and launching procedures.

*First Generation ICBM (NIE 11-5-61 Dated 25 April 1961)*

Condition I—Crews on routine standby, electrical equipment cold, missiles not fueled. Reaction time—1–3 hours

Condition II—Crews on alert, electrical equipment warmed up, missiles not fueled. Reaction time—15–30 minutes

Condition III—Crews on alert, electrical equipment warmed up, missiles fueled and occasionally topped. This condition probably could not be maintained for more than an hour or so. Reaction time—5–10 minutes

*Second Generation ICBM (CIA opinion)*

Condition I—Crews on routine standby, electrical equipment cold, missiles not fueled. Reaction time—1–2 hours

Condition II—Crews on alert, electrical equipment warmed up, missiles fueled. This condition could be maintained indefinitely in temperate climatic environment but would be limited to an hour or so under the worst conditions. Reaction time—2–5 minutes.

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<sup>1</sup> Transmits requested information on Soviet missile program. Top Secret. 4 pp. CIA Files, DCI (McCone) Files, Job 80B01285A, Mtgs w/Pres, 12/1/61–6/30/62.

*THE SOVIET SOLID PROPELLANT PROGRAM*

Our evidence indicates that the Soviets made a decision shortly after World War II to pursue their long-range ballistic missile program on the basis of liquid propellants rather than on large grain solid propellants. This decision was probably based upon several considerations:

1. Their ability to exploit the German World War II ballistic missile program which was based upon liquid propellants rather than solids.
2. They probably did not at that time foresee a submarine launched ballistic missile program.
3. They probably did not foresee a requirement for rapid reaction times which are obtainable with solid propellants or storable liquid propellants.
4. They were probably also aware of the initial greater payload potential for space missions of the liquid rocket systems.

As the Soviet ballistic missile program progressed, they developed an extensive experience with liquid propellants. In the mid-1950's when they were considering a second generation ICBM and a ballistic missile from a submarine, the question of solids vs. liquids probably arose. We believe they probably decided on storable propellants for these roles, thus capitalizing on their liquid propellant experience factor, and perhaps avoiding time delays inherent with developing a completely independent solid propellant program.

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**253. Memorandum Prepared by McCone, January 9<sup>1</sup>**

January 9, 1962

BRIEFING OF SENATORS FOLLOWING PRESIDENT KENNEDY'S  
BREAKFAST ON MONDAY, JANUARY 8, 1962

McCone led off the briefings and there were the following subjects, following the attached briefing papers which he had revised prior to meeting, and in the briefings DCI followed the revisions indicated in ink on the attached memoranda.

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<sup>1</sup> Readout of Congressional briefing on Cuba, Vietnam, and Soviet nuclear missile capabilities. Secret. 3 pp. Attached is a paper on "Soviet Long-Range Ballistic Missiles." Top Secret. 4 pp. CIA Files, DCI (McCone) Files, Job 80B01285A, Memos for the Record, 11/29/61-4/5/62.

The subjects were:

1. Cuba and the military build-up in Cuba.
2. Vietnam.
3. Soviet nuclear ICBM and MRBM capabilities, (4) the comments on recent Soviet weapons tests; (5) summary of the Middle East situation as outlined in the memorandum prepared for the Kennedy briefing, and added comments similar to those included in the memorandum of the Kennedy briefing.

There followed briefings by Secretary McNamara on the defense budget, General Lemnitzer on the South Vietnam planning, Secretary Rusk on Laotian negotiations and the Thompson-Gromyko talks, and Mr. Robertson of the White House staff on the proposed tariff and trade legislation.

There were no questions except a few directed to the President himself. The DCI was not involved in the answering of any questions, however, statements in his briefing were repeatedly referred to by both the Senators in their questions and the President in his replies.

In connection with nuclear testing, the President explained his plans for preparing to proceed with atmospheric testing and emphasized decision had not been made, and would not be made until mid-March because preparations for testing would not be completed until 1 April. He did state, however, that he felt no persuasive argument had been presented for further atmospheric testing except for the purpose of testing weapons systems and ballistic missile systems, and environmental and effects testing. The President seemed to draw a sharp line between tests of this type and those conducted for further improvement in the efficiency, yield, weight, etc., of weapons. He specifically stated that he was not impressed with the need for an improvement in the weight yield ratio or an increase in the yield and constant weight, etc.

**John A. McCone**

*Director*

LIST OF PERSONS ATTENDING CONGRESSIONAL BRIEFING ON  
MONDAY, JANUARY 8, 1962.

The President  
The Vice President  
Senator Carl Hayden  
Senator Mike Mansfield  
Senator Everett Dirksen  
Senator John W. Fulbright  
Senator Hubert Humphrey  
Senator Leverett Saltonstall

Senator George Smathers  
Representative John W. McCormack  
Representative Carl Albert  
Representative Leslie Arends  
Representative John W. Byrnes  
Representative Charles Halleck  
Dr. Thomas E. Morgan (Representative)  
Representative Francis E. Walter  
Mr. O'Brien of the White House Staff  
Secretary McNamara  
Mr. John A. McCone  
Mr. Howard C. Peterson of the White House Staff  
General Lemnitzer  
Secretary Rusk

### SOVIET LONG-RANGE BALLISTIC MISSILES

I. New information in the past year, providing a much firmer base for estimates on Soviet long-range ballistic missiles, has caused a sharp downward revision in our estimate of present Soviet ICBM strength but strongly supports our estimate of medium range missile strength.

II. We now estimate that the present Soviet ICBM strength is in the range of some 25 operational ICBM's on launchers from which missiles can now be fired against the US, and the increase will be controlled by site construction and will not be significant, during the months immediately ahead. (US Air Force Intelligence, however, estimates the present number of Soviet ICBM launchers at about 75.)

III. The present ICBM force level probably results chiefly from a Soviet decision to deploy only a small force of the cumbersome, first generation ICBMs, and to press the development of a second generation system.

A. ICBM's missiles intensively test-fired during 1961 the 51-1961 vs 11 to 20 per year and 58, 59, 60 (including several firings to about 6,500 n.m.). The second generation ICBM (about 20 firings) is believed to be smaller than the first and could have a launch weight of about 300,000 pounds. Based on the launch pads at the test range, it appears that the new missile is launched from a relatively simple flat pad, with missile assembly and checkout facilities nearby.

IV. However, a little later, after the second generation ICBM becomes operational we anticipate that the number of operational ICBM launchers will begin to increase significantly.

V. We also estimate that the USSR now has about 250 to 300 operational launchers equipped with 700 and 1,100 n.m. ballistic missiles.

A. Most of these are in western USSR, within range of NATO targets in Europe; others are in southern USSR and in the Soviet Far East.

B. In addition, the USSR will probably have a 2,500 n.m. system ready for operational use by early 1962.

C. The USSR's combined strength in these medium range missile categories will probably reach 350 to 450 operational launchers in the 1962–1963 period, and then level off.

VI. Soviet ICBM and MRBM launchers probably have sufficient missiles to provide a reload capability and to fire additional missiles after a period of some hours, assuming that the launching facilities are not damaged by accident or attack.

### SOVIET NUCLEAR TESTING

I. The 1961 Soviet nuclear test series during which (45 tests were detected) proof-tested complete weapons systems, advanced Soviet understanding of thermonuclear weapons technology, and contributed vital weapons effects knowledge. Soviet thermonuclear weapon technology, in particular, appears sophisticated, advanced, and different from that of the West. The 1961 series will permit the Soviets to fabricate and stockpile, during the next year or so, new weapons of higher yields in the weight classes presently available.

II. The *weapons systems tests* probably included short- or medium-range ground-launched and short-range submarine-launched ballistic missiles with yields up to 3 MT.

III. *Weapons effects tests* were apparently conducted under ground, under water, and at altitudes up to 160 n.m. Those at high altitudes will contribute valuable effects information for the Soviet anti-ballistic missile program.

A. In two tests on Oct 21 and 27, the nuclear devices were carried aloft by surface-to-surface missiles launched from Kapustin Yar and detonated at altitudes of 80 and 160 n.m. In both cases, at a time appropriate for interception an anti-missile missile was probably fired from Sary Shagan, the Soviet anti-ballistic missile test center.

B. The purposes of these two tests appears to have been the determination of the ability of radars in the anti-missile system to function in the environment resulting from the nuclear bursts. However it is believed that these tests were not complete anti-ballistic missile system tests.

IV. The *developmental tests* show a concentration on weapons with yields of about 1.5 to 5 MT and suitable for delivery by all Soviet bombers and offensive missiles. Preliminary analysis indicates that in several cases, through a combination of high thermonuclear efficiency, low weapon weight, and economy in fissionable materials, significant progress in thermonuclear weapons design was achieved.

V. The two very large yield tests in the series are particularly significant in that they indicate a high degree of sophistication in weapon design.

A. The 25-MT device which the Soviets detonated had an extremely high thermonuclear efficiency.

B. The 58-MT device probably was actually a 100-MT weapon tested at reduced yield. As tested the device obtained only a few percent of its yield from fission. Weapons of this size and weight could be delivered by the Soviet large bomber, or could be emplaced offshore, but probably could not be delivered against most US targets by any currently operational Soviet ICBM.

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## **254. Memorandum from Coyne to Bundy, January 15<sup>1</sup>**

January 15, 1962

Enclosed is the draft directive from the President to the Director of Central Intelligence which I discussed with you on January 11.

The draft directive was approved by the Attorney General on January 12, based on a memorandum of analysis (attached) prepared by Assistant Attorney General Katzenbach. The draft directive had been approved earlier by the Secretaries of State and Defense.

It is my understanding from the staff of the Budget Bureau that the Director of the Budget will suggest certain changes in the draft to you. In essence, his suggested changes involve deletion of the phrases which I have bracketed in the draft directive. It is my view that Budget's suggestions are sound. Accordingly it is recommended that the draft directive, as revised by Budget, be submitted to the President for approval at an early date. Mr. McCone is anxious for the directive to be approved and issued prior to his confirmation hearing on January 18.

**J. Patrick Coyne**

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<sup>1</sup> Transmits draft directive on the responsibilities of the Director of Central Intelligence. No classification marking. 3 pp. Kennedy Library, National Security Files, Departments and Agencies Series, CIA General 1/61-2/62.



*Addendum:*

Because Mr. McCone is out of the City, I have not discussed with him the changes suggested by Budget. If you wish, I will discuss them with him when he returns to Washington tomorrow.

JPC

**Attachment**

**Memorandum for the Attorney General**

RE

*Draft Presidential Memorandum to Director of Central Intelligence on his duties.*

As you requested, I have examined the attached draft memorandum from the President to the Director of Central Intelligence and I believe that it does not contain any legal problems.

This draft is a revised version which was forwarded by Mr. McCone's explanatory memorandum of January 11th, also attached. The revised version is exactly the same as the previous version which you sent me, except that the following sentence has been added at the end of the first paragraph:

"In fulfillment of this task I shall expect you to work closely with the heads of all departments and agencies having responsibilities in the foreign intelligence field."

Mr. McCone's memorandum explains that the above sentence was added to meet the State Department's fears that the President's memorandum might interfere with its statutory responsibilities. I do not believe that a Presidential memorandum of this type, in either the revised or the previous versions, is intended to or does deprive any Department of its statutory responsibilities.

The memorandum outlines in general terms the responsibilities of the Director with respect to the federal government's foreign intelligence activities, and describes the Director's relationships with the President, the National Security Council, and other governmental organizations and officials concerned with these activities.

The memorandum, in my opinion, is within the statutory authority of the President as head of the National Security Council (50 U.S.C. § 402), and is consistent with the statutory organization and functions of the Central Intelligence Agency, which is under the Council (50 U.S.C. § 403 *et seq.*).

**Nicholas deB. Katzenbach**  
*Assistant Attorney General*  
*Office of Legal Counsel*

**255. Memorandum from President Kennedy to McCone,  
January 16<sup>1</sup>**

January 16, 1962

In carrying out your newly assigned duties as Director of Central Intelligence it is my wish that you serve as the Government's principal foreign intelligence officer, and as such that you undertake, as an integral part of your responsibility, the coordination and effective guidance of the total United States foreign intelligence effort. As the Government's principal intelligence officer, you will assure the proper coordination, correlation, and evaluation of intelligence from all sources and its prompt dissemination to me and to other recipients as appropriate. In fulfillment of these tasks I shall expect you to work closely with the heads of all departments and agencies having responsibilities in the foreign intelligence field.

In coordinating and guiding the total intelligence effort, you will serve as Chairman of the United States Intelligence Board, with a view to assuring the efficient and effective operation of the Board and its associated bodies. In this connection I note with approval that you have designated your deputy to serve as a member of the Board, thereby bringing to the Board's deliberations the relevant facts and judgments of the Central Intelligence Agency.

As directed by the President and the National Security Council, you will establish with the advice and assistance of the United States Intelligence Board the necessary policies and procedures to assure adequate coordination of foreign intelligence activities at all levels.

With the heads of the Departments and Agencies concerned you will maintain a continuing review of the programs and activities of all U.S. agencies engaged in foreign intelligence activities with a view to assuring efficiency and effectiveness and to avoiding undesirable duplication.

As head of the Central Intelligence Agency, while you will continue to have over-all responsibility for the Agency, I shall expect you to delegate to your principal deputy, as you may deem necessary, so much of the direction of the detailed operation of the Agency as may be required to permit you to carry out your primary task as Director of Central Intelligence.

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<sup>1</sup> Guidance on McCone's responsibilities as Director of Central Intelligence. No classification marking. 2 pp. Kennedy Library, National Security Files, Departments and Agencies Series, CIA General 1/62-2/62.

It is my wish that you keep me advised from time to time as to your progress in the implementation of this directive and as to any recommendations you may have which would facilitate the accomplishment of these objectives.

John F. Kennedy

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**256. Letter from Rusk to McNamara, January 20<sup>1</sup>**

January 20, 1962

Dear Bob:

As you know, I share the concern expressed by the President in our discussion with him yesterday, that no action be taken to effect a reduction in our military forces overseas lest this be construed as a willingness on the part of the United States to diminish its military posture during this period of crises. In this connection, I appreciated the prompt action taken by Mr. Nitze and other members of your Department to correct the misimpression that grew out of the recently issued directive to USAFEUR to undertake tentative planning for force withdrawals to begin as early as this February. I am, of course, aware that DOD Fiscal Year '63 budgetary plans do anticipate a reduction in forces, providing international political circumstances permit. Moreover, I presume that there is a point beyond which delay in developing such plans, and more importantly delay in their implementation, creates serious internal administrative problems for the Department of Defense.

Given the foregoing considerations, I believe it would be helpful if we knew present Department of Defense thinking with respect to the alternatives which are open to us in meeting any force reductions which might be contemplated, as well as with regard to the timing of such reductions. In this connection, I would appreciate any information you could give us on the following questions:

1. Under present budgetary plans, how much of a reduction would be required from forces presently in being?
2. What are the alternative possibilities from the Defense Department point of view for effecting such reductions with specific reference

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<sup>1</sup> Rusk's concerns regarding possible force reductions abroad. Secret. 2 pp. Kennedy Library, National Security Files, Departments and Agencies Series, Army Reorg. Proposal 12/61–1/62.

to the degree of latitude which we have as between (a) forces overseas and forces in the United States, and (b) forces in the various theaters overseas?

3. For how long a period can we safely put off the decision to reduce our forces without creating unmanageable budgetary and administrative problems for the Department of Defense?

4. Assuming the decision were made not to go through with the force reduction, what would be the budgetary impact and what legislative problems, if any, would we face?

I will be back in Washington by February 1, and would hope we might together then review this situation to see whether we should make some recommendations to the President on the question.

In light of their interest in this matter, I am sending copies of this letter to Mac Bundy and General Taylor.

Sincerely yours,

**Dean Rusk**

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**257. Memorandum from Kaysen to Bell, January 23<sup>1</sup>**

January 23, 1962

Dave:

The President sent the attached over to McNamara and called him yesterday afternoon. He indicated he would like to have you and Max Taylor talk to McNamara on this subject. When you and Max are both back, perhaps you should concert an initiative.

**Carl Kaysen**

**Attachment**

My attention has been called to the fact that the Army is still planning its strength under budgetary criteria which assume that the Active Army will reach 940,000 by July 1, 1962 and that all reservists

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<sup>1</sup> Conveys President's request that Bell, Taylor and McNamara meet to discuss Army force requirements. No classification marking. 1 p. Transmits copy of Presidential memorandum to McNamara on FY 1963 Army preparedness and force strength. Secret. 2 pp. Kennedy Library, National Security Files, Departments and Agencies Series, DOD 1/62-3/62.

will be returned to an inactive status in the time period. As these assumptions are no longer completely valid, I would like your recommendations as to the modified guidance which should be promulgated.

As I understand the situation, we would like to do a number of things which, unfortunately, are not entirely compatible. For example, we would like to return all reservists to an inactive status as soon as possible without having to call on additional reservists. At the same time, for both military and political reasons, it seems advisable to maintain the strength of the U.S. Army in Europe essentially at the present level for some time to come. In the same period, we want strong Army forces in strategic reserve in the U.S. ready for deployment to Europe or to any other threatened area. Finally, we would like to accomplish the foregoing objectives within a Fiscal Year 1963 Active Army strength of 960,000.

In connection with the return of reservists to an inactive status, I was surprised to learn that the now Active Army divisions will not be combat ready until November 15 and December 15, 1962, respectively. At our conference at Palm Beach, I received the impression that a considerably earlier date was possible and had hoped to return the National Guard divisions to a non-federal status by early summer. As a part of the present study, I wish that you would reexamine those readiness dates and see what can be done to advance them.

In summary I would like to be shown the alternatives which we should consider in trying to reconcile the following desiderata:

- a. An early return of reservists to an inactive status.
- b. Maintenance of present U.S. Army strength in Europe.
- c. A strong deployable Strategic Army Force in the United States.
- d. An active Army strength of 960,000 for FY 1962.

Apart from the military and political aspects of these alternatives, I would like also an indication of their budgetary impact.

**258. Memorandum from Kaysen to Gen. Taylor, January 23<sup>1</sup>**

January 23, 1962

SUBJECT

Ltr to SecDef 1/22/62 (S)

The President sent your memorandum to the Secretary and also called him. Judging from my side of the conversation, the Secretary has shown no great increase in his receptivity to this idea. The President indicated he would like McNamara to talk to you and Bell. I am sending a copy of your memorandum to Bell.

**Carl Kaysen**

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<sup>1</sup> Relays President's interest in having Taylor talk with McNamara. No classification marking. 1 p. Kennedy Library, National Security Files, Departments and Agencies Series, DOD 1/62-3/62.

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**259. Memorandum from Helms to McCone, January 25<sup>1</sup>**

January 25, 1962

SUBJECT

New Emphasis on Strengthening Soviet Strategic Missile Capabilities

1. Enclosed is another of the special series of CS reports bearing the codeword CHICKADEE. These reports, the product of a sensitive operation to which we wish to afford maximum security, are being distributed on a MUST KNOW basis within the TALENT CONTROL SYSTEM. Arrangements for utilizing any part of this material in any other form must be made with the originating office.

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<sup>1</sup> Transmits report on "New Emphasis on Strengthening Soviet Strategic Missile Capabilities." Top Secret; NoForn/No Dissem Abroad/Limited/Background Use Only. 4 pp. CIA Files, Job 80B01285A, Mtgs w/President, 12/1/61-6/30/62.

2. Information in the enclosed report was obtained by a senior Soviet official who has provided reliable information in the past. Questions regarding this report should be referred to Mr. Maury, Code 143, extension 2421.

FOR THE DEPUTY DIRECTOR, PLANS:

**Richard Helms**

**Attachment**

COUNTRY

USSR

SUBJECT

New Emphasis on Strengthening Soviet Strategic Missile Capabilities

DATE OF INFO

Mid-January 1962

APPRAISAL OF CONTENT

2

SOURCE

A senior Soviet official who has provided reliable information in the past (B), from various senior officers concerned with the Soviet missile program.

1. A certain “evolution” has taken place in the policies of Khrushchev and his government. Unable to resolve the Berlin problem to his taste and wishes by means of shouting threats and similar pressures, Khrushchev continues to fight to win time, which he will use for a further frantic missile and atomic arms race.

2. Khrushchev has decided to complete the production of the required number of strategic missiles with nuclear warheads this year, so that when they are added to the means of mass destruction already available, he will have the capability of covering *all* NATO countries and bases with these weapons. Such missiles are already targeted against West Germany and France in large numbers, and to some extent against England, Italy, and the USA; ballistic weapons have been brought to combat readiness. A large number of launching sites targeted against West Germany are located in the Carpathians.

3. A final decision has been made in favor of Marshal of the Soviet Union Kirill S. Moskalenko’s forces (strategic missiles). His headquarters and directorates *will not* be combined with the headquarters of

Chief Marshal of Artillery Sergey S. Varentsov (tactical missiles).<sup>2</sup> Infantry and tanks will no longer receive as great attention and appropriations as was the case last year. Moskalenko's forces will be built up rapidly, and an enormous part of the budget is allotted to them. In the immediate future new units (chast) will be deployed (razvertyvatsya) under Moskalenko's command. It is considered that the tanks and other ground troops' weapons already available in large numbers are sufficient for the present time, and that it is necessary to effect a major shift of the material and technical potential of the country to production of weapons for Moskalenko's forces. This does not mean that the production of missiles and other armament for the ground army will be stopped completely, but its scale will be cut down.

4. The decision has already been made, and has *begun* to be carried out, to release 400,000 soldiers and sergeants. The release of these men was held up several months ago. This demobilization will also result in great savings, which will be applied to strategic weapons.

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<sup>2</sup> Cf. para 3 of CSDB-3/647, 716 (TCS-9708-61), issued 4 August 1961, for source's comment about the possibility that the commands of Moskalenko and Varentsov would be combined under Varentsov.

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## 260. Memorandum for the Record Prepared by Maury, January 26<sup>1</sup>

January 26, 1962

### SUBJECT

ONE Comments on Special Report re "New Emphasis on Strengthening Soviet Strategic Missile Capabilities", of 25 January 1962

1. This afternoon I discussed the above report with Mr. Stoertz, of ONE, who expressed the following views:

a. The report is of great significance and seems to provide an answer for a number of important questions that have troubled the estimators.

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<sup>1</sup> Comments on special report on "New Emphasis on Strengthening Soviet Strategic Missile Capabilities." Secret; Eyes Alone. 2 pp. CIA Files, Job 80B01285A, Mtgs w/ President, 12/1/61-6/30/62.



b. For some time there apparently has been controversy and confusion in Soviet policy circles regarding the allocation of resources as between strategic missiles and other military requirements. In talking to Nixon in late 1959 and in a speech of January 1960, Khrushchev indicated that he was putting most of his eggs in the strategic missiles basket. During this period, there was evidence that Soviet ships were being put in mothballs, Soviet ground forces were being cut back and the production of conventional aircraft was dropping off.

c. In 1961, however, the Soviets seemed to shift in the other direction, giving increased emphasis to conventional forces. This may have been related to the Berlin issue, but in any event, personnel were being retained in service beyond the normal tour and ground force components received considerable emphasis.

d. Now there is evidence that the pendulum is again swinging in the direction of heavy emphasis on strategic missiles. This may be the result of one or more of the following:

(1) The success of recent tests of the Category B ICBM may have convinced the Soviets that this weapon is now sufficiently reliable to justify a mass production program and to receive major emphasis in future Soviet military planning.

(2) Our recently published articles from *Voyennaya Mysl* have reflected a sharp controversy within Soviet military circles regarding the role of strategic missiles. The time appears right for a decision on this issue and, in light of the successful Category B tests, this decision may at last have been made—in favor of the concept of keeping strategic missile forces under a separate command.

2. In evaluating the significance of the report, it seems clear that:

a. The Soviets will not be ready for a military show down until the new ICBM program has been substantially completed.

b. The achievement of the proposed missile capability may be designed to serve political and psychological as well as military purposes (for example, Malinovsky's speech last week reflects the extent to which the Soviets seek to use their missile capabilities to intimidate their adversaries).

c. While source's use of the term "frantic" to describe the current program may be questioned, there is every reason to believe that the Soviets are now engaged in a vigorous missiles program, and current estimates suggest that by mid 1963 they will have 125 operational ICBM launching sites of more than one missile each. However, current estimates hold that this program cannot be completed in time to meet Khrushchev's alleged deadline of "the end of 1962."

3. Mr. Stoertz summarized a number of suggested follow-up requirements to be levied on this source, emphasizing particularly the importance of obtaining actual numbers and rates of production,

number of missiles per launching site, rate of refire, etc. I was able to assure him that all of these requirements had already been carefully spelled out in source's past briefings.

**John M. Maury**  
*Chief, SR Division*

February 1962

**261. Memorandum from CA/PRG to CA/C/PMG, Central  
Intelligence Agency, February 2<sup>1</sup>**

February 2, 1962

SUBJECT

Background of Counter-Guerrilla Warfare Task Force Report

1. For your background information, the following is a brief run-down on the background and genesis of the Counter-Guerrilla Warfare Task Force's Report, "Elements of U.S. Strategy to Deal with 'Wars of National Liberation'."

2. Mr. Robert Komer of Mr. McGeorge Bundy's staff at the White House told me that the idea for a task force on the problems of countering Communist insurgency was discussed by Mr. Rostow with Mr. Bundy early in February 1961, that it was included in a "list of planning actions" prepared by Mr. Bundy, and that it was approved by the President in mid-February, 1961. Mr. Komer believes that this was done orally, without formal record, and that Mr. Bundy notified Mr. Bissell by phone.

3. Mr. Alfred T. Cox told me he believed that Mr. Bissell's Counter-Guerrilla Warfare Task Force was constituted at the initiative of the informal "luncheon group" comprising Messrs. Bissell, McGhee, Rostow and Nitze. He believed that this was done to forestall Defense Department action on the 1 February 1961 Presidential NSC directive which required "that the Secretary of Defense, in consultation with other interested agencies, should examine means for placing more emphasis on the development of counter-guerrilla forces." This directive was communicated to the Secretary of Defense by Mr. McGeorge Bundy on February 3, 1961 as NSAM no. 2.

4. The Counter-Guerrilla Warfare Task Force was established under the chairmanship of Mr. Bissell, with General Lansdale (Defense), Mr. Rostow (White House), and Mr. Ramsey (State) as the other members. Mr. Cox was designated as secretary. The members participated as individuals and did not bind their organizations.

5. According to Mr. Cox, the Defense Department deferred action on NSAM no. 2 pending a report by Mr. Bissell's task force. The Defense Department had, however, in the meantime been acting in this general

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<sup>1</sup> Background and genesis of the "Counter-Guerrilla Warfare Task Force Report." Secret. 3 pp. CIA Files, Job 8300D30R.

field in response to NSAM no. 56 (June 28, 1961) on inventorying paramilitary assets; NSAM no. 57 (June 28, 1961) on the division of responsibility for paramilitary operations; NSAM no. 88 (September 5, 1961) on Latin American counter-guerrilla training; NSAM no. 110 (October 25, 1961) on FY 1963 paramilitary budgetary requirements; and NSAM no. 114 (November 22, 1961) on counter-subversion training for friendly police and armed forces.

6. There had been other, previous initiatives in the counter-guerrilla field, notably on August 1960 report by a State-JCS Counter-Guerrilla Study Group, but there were no definitive organizational or doctrinal recommendations or decisions.

7. The Counter-Guerrilla Warfare Task Force initially solicited and received written contributions from Defense, State, and CIA, which, at Mr. Foster Collins' request, I attempted to integrate into a single document around March 1961. Mr. James Cross was subsequently taken on as a consultant to redraft the document. Mr. Rostow redrafted Mr. Cross' paper. I redrafted Mr. Rostow's redraft, reorganizing it, strengthening its provisions on covert activities, counter-guerrilla paramilitary tactics, and civic action, and inserting Mr. Bissell's paper on offensive counter-measures. My revision reflected my understanding of the views of Brigadier General Lansdale on his Philippine experience and Civic Action, the views of Mr. Frank A. Lindsay on guerrilla and counter-guerrilla tactics, and the thoughts of Mr. Paul Sakwa on the importance of vitalizing a country's political processes and opening political communication channels for the airing and redress of popular grievances as prerequisites to other reforms. I also incorporated Mr. Henry Ramsey's thoughts on the importance of an effective OISP civil police program to supplement the military counter-guerrilla measures. The sections on Covert Programs were essentially my own. In my rewrite, I preserved as much of Mr. Rostow's language as possible and attempted to conform my various insertions to his rather informal and colorful style. The resulting draft was circulated on 20 November 1961 and was the basis for the final 8 December 1961 version, which added conclusions and recommendations and made some very minor changes in the basic text.

**[name not declassified]**

CA/PRG

**262. Memorandum from Earman to Deputy Director for Intelligence, Central Intelligence Agency, February 12<sup>1</sup>**

February 12, 1962

The Director asked that the following extract from his memorandum of conversation with the President on Thursday, 8 February 1962, at 5 p.m., attended by General Maxwell Taylor and McGeorge Bundy (part of time) be furnished to you for information and action:

I reviewed the 25 January CHICKADEE report (Subject: New Emphasis on Strengthening Soviet Strategic Missile Capabilities—CSDB-3/649, 186), expressed thought that this report and other fragmentary intelligence led me to believe that our current Estimates on Soviet ICBMs capability might be on the low side and that we were taking the matter under immediate review. *Action:* Discuss with DD/I and Kent or Smith and DD/P what should be done in this regard.

**J.S. Earman**  
*Executive Officer*

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<sup>1</sup> Extract of McCone's February 8 conversation with President Kennedy passed for information and necessary action. Top Secret; Eyes Only. 1 p. CIA Files, Job 80B01285A, Mtgs w/President, 12/1/61–6/30/62.

March 1962

**263. Memorandum from Hughes to Rostow, March 6<sup>1</sup>**

INR-62

March 6, 1962

SUBJECT

Comment on the Basic National Security Policy Paper

In response to your request, INR has prepared comments on the draft paper concerning basic national security policy, some of which were reflected in INR comments at the Saturday discussion. Others occur here for the first time. I thought you would be interested both in INR's composite general observations, and in the specific comments made by Offices within INR, chiefly on sections of the paper that deal with regional areas of responsibility.

*Some General Observations*

The notion of a world order based upon a community of free nations sharing, or with the capacity eventually to share, political and social values is appealing—it is even necessary—if one posits as the simple, irrevocable alternative a communist world order.

Nonetheless, with respect to vast areas of the underdeveloped world, neither have we as great a capability as the paper supposes to create a community of values between the West and the new states, nor, failing the achievement of such a community, are these areas quite as vulnerable to organization by the Bloc as the paper supposes. The in-between world is just that. For the foreseeable future, it is susceptible of organization by neither side.

We must, of course, discriminate. History and geography afford relatively impressive opportunities for US initiatives to create a durable community of interests and an expanding community of values in Latin America. These opportunities, with isolated exceptions, are not so obviously available in Africa, the Middle East, and Asia. In these areas, the notion of an order sponsored by the West is either irrelevant (many of these states are so preoccupied with the creation of a viable national order that they find little meaning in the notion of world order) or suspect (since they are still in the throes of disentangling themselves from the remnants of the old world order—the Western colonial system).

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<sup>1</sup> INR comments on the "Basic National Security Policy" paper. Secret. 9 pp. Department of State, S/S-NSC (Miscellaneous) Files: Lot 66 D 95, BNSP, 1961-1962.

The assertion in the paper that government by consent and respect for individual liberties will play a larger, not smaller, role in the political affairs of non-communist nations in the years ahead bears little relationship to the facts in many parts of Afro-Asia. It could be argued that for the present the trend is exactly the reverse. In any event, one thing seems quite clear. The basic problem which will occupy many parts of Afro-Asia for some time to come is the development within the various states of central power and, with it, the capacity to assemble information and to make and effectuate social decisions.

That these areas are not ready to join the West in a community based on common values does not mean that the Soviet Union enjoys all the advantages. The new nationalism and the balance of weakness in which the impotent quasi-state can preserve a quasi-independence by appealing to either bloc inhibits the Soviet Union from organizing the emergent world as much as the same factors inhibit us.

Moreover, as we recede from the colonial era, intra-regional political disputes increasingly shape a political environment which at once affords and inhibits access of Eastern and Western powers in about equal measure. The Soviets cannot expect to win (unless by subversion) both the Ethiopians and the Somalis, both the Pakistanis and the Indians. We believe, incidentally, that the paper has not emphasized nearly enough the importance of regional disputes as they bear on Cold War competition for ascendancy in the third world.

In this part of the world, our central objective may well be to assure an environment of sustained progress, higher standards of wealth, social justice, individual liberties, and popularly-based governments—but we must expect that in normal course we shall be able to pursue this objective only through indirection. Our immediate strategy must be so to play the game that the communists are not permitted to swing the balance to their favor. If while playing the game we can nudge some of the players toward accepting our values, so much the better. It is a matter of appropriate emphasis.

In fact, appropriate emphasis may be critical. If our prime objective is the creation of a community of values, we are bound to suffer disillusionment. If we are careless in the way we talk about this community of values, we are likely, on ideological grounds, to alienate many with whom viable relations might be maintained on grounds of interest. If we emphasize overly much the use of our resources in aiding those purporting to share our institutions and values, we shall lose the flexibility necessary to maintain sufficient access and influence to offset Soviet advances.

This is not to suggest we repudiate the effort to create a world order based on a community of value. Every approach we make ought, so far as possible, to contribute to this objective. But it is an ultimate

objective. The immediate demand is tactical effectiveness in the period of great fluidity that lies ahead.

*Exploitation of Long-Term Trends in Soviet Foreign Policy—An Alternative Analysis*

We are particularly interested in the main conclusions of paragraphs 18 through 20, which begin on page 124 of the paper. We do not disagree with these conclusions; we do believe the section could be improved by adopting a different analytical approach. We also believe the importance of the subject warrants a more detailed discussion.

We advance what is essentially a neo-containment thesis, but with several innovations. We take note of *one trend* in Soviet policy since Stalin's death which consists to date in a mellowing of Soviet methods and—though basic objectives remain the same—which contains the seeds of a de facto renunciation of imperial goals by Moscow—the heart of the East-West conflict. Domestic conditions in the USSR, the growing conflict between Soviet national interests and those of have-not communist states and parties might further develop this trend and make possible a meaningful and profitable détente with the USSR. But before this occurs, we must meet the challenge of *another trend* in Soviet policy—a new assertiveness based on growing Soviet power and on Soviet perception of political opportunities in the new nations. If we meet this challenge, we will do much to convince the Soviet leaders that pursuit of imperial, revolutionary aims is not in the interests of the Soviet state.

Our long-range goal toward the USSR itself is to effect a change in Soviet policies so as to permit a meaningful stabilization of East-West relations. To achieve this goal our long-term policy should be along dual lines. We should combine a position of strength vis-à-vis future Soviet encroachments with a policy that fosters the emergence of a more accommodating Soviet policy.

Provided, therefore, the US maintains a position of strength vis-à-vis future Soviet encroachments, it could undertake action designed to foster and permit the emergence of a more accommodating Soviet policy, along these lines:

- (a) keep open and develop lines of communication with the Soviet leaders, including exploratory bilateral summit meetings when appropriate;
- (b) stress to Soviet representatives the basic compatibility of US and USSR national interests as opposed to Moscow's representation and pursuance of the interests of world communism;
- (c) seek out agreements on those relatively narrow problems concerning which there already exists a mutuality of interests;
- (d) expand informational and cultural exchanges which will stimulate intellectual free-thinking in the USSR; and



(e) adopt a stance conducive to the further development of Sino-Soviet differences.

*The Sino-Soviet Dispute—A Need For Guidelines*

We would recommend that this section (page 138a, para. 32) be broadened in scope. We see a particular need for basic policy guide lines on this subject.

The draft implies that an open split would be to our advantage but does not state so specifically. We believe it should make this categorical judgment. Though an open split would complicate our foreign policy and might pose new dangers at the outset, we believe the gains to the US of a split greatly outweigh whatever dangers might be involved. It would weaken the over-all thrust of world communism, would weaken communist parties through increased factionalism, would in the long run facilitate the emergence of independent (communist) states in Eastern Europe, would (in the long run at least) encourage the USSR to adopt a more accommodating policy toward the West, and would (in the short run at least) lessen Chinese Communist expansionist capabilities.

US policy regarding the Sino-Soviet dispute prior to a possible open split—i.e., the best manner in which we can help a split occur—should be elaborated. We agree that the best US policy is to avoid direct involvement or direct exploitation. But we also believe that many US actions have an effect on the dispute. In taking certain actions we should try, where a coincidence of other US interests is involved, to maximize Sino-Soviet differences.

We believe that the question of US policy in the event of an open split should be discussed, if only in general terms. In our opinion, the US should publicly adopt a neutral stance, at least initially. But within this formal neutrality, we should:

(a) sound out the Soviets regarding a rapprochement on political issues of mutual interest;

(b) open up free world channels of commerce to Communist China to an extent that will enable it to maintain independence from Soviet bloc trade resources;

(c) avoid seeking political deals with Communist China (the latter would not be likely to be responsive to any such deals, and attempts to achieve them would complicate the development of promising new relations with the USSR);

(d) allow full rein for the schismatic effect of the split on other communist parties and states, particularly in the likely Chinese Communist sphere of influence; and

(e) abstain from military ventures against Communist China.

*Western Europe*

*Are European Security and Tractability Interrelated?*—What reason is there to suppose (as the paper seems to do) that maximum assurances

from the US regarding European security will make the Europeans more tractable on issues affecting other parts of the world?

It might be supposed that insofar as European attention is riveted on the question of security in Europe it is diverted from problems of the less-developed countries. However, European views of the Southern Half are not conditioned by apprehension for safety in Europe, nor by the same apprehensions that we have over communist expansion elsewhere. While relaxation of tensions in Europe might release additional energy for overseas, the direction which that energy takes will not necessarily coincide with the one which we judge best. Indeed, it seems more probable that the same differences in view which now separate us are likely to persist and new ones to develop.

*East German Attraction to the West*—Is there any prospect of the GDR being “attracted” to Western Europe—any more than it already is? If so, how would this improve prospects for Germany’s reunification?

There are no doubt some variations in the degree of affinity which the nations of Eastern Europe feel for Western Europe, but the available evidence suggests that the attraction of Western Europe is already so strong that it can be restrained only by military force. This is especially true in the case of East Germany, where there is no real desire even for independent nationhood; the Berlin Wall is dramatic evidence of the westward pull. While it might be hoped that this situation will eventually be resolved through relaxation of the forcible restraints imposed by the Soviet Union, at present the danger in the situation is that violent efforts will be made to break those restraints, to the profound embarrassment of US policy.

*Total Disarmament is Utopian Hope*—Is it actually our belief that “general and complete disarmament” would be in the US interest? (Para. 37, pp. 52 ff).

It has often been suggested that the elimination or reduction of arms can only follow, and not precede, the elimination or reduction of political conflicts. But, be that as it may, the notion of a totally disarmed world, except for domestic and international police forces, raises a host of disquieting questions. What effect would this have on the balance of power relationships? How would the international force be constituted and controlled, and how would its use be determined? Or, more generally, would not any arrangement simply be the framework within which the struggle for control of this ultimate source of power would go on? What stage of international law and organization would this require, and what are the prospects of reaching it? Do not these and many other questions which the idea raises suggest that “total disarmament” might better be stated as a utopian hope rather than as a practical policy for current guidance?

*European Demand for Nuclear Control May be Tenuous*—Does not the paper exaggerate the extent and intensity of the demand by European

NATO countries for a role in the control over strategic nuclear forces, as well as their demands for a multilateral MRBM force? (Pp. 89b–90, paras. 15–16).

The “political requirement” for sharing with other NATO countries the control of nuclear forces has been the subject of general study in recent weeks, but our researches suggest that the European demand is tenuous. Recent discussions of the problem have reflected a considerable misunderstanding, or lack of information, on the part of the Europeans, which needs to be, and probably can be, dispelled by further consultation. Even now, however, the “European” demand, aside from the current UK and French national programs, boils down to some agitation by German leaders which is not yet a demand and conceivably need not become one. In any case, it is as yet far from clear whether the European anxiety (or the consideration of national prestige) which underlies recent European discussion of the subject can be met by any of the specific proposals (e.g., multilateral MRBM force) presently under consideration. Europe’s concern is still focussed on the adequacy of the NATO defenses to deter, or defend against, aggression in Europe, and the powers’ primary need seems to be for constant reassurance not only that the total military strength of the Alliance is adequate but that especially the strength of the US is totally and irrevocably committed to the defense of Europe.

#### *The Middle East*

*Cross-Purposes With Our Allies*—The paper refers (page 94) to awkward cross-purposes among the major allies with respect to alliance policy toward a number of areas. The Middle East is listed among these areas. We do not believe there are any major cross-purposes among the allies with respect to this area which work to our disadvantage. It is true that the French have a special relation with Israel. However, this relationship probably works to our net advantage since it maintains the military strength of Israel without laying on us and the British the major onus for such action. Nor does it appear that we and the French are at serious odds with respect to British policy in the Persian Gulf. We regard this policy as necessary to assure the continued availability of oil to Western Europe, so necessary for the continued strength of the alliance.

*CENTO—A Different Emphasis*—The paper states (page 97): “Neither CENTO nor SEATO has proved a very satisfying instrument; in CENTO we are not a member and the enterprise is overhung with ambiguity as to how Iran could be defended in a limited war.” Is this statement meant to imply that CENTO is not a “satisfying instrument” because we are not a member, or that CENTO itself, rather than the distribution of Free World forces and the basic strategic factors

involved, is responsible for the difficulties which we face in defending Iran? CENTO has not posed serious problems for us since Iraq left the alliance. Instead of blaming CENTO, we should turn our attention directly to the security and political difficulties in the area that extends from the Bosphorus to India. These difficulties are two in number: (a) the problem of defending Iran, and (b) the problems that arise within the area from the fact that Pakistan is aligned with the West while India and Afghanistan are not.

Because of limitations imposed by geography and the amount of indigenous military strength which it is possible to build in the area, we can expect very little help from Turkey and Pakistan in defending Iran. The problem of defending Iran thus can be solved only through dispositions of US and other Western military forces and arrangements within Iran and in the area. As for the second major problem, as long as we maintain a US-Pakistani alliance we shall continue to feel certain adverse effects in our relations with Afghanistan and India.

#### *Southeast Asia*

*Can Southeast Asia Defend Itself?*—Is it really feasible in Southeast Asian countries which border the bloc (see page 49 of the paper) to attempt to build local forces which have the capacity to deal with both conventional and guerrilla attacks? How long could their conventional forces hold? How effective would they be in complementing our own and Allied forces subsequently brought to bear? Would it not be better to shift primarily to counter-guerrilla training on the theory that harassment of the invaders would be as useful as direct confrontation in a conventional holding operation?

*Should We Favor Allies Over Neutrals?*—In discussing our constructive goal of a community of free nations (page 11 ff.), we confront a problem of our own creation: by treating our allies and the neutralists in essentially the same manner, we reinforce rather than break down the environment of neutralism. Is there some room to consider giving special advantages to our allies, to make their alignment more satisfying to them than possible non-alignment? (e.g. Thailand.)

*Japan's Role*—The critical role of Japan is made particularly complex by its unique position as Asia's only "developed" nation. Our present policies toward Japan's role in contributing to Free World defense are premised upon current realities of the domestic political environment. The underlying rationale is that Japan is already contributing to Free World defense insofar as the present pace of its economic progress plus US base rights and the advantages conferred by the bilateral defense agreement with the US constitute the most useful contribution Japan is capable of making. The evolution in Japanese thinking which would be a prerequisite to interest or participation in military or secu-

ity problems beyond its own national boundaries may well be a long-term proposition. If Japan's present passive role is judged to be inadequate in terms of our long-term policy objectives in Asia, then its leadership must be persuaded that a more active role is necessary despite the domestic political environment. (See following paragraph on *Containment*). The direction and pace of such a reorientation will depend upon Japan's sense of participation in the "hard core" club of northern developed countries; the ability of its leadership to redirect important segments of public opinion; and, in significant part, on US policies designed to broaden the base of mutual security responsibilities in Asia.

*Burden of Containment*—Much of the above applies to that section of the paper which concerns a "network of increased mutual involvement and cooperation" in Asia (para. 34, page 104). We need, somehow, to shift earlier concepts of containment which placed the entire burden on the US for halting communist encroachments. Asians are still happily relying on this concept and even our European allies, who ought to know better, are satisfied to let us carry the ball alone.

*Consultation*—We agree that now is the time to prepare the ground for dealing with the effects in Southeast Asia of the coming Chicom nuclear capability (p. 140), but shouldn't we broaden this approach to deal with many of our other problems in the area as well? Our friends in Asia have complained repeatedly of not being taken into our confidence. Nothing exists in Asia that approaches the exchange of views among the NATO group. What we need is something like a Pacific community intelligence estimates group to explain to them the shape of the future as we see it and broaden their present narrowly nationalist preoccupations.

*Two Dilemmas We Face*—In considering the "Reorientation of Regional Alliances" in Asia (p. 174–5), we are really dealing with two dilemmas: 1) our desire to engage the aid and support of our European allies in the area versus the existing views of Asian nations toward colonialism, neo-colonialism, and big power domination; and 2) the desire to have responsible regional allies firmly on our side versus the desire to make friends with the neutrals. Can we really hope, in the foreseeable future, to have it both ways? Or will the determination to pursue both facets simultaneously be mutually destructive? Take, for example, our dilemma in the West New Guinea dispute.

We suggest that further consideration be given to weighing the advantages and disadvantages of a clear-cut resolution of our twin dilemmas in Asia. How much help can we expect from France and the UK in the Far East and what would it cost in terms of disadvantages in the area itself? How much help can we count on from India, Cambodia, Burma, and Indonesia, and what would be their alternatives (in fact,

not in fancy) should we lessen our support for them relative to that given Thailand, Pakistan, and our other allies?

*Some Comments Concerning Policies Toward the Less Developed Nations*

*The Need to Stabilize Commodity Prices*—In the section of the paper on North-South relationships there is no reference to the need for giving much greater attention to stabilizing the prices of basic commodities. Nearly all well-developed communities have recognized the need of producers of basic commodities, particularly agricultural commodities, to be protected against the vicissitudes of fluctuations in supply and demand. If we are to be successful in building a community of free nations we shall have increasingly to expand this approach to the entire free world. Where our own interests are immediately and significantly concerned, as in the case of wheat and sugar, we have already taken significant steps in this connection. There are also a number of other commodities relating to which we participate in price stabilization efforts. However, these efforts need to be broadened and intensified. In the kind of world in which we exist today we cannot again afford to permit such economic suffering as occurred in Brazil, for example, from the over-supply of coffee during the 1930s.

*An Elaboration on the Setting for Policy*—The setting (Section II B) in which we must approach the formulation of policy toward the less-developed areas includes a number of important factors which are not mentioned in this section. There is, for example, the breakdown in many of these areas of traditional societies. Equally significant in some areas is the legacy of state boundaries left by colonialism. These boundaries were fixed on principles which are now no longer rational. With the removal of colonial control a variety of intra-area disputes have arisen, such as the Pushtunistan dispute, the dispute between Iraq and Iran over the Shatt al-Arab, and the disputes arising out of the fragmentation of the Arabs. The dispute between Communist China and India over the northern border may in some degree be attributed to this factor.

*Criteria for Military Aid*—The paper (pages 67 f.) recognizes that economic aid may legitimately be extended for purely political and psychological reasons. Military aid, however, is to be extended solely on the basis of objective military criteria. While admitting that in the past military aid has not always been tailored closely enough to real needs, there will continue to be instances when we will need to extend some military aid for political and psychological reasons.

## April 1962

### 264. Memorandum from Gen. Taylor to President Kennedy, April 17<sup>1</sup>

April 17, 1962

#### SUBJECT

Scheduled Reduction in Strength of the U.S. Army in Fiscal Year 1963

1. Secretary McNamara's recent memorandum to you, "Release of Reservists Involuntarily Recalled to Active Duty," informs you of the present intention to reduce the U.S. Army to 960,000 by 30 September 1962 through the release of some 110,000 reservists. He indicates that this reduction will not affect the strength of Army combat units in Europe as long as the present crisis persists. However, he considers that it may be possible through a careful screening of support forces to effect some reduction of Army personnel strength in Europe without reducing combat power. Thus, it would appear that the impact of this reduction will fall largely upon our forces in the United States, particularly the Strategic Army Force.

2. You raised this matter previously with Secretary McNamara by a memorandum dated January 22, 1962 in which you asked to be shown the alternatives to consider in trying to reconcile the following points:

- a. An early return of reservists to an inactive status.
- b. Maintenance of present U.S. Army strength in Europe.
- c. A strong, deployable Strategic Army Force in the United States.
- d. An active Army strength of 960,000 for FY 1963.

3. As a decision has now been made with regard to the release of reservists, it becomes a question of how to reconcile the requirements for maintaining the U.S. Army in Europe at approximately the present level while keeping an adequate Strategic Army Force within the planned strength of 960,000. April is the month of no return with regard to the maintenance of the strength of the Army as we should be drafting men this month to replace the departing reservists if the strength of the Army is not to go down. Hence, I suggest that you ask Secretary McNamara to outline his plans and intentions, along with their impact upon the Strategic Army Force in the United States.

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<sup>1</sup> Provides background information for Kennedy's meeting with McNamara on U.S. Army force reductions in FY 1963. Secret. 2 pp. Kennedy Library, President's Office Files, 94B, DEF 4/62-6/62.



4. I have informed Mr. McNamara that you wish to discuss this matter with him after the meeting with the Congressional leadership today.

Maxwell D. Taylor

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**265. Memorandum from the Secretaries to the Joint Chiefs of Staff, April 24<sup>1</sup>**

April 24, 1962

*NUCLEAR SUPERIORITY OF US VIS-À-VIS THE SOVIET UNION*

Reference: JCS 1924/127

The attached memorandum by the Chairman, Joint Chiefs of Staff, CM-592-62, dated 18 April 1962, subject as above, together with its Attachments (Tabs A and B), is circulated for information.

**F.J. Blouin**

**M.J. Ingelido**  
*Joint Secretariat*

**Attachment**

**SUBJECT**

Nuclear Superiority of US Vis-à-Vis the Soviet Union (U)

1. In response to your verbal request to me on 6 March to provide you with a memorandum outlining the factors that contribute to nuclear superiority, the following is provided.

2. On 5 October 1961, the Joint Chiefs of Staff submitted<sup>2</sup> a study to the President, as a result of his request, that compared the nuclear delivery capability of the US vis-à-vis the Soviet Union. At that time, the study concluded that the US enjoys a military superiority over the

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<sup>1</sup> Circulates copy of a memorandum from Gen. Lemnitzer to McNamara on "Nuclear Superiority of the US vis-a-vis the Soviet Union" for their information. Top Secret/Restricted Data. 12 pp. National Archives and Records Administration, RG 218, JCS Records, JMF 2210.

<sup>2</sup> See Enclosure and Appendix to JCS 1924/127.



USSR in 1961 and this superiority will continue through 1963, but that the Soviets in recognition of this imbalance are striving for weapons systems that will, in the future, provide them with a distinct military advantage.

3. This determination was based primarily on the nuclear delivery capability of the US and the USSR. Since the original study was completed, there have been no significant changes in the nuclear delivery capability of either nation that would alter the conclusions of the Joint Chiefs of Staff for the short term. However, in view of the recently completed series of Soviet nuclear tests, it is highly probable that much useful information was obtained that will advance their confidence and competence in the area of nuclear systems development.

4. To compare the US nuclear delivery forces with those of the USSR is a reasonably easy task, but to make a comprehensive evaluation of the relative posture of the two countries requires consideration of many factors. Some of the factors which contribute to the determination of nuclear capability are:

- a. Number of nuclear delivery vehicles.
- b. Quantity and quality of nuclear weapons.
- c. Capability, reliability and accuracy of delivery systems.
- d. Application of technology to military uses.
- e. Intentions.

5. Tab A contains a comparison of the combat ready forces available to the US and the USSR for the periods 1 January 1962 and 1 July 1963. Forces for this comparison include those forces based in the CONUS and those employed overseas which have the capability of striking the Sino-Soviet Bloc. No Allied forces have been included. Soviet forces include those capable of striking the US and US forces overseas. In Tab B are detailed explanations of the forces immediately available to both sides. It will be noted that the US has a considerable advantage in the heavy bomber category and is slightly behind in the medium bomber force both in 1962 and 1963, but in total bomber force, the US is superior in 1962 and will widen this gap further by 1963. In the ICBM category, the US superiority is approximately three to one increasing in 1963 to about four to one. The one category in which the USSR enjoys a decisive superiority is in the field of MRBM's. These do not pose a threat to the US but they are a threat to the Allies in both Europe and Asia. This advantage is partially offset by the US superiority in the fighter bomber category.

6. In the area of nuclear weapons, there is a lack of direct intelligence information on Soviet nuclear weapons stockpile which precludes a definitive appraisal of the Soviet capability as compared to that of the US. Although we have estimates of the Soviet nuclear material stockpile, we have only limited information regarding specific characteristics

of Soviet stockpile weapons. Nevertheless, a Soviet nuclear stockpile can be estimated for 1962 and 1963 using the assumptions that the weapons in the Soviet stockpile will have roughly the same average material composition as those in the US stockpile. In this respect, numbers of weapons are not the primary consideration, if we assume, and the assumption appears to be valid, that each side has sufficient numbers to provide the proper load or loads for each delivery vehicle. Nevertheless, there is one important factor that must not be overlooked. The recent Soviet nuclear tests have allowed them to achieve greater economy in fissile materials while at the same time maintaining high thermonuclear efficiencies. This achievement could ultimately permit the Soviets to build warheads in the range of 50 to 100 MT and therefore, reduce the Soviet strategic requirements or permit the accomplishment of a higher level of destruction of target systems with estimated weapons inventories.

7. In comparing the capability, reliability and accuracy of the Soviet missiles, we have relatively firm evidence on the test range and the test firing program from which we have been able to derive basic characteristics. From these data, we can also derive some of the basic factors affecting performance under operational conditions, including ranges, accuracy and reliability. These data can be combined with other evidence to provide a sense of tempo of the ICBM development program and the degree of success the USSR has achieved. In general, the capability of the Soviet missiles compares favorably to that of the US missiles in range, reliability and accuracy. Consequently, an evaluation of the superiority of either side in the ICBM area would be dependent primarily on the number of missiles available to each side and the concept of employment of such missiles, i.e., would they be targeted against military targets, urban targets or a mix of each. The same is true of the Soviet bomber force.

8. The Soviets are making vigorous efforts to counter Western weapons systems. Within the next five years, they will probably introduce improved radars and all weather interceptors, a surface-to-air missile system designed to counter low altitude air attack and anti-missile defenses. The recent Soviet nuclear tests, in part, were designed to obtain an AICBM capability. However, they probably will still not achieve a high degree of assurance in coping with a large-scale sophisticated attack by manned bombers. Although they would probably expect to destroy a larger number of attacking forces, it is doubtful they will be able to reduce the weight of such an attack.

9. Soviet capabilities in guided missiles and space vehicles rest upon a major national effort in research and development pursued over the past 15 years. The Soviets have concentrated on the development of only a few systems at any one time. With the possible exception of

the first surface-to-air system, deployed around Moscow, there has been no indication that Soviet guided missiles were developed on a "crash" basis. The Soviets now have operationally available about 20 individual missile systems for surface, air, and sea employment. Future Soviet efforts will probably place greater emphasis on development of second generation missile systems. The importance which the Soviets attach to the space program is demonstrated by the assignment of leading scientists to its direction, by the wealth of theoretical and applied research being conducted in the support and by the allocation of resources and facilities to its implementation. A significant achievement in this field has been the development of very powerful propulsion systems and it is estimated that the Soviets will be able to place in orbit about 25,000 pounds sometime in 1962. This progress by the Soviets does not constitute a superiority in the area of weapons and space at the present time, but is indicative of Soviet trends and we can be assured that if the Soviets elect to exploit their technical capability toward developing weapons systems that will narrow the gap between the US and USSR, they will, in fact, do so.

10. Of the factors listed above, probably the most difficult to assess is the intentions of the Soviets. There is no indication that the Soviet national policy precludes an initiative attack. Presumably, the USSR is aware of US policy which rejects preventive war by the US. They could, therefore, make plans to attack the US without strategic warning. An attack such as this, by a minimum force, would have to be carefully planned and executed to prevent a possible pre-emptive attack if the US were alerted through intelligence. As the USSR moves more and more toward a strategic missile posture, the capability to achieve surprise increases. However, the US forces during the period are simultaneously building toward a less vulnerable posture. Since a basic requirement of an initiative attack is to destroy the enemy's capability to retaliate, the Soviet strategic force structure will have to increase accordingly if they intend to exercise the initiative. If the USSR does not contemplate an initiative strategic attack against the US, the requirement would be reduced since all that would be needed would be the requirement to deter an attack by the US. Since national policy of the US in effect provides this deterrence, the USSR requirement for a deterrent posture could be comparably smaller.

11. As opposed to the Soviet requirement for a minimum deterrent force or for an initiative force, the US is faced with the problem of attaining a strategic posture adequate to attack effectively the USSR under many circumstances, including a second strike capability with those residual forces remaining after a Soviet initiative attack. Estimates of forces and weapons required to attain this posture vary widely depending on the assumptions as to how a nuclear war will begin.

Answers to these questions are being sought by the entire military establishment on a continuing basis, in order to keep current the estimates of Soviet strengths, weaknesses and future intentions so that a determination of future forces, weapons and strategy to counter Soviet aggression can be made.

12. From the preceding, we have been able to determine some of the factors that contribute to the determination of nuclear superiority. In order to define "nuclear superiority", we must consider other factors, some of which are less tangible than those mentioned previously. These include national strategy and objectives, force application and national will. When these factors are assessed against enemy ideology and philosophy, then we can make a more meaningful determination of just what is meant by the term "nuclear superiority". Although "nuclear superiority" is difficult to define in one sentence, one such definition might be as follows: "Nuclear superiority is that degree of nuclear capability possessed by one nation vis-à-vis another that, regardless of the level and intensity of conflict threatened or actually inflicted by the enemy, permits the nation possessing this capability to disarm the enemy's nuclear forces, conclude the conflict on favorable terms and to prevail as a viable nation".

13. Since World War II, the over-all national strength and purpose of the US, supplemented by that of its Allies, has successfully deterred the Soviet Union from initiating general war. US success in this regard during the past seventeen years resulted primarily from the fact that US forces have had a clear capability, whether [*text not declassified*] retaliation, to cause unacceptable damage to the Soviet Union and emerge with a superiority in forces and resources which would place the US in a position from which to prevail. While the USSR possesses the capability to damage the Allies and the US severely in general war, it does not possess the capability either in initiative or retaliation, to damage the US sufficiently to permit it to emerge in a position from which to prevail against the US. Analysis, based on the current intelligence estimates of the relative postures of the US and the USSR for the current time period and through 1963, indicates that the US will remain stronger than the USSR. Its total military capability and the economic base supporting its forces give it an over-all military advantage over the Soviets. Comparative analysis of the known and/or estimated nuclear strike capabilities of the US and the USSR, when considered in their entirety, and in relation to their respective capabilities to defend against nuclear strikes makes it doubtful, except through miscalculation or misadventure, that the Soviets will initiate general war either now or through mid-1963.

14. In summary, despite a strong Soviet military posture, the relative strategic balance of forces is in favor of the US at the present time.

By 1963, our strategic force levels and our relatively secure force levels assure for the US a decisive retaliatory capability. However, the results of the analyses obtained from the recent Soviet tests give grounds for serious concern. There are indications that the Soviets have made substantive progress in nuclear technology well beyond that commonly anticipated and there is reason to believe they will exploit this advancement to the fullest extent.

15. Free world security depends on US strategic nuclear capability and it is essential that the US maintain a nuclear superiority over the USSR at least equal to that of the present level. As the capability of the USSR increases, so must that of the US. In this respect, consideration must be given to all aspects of our national posture including an adequate civil defense program. Any relaxation on the part of the US in the effort to maintain a nuclear superiority could result in a deterioration of capability with time to a point where irreparable damage could be done.

**L.L. Lemnitzer**

*Chairman*

*Joint Chiefs of Staff*

Tab A

FORCES				
	1962		1963	
	US	USSR	US	USSR
a. Long Range Aircraft Note 1 <sup>3</sup>				
(1) Heavy Bombers	529	150	630	150
(2) Medium Bombers	779	950	575	800
TOTAL	1308	1100	1205	950
b. ICBM—Note 2 <sup>3</sup>	62	10–25 <sup>4</sup>	382	75–125 <sup>5</sup>
c. Submarine Launched Missiles—Note 3 <sup>3</sup>				
(1) Ballistic 1200 NM	80	0	128	0
(2) Ballistic 500–1000 NM	0	0	0	6
(3) Ballistic 350 NM	0	90	0	115
(4) Cruise	17	0	17	0
TOTAL	97	90	145	121
d. Other nuclear delivery forces—Note 4 <sup>3</sup>				
(1) Light Bombers	225	250	160	250
(2) Fighter Bombers	2389	0###	2381	0###
(3) Cruise Missiles	178	0####	144	0####
TOTAL	2792	250	2685	250
(4) MRBM/IRBM			On Launchers	
(a) 700 nm				(7–11 & 2500 nm TOTAL)
1100 nm	0	250–300	0	
(b) 2500 nm	0	0	0	
TOTAL	0	250–300	0	350–450

\* Notes 1, 2, 3 and 4—See Appendix

# CSAF believes about 75 is the correct figure as of 1 March 1962.

## CSAF believes about 250 is the correct figure.

### There is some evidence, not yet conclusive, that the USSR is showing activity toward acquiring a nuclear delivery capability for tactical fighters. USCINCEUR has expressed a belief, although he has no positive proof, that about one-half of the Soviet fighter-bombers possess a nuclear delivery capability.

#### It is estimated that some in class cruise type missile subs are probably operational now (350 nm cruise missile)

**Tab B**

## NOTE 1—LONG RANGE AIRCRAFT

*USSR Forces*

a. As of January 1961 the main weight of a large-scale nuclear attack against distant targets would be by bombers of Long Range Aviation. The 160 heavy bombers consist of 110 Bisons and 50 Bears and include aircraft fitted as tankers. These are available to all Bison units and about half the Badger units. These can be converted to bombers in a few hours. Within the next year or so virtually all Bears will carry 350 nm ASMs.

b. Medium bombers (BADGERS) are assigned to components other than Long Range Aviation, viz 375 to Naval Aviation. Yields of weapons assigned to these aircraft could vary from 10 KT to 7 MT.

c. It is estimate that, excluding combat attrition, at present the USSR could put about 200 bombers over North America on two-way missions in an initial attack, more than half of which would be medium bombers. The Soviets have a considerably larger gross capability for attacking the United States itself, but to exercise it they would have to employ medium bombers on one-way missions and to use crews who had not had Arctic training. With the advent of Soviet missile capabilities, we regard this use of the medium bomber force in the initial attack as increasingly unlikely.

*US FORCES*—Of the 1308 long range bombers available 1 March 1962, the United States has [*text not declassified*] to strike targets in the Soviet Bloc, carrying [*text not declassified*] weapons or an average of [*text not declassified*] weapons per aircraft. Of the [*text not declassified*] programmed aircraft, [*text not declassified*] are programmed to be on alert and could be launched within 15 minutes.

## NOTE 2—ICBMS

*USSR FORCES*—The figure 10–25 ICBMS indicates missiles on launchers and is concurred in by the United States Intelligence Board except the Assistant Chief of Staff, Intelligence, USAF, believes Soviet ICBM's to be about 75 as of 1 March 1962 and 250 in mid-1963. The Soviet ICBMs for the present and for the near future will be deployed in soft sites. Evidence indicates that there will be no hardened sites by 1963.

*US FORCES*—The 62 US ICBMs in 1962 are ATLAS and TITAN missiles; 30 are soft and 32 are in installations hardened to 25 PSI and above. In 1963, US ICBMs are as follows:

27 ATLAS D—Soft

29 ATLAS E—25 PSI

75 ATLAS F—150–200 PSI

57 TITAN I—150–200 PSI

34 TITAN II—300 PSI

156 MINUTEMAN—[*text not declassified*]

378<sup>8</sup>

\*(20 missiles utilized for training purposes)

#### NOTE 3—SUBMARINE LAUNCHED MISSILES

*USSR FORCE*—The Soviets would probably assign US land targets to missile launching submarines. The number to be deployed depends on the pattern of operations. The Soviets are estimated to have the following number of submarines:

	1962	1963
Z Class 350 nm (2 missiles)	7	7
G Class 350 nm (3 missiles)	18	18
H Class 350 nm (3 missiles)	8	16

*US FORCES*—Of the 80 POLARIS missiles now at sea in operational SSBN's, 48 are on [*text not declassified*]; 16 others are in SSBN's in [*text not declassified*] at Holy Loch; and, 16 others are on [*text not declassified*] at Holy Loch.

In 1963, out of 128 missiles at sea in operational SSBN's, 80 will be on [*text not declassified*]; 16 to 32 will be in SSBN's in [*text not declassified*] at Holy Loch; and 16 to 32 will be on [*text not declassified*] at Holy Loch.

Of the 17 REGULUS missiles aboard, four SSG's and one SSGN, four are on-station at all times. The remainder are in submarines in transit between the operating area and their base, in training, or at their base.

#### NOTE 4—OTHER FORCES

Of the total of 225 light bombers, 130 are overseas in theater areas, either at shore bases or aboard aircraft carriers. The remainder are in the CONUS or aboard aircraft carriers in transit or operating in the vicinity of the CONUS.

Of the total of 2,389 fighter and attack bombers, 885 are overseas in theater areas, either at shore bases or aboard aircraft carriers. The remainder are in CONUS or aboard aircraft carriers in transit or operating in the vicinity of the CONUS.



*USSR FORCES*—The 250 Soviet light bombers are all nuclear capable. The bulk of the Soviet MRBM launchers are in Western USSR, within range of US forces in Europe.

*US FORCES*—US light bombers and fighter bombers consist of the following:

<i>Light Bombers</i>	1962	1963
B-57	48	0
B-66	48	0
A3D	122	118
A3J	<u>7</u>	<u>44</u>
	225	162
<i>Fighter Bombers</i>		
F-100F	792	724
F-101 A&C	74	71
F-105 B/D	265	444
AD	266	244
A4D	779	907
A2F	0	20
FJ4B	120	112
F4H	<u>93</u>	<u>185</u>
	2389	2797

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266. National Intelligence Estimate, NIE 13–2–62, April 25<sup>1</sup>

April 25, 1962

CHINESE COMMUNIST ADVANCED WEAPONS CAPABILITIES

*THE PROBLEM*

To estimate the capabilities of Communist China with respect to the development and production of guided missiles and nuclear weapons over the next few years.

*FOREWORD*

In analyzing the evidence on Chinese programs for advanced weapons, we have encountered numerous important gaps and apparent

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<sup>1</sup> “Chinese Communist Advanced Weapons Capabilities” printed in part in the print volume as Document 81. Top Secret. 30 pp. CIA Files, Job 79R01012A, ODDI Registry.

inconsistencies. The evidence available to us clearly proves the existence of programs in the missile and nuclear fields, but it is insufficient to permit us to reconstruct these programs in the fashion which is possible for various comparable Soviet programs. Similarly, while we have been able to make some judgments about Chinese progress and the time periods during which further accomplishments are likely, we cannot reach firm conclusions on these matters, or predict the year in which deployment of a complete weapons system will probably begin.

In these circumstances, we have considered it useful to present in this estimate a fairly full picture, not only of the evidence and the major problems which it leaves unresolved, but also of the basic scientific and economic resources available to the Chinese Communists for advanced weapons programs. We have sought in this way to establish a base of information to which, in succeeding estimates on these problems, we can subsequently apply new information and further analysis. We expect that, as these Chinese programs proceed, such information and analysis will permit us further to refine the broad approximations and judgments presented in this estimate.

### CONCLUSIONS

1. A program to develop nuclear weapons has probably been under way in Communist China since the early 1950's, and a guided missile program since late in the decade. We believe that in both these programs, the Chinese are aiming at independent capabilities. (*Paras. 12, 24*)

2. From the first, however, Chinese progress in both fields has depended heavily upon Soviet assistance. Our inadequate knowledge of the kind and amount of this assistance is a major source of uncertainty in our estimate. We believe, however, that Soviet aid in these fields was provided at a more deliberate pace than other types of military assistance. Soviet technical assistance was substantially reduced and perhaps discontinued about mid-1960. By that time, Chinese nuclear and missile programs were probably sufficiently advanced so that even a complete halt in aid would not have necessitated their abandonment. (*Paras. 23-27*)

3. China's progress since has rested primarily on native resources, which are extremely limited. Significant gaps exist in a number of research areas basic to advanced weapons development. Efforts in the missile field have up to the present probably been limited largely to copying Soviet missiles. While the size of the missile test center at Shuang-cheng-tzu connotes a very large program and the range is operational, the evidence suggests that this program has been retarded. (*Paras. 13-22, 28-34*)

4. Despite the priorities accorded to heavy industrial and armament plants, we believe that any attempt to mass-produce advanced weapons

would be difficult for China. There is good evidence that the general retrenchment of 1961 affected the military as well as the civil economy, although it is possible that Chinese Communist advanced weapons programs have not been adversely affected. No Chinese missile production facility has been identified, and we doubt that any substantial missile production is under way. We believe that China has no present operational capabilities with missiles, aside from limited deployment of surface-to-air and possibly air-to-air missiles, all procured from the USSR. (*Paras.* 42–55)

5. We have evidence to indicate that the Chinese Communists have mined and concentrated a significant amount of uranium ore and that, with Soviet help, they were constructing a plant for recovery of uranium in 1960. This strongly indicates an intent to produce fissionable materials, but we have no evidence of such production in Communist China. Assuming an accelerated and highly successful program for the production of plutonium since 1960, the Chinese Communists could detonate an all-plutonium device in early 1963. However, in the light of all the evidence, it is unlikely that the Chinese will meet such a schedule. We believe that the first Chinese test would probably be delayed beyond 1963, perhaps by as much as several years.<sup>2 3</sup> (*Paras.* 35–38)

6. Within a year after exploding their first device, the Chinese Communists could probably produce a few fairly crude fission weapons. Another two years or more would be required to develop fission weapons for missile warheads. If the first test should occur in the next year or so, we estimate that toward the last part of the decade the Chinese Communists could have a variety of fission weapons to sup-

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<sup>2</sup> For the position of the Assistant Chief of Naval Operations (Intelligence), Department of the Navy, see his footnote to paragraph 38.

<sup>3</sup> The Assistant Chief of Staff, Intelligence, USAF, agrees that the Chinese Communists have accorded a very high priority to the development of nuclear weapons (paragraph 12); and that they probably regard an advanced weapons capability as a political and military necessity if they are to achieve the international status they seek (paragraph 11). He also concurs in the judgment that no drastic cutback in Chinese efforts to develop prototype nuclear weapons has occurred, and that sufficient economic and scientific resources are available to the Chinese Communists to support a few, very high priority projects (paragraph 44). He believes the large-scale withdrawal of Soviet technical aid in mid-1960 undoubtedly has retarded the progress of the Chinese Communists weapons program in certain areas. Nevertheless, he considers it likely that sufficient technical and industrial resources are available and are being funneled into the Chinese Communist atomic energy program on a sufficient priority to permit them to detonate an all-plutonium implosion nuclear device by 1963. If the Chinese detonate their first device in the next year or so, it would be within their capabilities to develop and test a thermonuclear device before the end of the decade. Such a device probably would be extremely heavy, and would represent only a token TN capability. Even such a limited TN capability would go far to establish China as a great power and would have profound psychological impact, particularly in Asia.

port many of their military requirements, but only in limited numbers. (Para. 39)

7. We believe that the Chinese would at some point in their program endeavor to produce U-235, but we have no evidence of U-235 production at present. Latest evidence indicates that a facility at Lanchou suspected of being a gaseous diffusion plant has not been completed. If this plant is in fact intended to be a gaseous diffusion facility, it probably could not produce weapon grade U-235 before 1965. The Chinese could probably test an all U-235 or composited device within a year after the activation of a production facility. (Para. 40)

8. Within the next few years, the Chinese could begin to deploy short-range (up to 350 n.m.) surface-to-surface missiles with nonnuclear warheads. Deployment of medium-range missiles almost certainly is keyed to the availability of nuclear warheads; such plans probably look to the second half of the decade. In the absence of Soviet aid, the Chinese will probably not undertake to produce surface-to-air missile systems, at least until the mid-1960's. (Paras. 53-59, 63-64)<sup>4</sup>

9. In more advanced fields—submarine missile systems, IRBMs, ICBMs, antimissile systems, and thermonuclear weapons—China is not likely to achieve independent capabilities during the 1960s. (Paras. 41, 60, 62)<sup>5</sup>

## DISCUSSION

### I. CHINESE COMMUNIST OBJECTIVES

10. The Chinese Communist leaders are determined to establish China as a major world power and as a leader of the Communist Bloc of at least coequal status with the Soviet Union. They regard the Far East as China's particular preserve and are determined to be dominant in that area. In general, Peiping would probably prefer to achieve its objectives by political and economic forms of struggle, rather than by direct employment of Chinese forces. However, Communist China has no compunctions about openly using its military forces to extend its control when it can do so with little or no risk.

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<sup>4</sup> The Assistant Chief of Staff, Intelligence, USAF, believes that in view of the accuracy (CEP), system cost, the availability of tactical air forces and other considerations, deployment of 350 n.m. surface-to-surface missiles by the Chinese Communists will almost certainly be dependent upon the availability of nuclear warheads. Therefore, while he agrees that the Chinese within the next few years could begin to deploy short-range surface-to-surface missiles with nonnuclear warheads, he does not agree that they are *likely* to do so until nuclear warheads are available.

<sup>5</sup> For the view of the Assistant Chief of Staff, Intelligence, USAF, regarding Chinese Communist thermonuclear weapons capabilities, see his footnote to paragraph 5.

11. Peiping calculates that the achievement of even limited capabilities with advanced weapons would go far to establish China as a great power and would have a profound psychological impact, particularly in the countries of Asia. Moreover, in areas where Communist-supported forces confront those supported by the West, the Chinese Communist leaders almost certainly consider intervention by one side or the other as an ever-present possibility. They probably reason that possession of advanced weapons would support more aggressive Chinese policies in these areas and would tend to deter strong Western responses. Thus, they probably regard an advanced weapons capability both as a political and a military necessity if they are to achieve the international status they seek.

## II. EVIDENCE ON ADVANCED WEAPONS PROGRAMS

12. The Chinese Communist drive to acquire a nuclear capability apparently antedated their efforts in the guided missile field by several years. Since the early 1950's, Communist China has accorded a very high priority to the development and production of nuclear weapons. There is no firm evidence that the Chinese Communists have undertaken to develop or produce bomber aircraft. We believe that Chinese Communist commitment to a large-scale program for development of guided missile capabilities probably dates from the late 1950's.

### *Missile Test Range Activities*

13. Recent photography has confirmed the existence of a guided missile test center in northwest China; its location in this area had been indicated by a considerable body of evidence accumulated over the past two or three years. The evidence indicates that construction of range facilities could have begun in 1957 and almost certainly was well under way in 1958.

14. The rangehead is located about 50 n.m. northeast of Shuang-cheng-tzu on a rail spur off the Urumchi-Lanchou rail line. It is a large, instrumented area, dispersed along a 30-mile stretch of the Etsin River, comprising a surface-to-surface missile (SSM) launch area, a surface-to-air missile (SAM) launch area, a large main support base containing 185 buildings, a smaller support base servicing the SSM and SAM complexes, a large SSM and SAM assembly area, two revetted storage areas, and several smaller housing and support areas. About 40 n.m. southwest of the main support base is a large new airfield with a 13,500 foot concrete runway. Near the airfield are two large communication centers. (See Figures following page 7)

15. The three SSM launch complexes have been arbitrarily designated "A," "B," and "C." Complex "A" appears to be completed and operational. This complex contains two large concrete pads suitable

for firing ballistic missiles served by paved loop-access roads, a control bunker, and a drive-through checkout building. [text not declassified] firings have occurred, probably within the recent past. [text not declassified]. The two pads under construction at launch complex "B" strongly resemble those at complex "A." Excavation for the pads has been completed, but construction appears to have been suspended. Launch complex "C" has one pad and a drive-through building. Construction work appears to be nearly complete, and the launch pad could have been used. However, the operational status of this complex is undetermined.

16. The ranges of the missile systems to be tested from these facilities cannot be determined from the photography. The launch sites are oriented towards the west, and the down-range instrumentation is also in that direction. The desert terrain to the west would allow the firing of surface-to-surface missiles to ranges of up to 1,100 n.m. within Chinese territory. The pads, associated revetments, and support areas in launch complex "A" closely resemble Soviet facilities at Kapustin Yar used for 700, and probably for 1,100 n.m. ballistic missiles. Launch complex "C" bears some resemblance to other Soviet launching facilities at Kapustin Yar; the type of missile associated with the Soviet complex cannot be ascertained.

17. The surface-to-air missile launch area resembles SA-2 launch facilities at Kapustin Yar, although the two SA-2 sites at Shuang-cheng-tzu are more widely separated and the instrumented area is larger. Construction work has been completed on the two sites, but only one is equipped with radar and launchers. One of the launchers has been fully revetted, and partial revetments have been provided around a second. [text not declassified] The support facilities, also built on the Soviet model, appear completed.

18. It appears that Shuang-cheng-tzu airfield was originally intended to provide logistic support for the missile range, fighter protection, and possibly to conduct air-to-surface missiles (ASM) and air-to-air missiles (AAM) programs. [text not declassified] The airfield apparently was designed to handle a large number of aircraft, including the heaviest types, but the limited fuel storage facilities identified do not appear commensurate with a facility of this size. Possible loading hardstands and associated buildings could be intended to serve an ASM program. [text not declassified] It is also possible that these facilities relate to AAM training [text not declassified].

19. The size of the missile rangehead at Shuang-cheng-tzu connotes a very large program. The facilities available at the test center are sufficient to provide a considerable physical capability to carry out extensive missile research and development programs and some troop training. Housing appears adequate for at least 20,000 people. [text not

*declassified*]. But, some of the completed facilities do not appear to have been used for firings. [*text not declassified*] incomplete logistic facilities also characterize the Shuang-cheng-tzu airfield. These facts suggest that what was originally a large, ambitious program for test firing SSMs, SAMs, and possibly ASMs and AAMs has been cut back.

20. Reliable evidence indicates that the Soviets agreed to give a variety of missiles to the Chinese Communists including, we believe, surface-to-surface, surface-to-air, air-to-surface, and air-to-air types.<sup>6</sup> Evidence on activity at the Shuang-cheng-tzu range, indicates that firings of surface-to-surface ballistic missiles have occurred. The ranges to which missiles have been fired cannot be established with confidence, but our evidence suggests that firings have been conducted to ranges of approximately 150 n.m., 300 n.m., 600–700 n.m., and possibly 1,100 n.m. Although there is no direct evidence we believe that firings of surface-to-air missiles have also occurred. There are no indications that air-to-surface or air-to-air missiles have been tested.

21. Evidence on the timing and extent of range activity is inconclusive. [*text not declassified*] available evidence, together with our estimate of the time required for construction and checkout of range facilities, leads us to believe that test firing of missiles on the range probably began in late 1959 or early 1960. Available evidence provides no basis for determining firing rates.

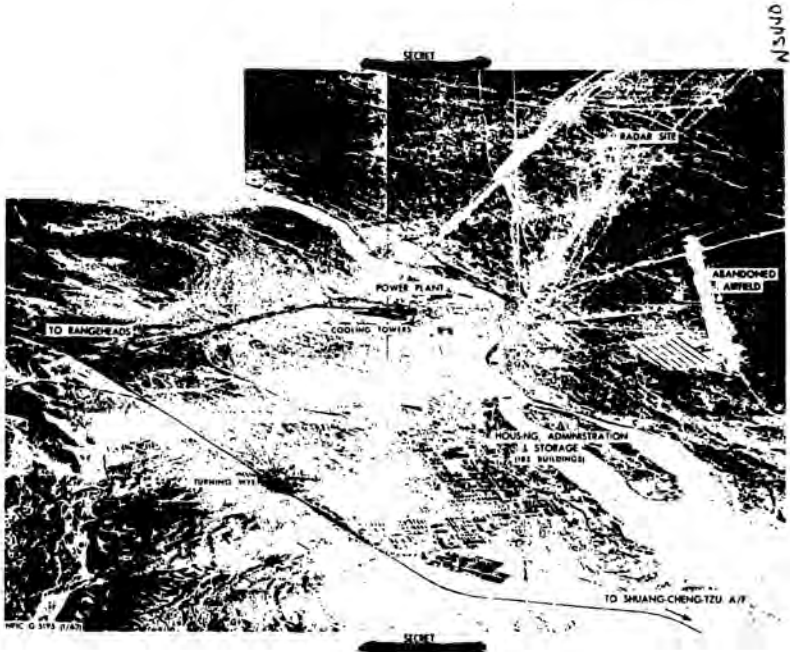
22. The Soviets probably provided technical assistance at least through mid-1960, and the early firings certainly involved missiles of Soviet manufacture. We believe that the range continues to be operational. The activity to date has probably been primarily for the purpose of range orientation, practice firing of Soviet missiles, and possibly test firing of Chinese copies. Some concurrent operational training, at least with surface-to-air missiles, may also have occurred.

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<sup>6</sup> For estimated characteristics of Soviet missiles, see Table, page 18.



MAP  
SUPPORT BASE  
SHUANG-CHENG-TZU MISSILE LAUNCH CENTER  
41-05N 100-17E



MAP  
SHUANG-CHENG-TZU AIRFIELD  
40-21N 99-47E

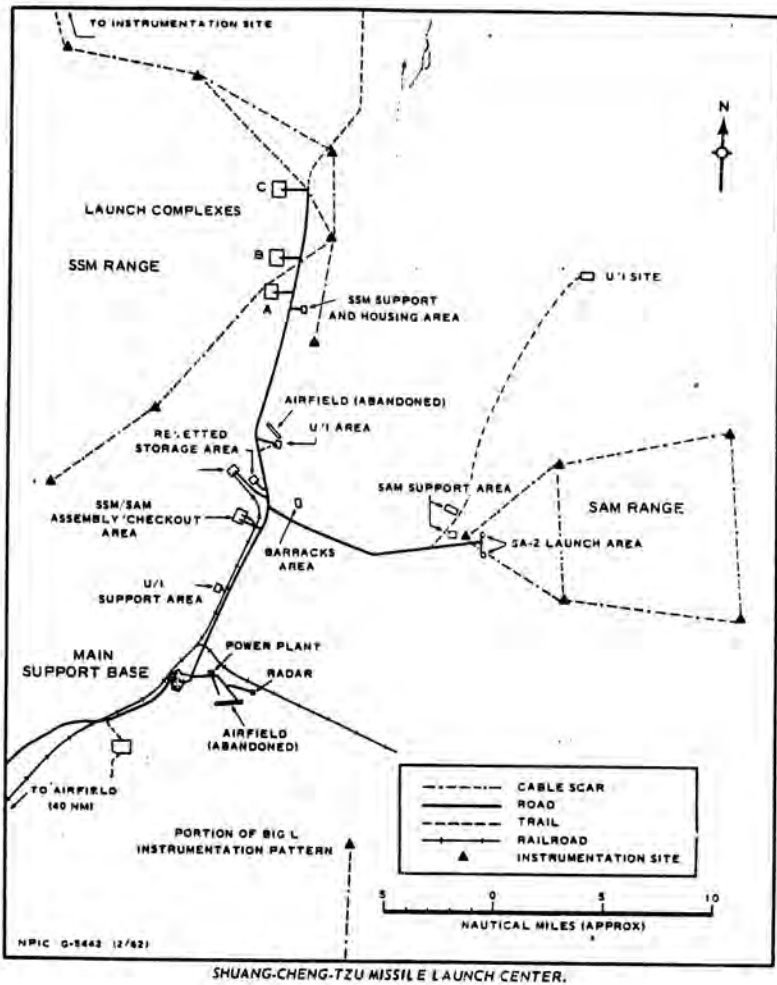




MAP  
COMMUNIST CHINA  
MISSILE RANGE



MAP  
SHUANG-CHENG-TZU MISSILE LAUNCH CENTER.



MAP

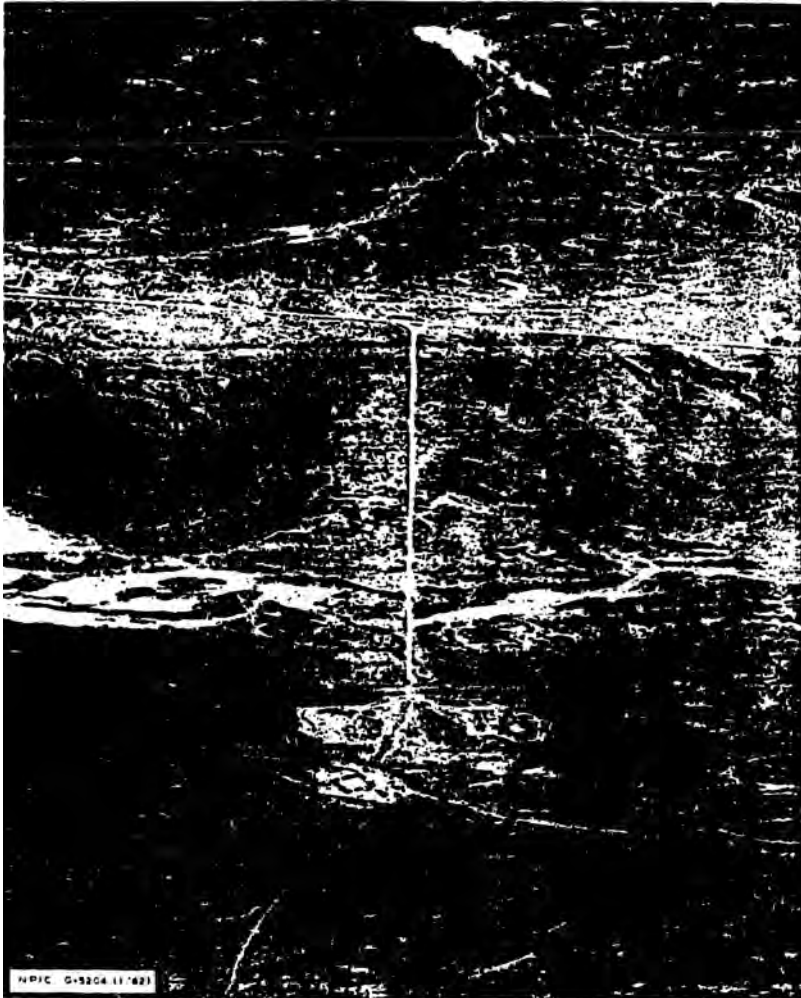
*SSM LAUNCH COMPLEX A, SHUANG-CHENG-TZU MISSILE  
LAUNCH CENTER.*



*SSM LAUNCH COMPLEX A, SHUANG-CHENG-TZU MISSILE LAUNCH CENTER.*

MAP

SSM LAUNCH COMPLEX B, SHUANG-CHENG-TZU MISSILE  
LAUNCH CENTER

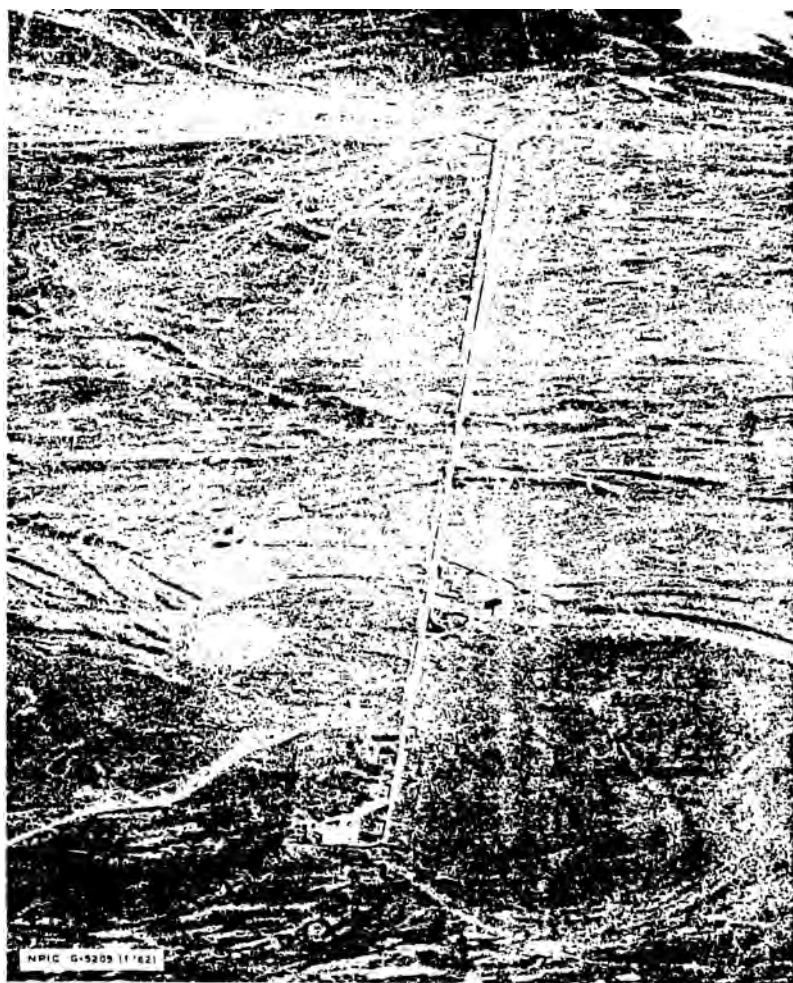


SSM LAUNCH COMPLEX B, SHUANG-CHENG-TZU MISSILE LAUNCH CENTER.



MAP

*SSM LAUNCH COMPLEX C, SHUANG-CHENG-TZU MISSILE  
LAUNCH CENTER*



*SSM LAUNCH COMPLEX C, SHUANG-CHENG-TZU MISSILE LAUNCH CENTER*

MAP

SAM RANGEHEAD



SAM RANGEHEAD

### III. FACTORS BEARING ON CHINESE COMMUNIST DEVELOPMENT, PRODUCTION, AND DEPLOYMENT OF ADVANCED WEAPONS

#### *Soviet Assistance*

23. A major factor in the pace of Chinese advanced weapons programs is the kind and amount of assistance provided by the USSR. This factor is also the source of considerable uncertainty in our appraisals, since we have little direct evidence on Soviet assistance in the

fields of nuclear and missile weapons, and must rely primarily upon information concerning other programs and upon deduction from our knowledge of political relations between the two countries.

24. We believe that the Chinese, while seeking as much Soviet assistance as possible, at the same time have aimed at an independent capability in the fields of guided missiles and nuclear weapons. They have in the past, even while enjoying Soviet help, sought to develop native capabilities for the production of aircraft, submarines, and electronic equipment. Until mid-1960, Soviet aid was provided at a high level in a number of military fields. We believe, however, that in the nuclear and possibly the missile field this aid was provided at a more deliberate pace.

25. The withdrawal of Soviet technicians and scientists from China in mid-1960 had adverse effects upon Chinese programs to produce jet fighters, destroyers, and submarines. There is some evidence, although it is less conclusive, that Chinese nuclear weapons and missile programs were similarly affected, and this, plus the serious deterioration of relations between Moscow and Peiping since that time, leads us to estimate that Soviet aid in these fields was also sharply cut back. However, we believe that the nuclear and missile development programs were sufficiently advanced that even a complete halt in Soviet assistance would have caused delays rather than their abandonment.

26. The present state of Sino-Soviet relations indicates that there is little immediate prospect for a return to former levels of Soviet assistance. Even over a longer period of two or three years, we doubt that the USSR would significantly increase its assistance unless Peiping bowed to Moscow's demands for hegemony over the Communist movement or Moscow itself accepted the necessity of reconstituting the Bloc on a new basis allowing for Chinese coleadership. Both these contingencies appear unlikely.

27. We therefore believe that, while the Soviets may still be extending limited assistance and may continue to do so, China's future progress in advanced weapons will be determined primarily by native abilities in utilizing and further developing the information and facilities already received from the USSR. This belief is supported by a recent public statement by Foreign Minister Chen Yi. In January 1962, he told a Chinese Communist audience that "by relying mainly on our own efforts, in addition to international aid, scientific and technical problems in China's economic construction and national defense can be solved."

*Chinese Communist Scientific Resources*

28. Since its inception, the Chinese Communist regime has stressed the paramount importance of placing science and technology at the

service of production. The emphasis on production appears not only in industrial research and development facilities, but also in the Academy of Sciences and in educational centers. Moreover, this philosophy has been imposed on a force of scientific and technical manpower which is grossly inadequate. Only a very few well-trained and experienced scientists, probably about 2,000, are available for research in all fields; of these, probably about 600 received training on the doctorate level in the West. An additional 1,000 doctorate level graduates have returned from training in the USSR in the last few years, but this group has yet to gain significant research experience. The total number of researchers and technicians employed by the Chinese Academy, research facilities, and educational institutions is probably only about 40,000. The comparable figure for Japan is about 300,000; for the USSR, 750,000.

29. Comparatively little fundamental research has been undertaken because of the policy of the regime and the shortage of trained personnel. Instead, the emphasis has been placed on engineering efforts, almost all of which have been concerned with adapting imported devices, equipment, and techniques to the manufacturing facilities of China. Significant gaps are believed to exist in research areas basic to advanced weapons development such as physics, chemistry, metallurgy, computer design, electronics, and supersonic aerodynamics.

30. Until Soviet scientific and technical aid was cut back, Communist China had been making progress under a well-conceived but unrealistically-scheduled 12-year plan to raise its scientific level by 1967. Eleven broad technological fields considered vital to the rapid attainment of economic and military goals were emphasized, including electronics, atomic energy, jet propulsion, automation, and precision instruments, alloy systems and metallurgical processes, and heavy organic chemical synthesis. Although the original goals now appear unattainable, we believe that progress toward them will continue, particularly in areas such as atomic energy and electronics where a limited degree of self-sufficiency has already been reached.

31. The shortage of trained scientific and technical manpower probably cannot be significantly ameliorated for a number of years. The most recent additions of competent personnel have been trained in the USSR. However, beginning in 1957 the numbers of new Chinese students entering the USSR sharply diminished, and we believe that few if any were admitted in the fall of 1961. About 2,000 Chinese students, mostly graduates, who have been permitted to remain in the USSR, probably will complete their courses in the next two years or so. Within about four to six years, China can be producing, in significant numbers, men with good overall technical training, but an additional



period of years will be required for this group to acquire a background of practical experience.

*Missile Research*

32. The resources available to Communist China for missile research are extremely limited. Scientific competence in missile design is restricted to a small group, trained in the US and other Western countries, who are concentrated for the most part at the Institute of Mechanics in Peiping. Since 1956, the Institute has been headed by Dr. Chien Hsuehsen, who played a leading role in the US missile program prior to 1950 and was considered one of the world's leading aerodynamicists. However, there is evidence that the lack of competent juniors, the pressure of administrative duties, the demands of ideological training, and the lack of first rate scientific facilities have combined to prevent the accomplishment of significant research in the field of guided missiles.

33. Considering these severe limitations, we do not believe that the Chinese have as yet embarked on a major program in original missile design. Instead, efforts in the missile field have probably been limited for the most part to copying Soviet missiles. The early development of a native Chinese capability to design, develop, and test a sophisticated missile system would have involved Soviet assistance on a much larger scale than we believe has been provided thus far. It would have required a large-scale program of training and exchange in missile-associated aspects of a large number of scientific disciplines. There is no evidence of such a large program. However, the Chinese probably have undertaken relatively modest research and development programs on a selective basis.

*Aeronautical Research*

34. At the present time, the Chinese Communist effort in aeronautical research and development is in its infancy. The program has been directed primarily toward training the labor forces and the production engineers necessary to build an aircraft industry in the shortest possible time. There is an acute shortage of well-trained aeronautical scientists, and aeronautical research facilities are almost nonexistent. A small aeronautical research effort is under way at the Institute of Mechanics. The Peiping Aeronautical College, founded in 1952 or early 1953, concentrates primarily on the practical training of students in aeronautical engineering and aircraft engine design, and only a few students are retained for advanced theoretical study. We believe that the Chinese aircraft industry will be heavily dependent on foreign research for many more years to come, and that it is unlikely to produce within

the foreseeable future any significant military aircraft with airframes and engines of native design.

*Nuclear Technology*<sup>7</sup>

35. China's efforts in the field of atomic energy and the extent of Soviet assistance through about mid-1960 have been described in detail in a 1960 estimate.<sup>8</sup> The present estimate takes into consideration the withdrawal of Soviet assistance, recent Chinese economic reverses, and new information. Its purpose is to assess the probable timing of the Chinese Communist achievement of certain major objectives, including the construction of uranium metal plants, production reactors and related separation facilities, gaseous diffusion plants, and the fabrication of nuclear devices.

36. As has been previously estimated, we believe the Chinese have mined and concentrated sufficient uranium ore to supply the needs of their atomic energy program. Available evidence indicates that the Chinese, with Soviet help, were constructing a plant for recovery of natural uranium metal prior to the withdrawal of Soviet technicians in mid-1960. Assuming that construction was well along at that time, the plant could have been completed by the end of 1960 and production of uranium metal could have started early in 1961.

37. Production of uranium metal provides a strong indication of intent to produce plutonium, and we estimate that plutonium will be the first material available for weapon fabrication. We have no evidence of Chinese construction of a plutonium production facility. Recent photographic coverage of certain suspect areas produced negative results; the location of a production reactor outside the area of coverage remains a possibility. However, assuming a uranium metal production rate of 30 tons per month—based on our assessment of early Soviet achievement—a 200-ton reactor load could have been produced by about September 1961. Such an amount would be sufficient for a single reactor with an initial power level of about 200 MW. Full-power reactor operation could have been achieved early in 1962. Sufficient plutonium for a single weapons test could become available about a year later.

38. This schedule assumes that the construction of the reactor and chemical separation plant has been in phase with that of the uranium metal plant and that no major difficulties are encountered at any stage

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<sup>7</sup> For the views of the Assistant Chief of Staff, Intelligence, USAF, regarding Chinese Communist nuclear weapons capabilities, see his footnote to paragraph 5, page 3.

<sup>8</sup> NIE 13-2-60, "The Chinese Communist Atomic Energy Program," dated 13 December 1960 (Limited Distribution).

in the process. With the further assumption that very little additional time would be required for device fabrication, the Chinese could test an all-plutonium device early in 1963.<sup>9</sup> However, we believe it unlikely that the Chinese will meet the schedule implied by these assumptions. If the foregoing series of assumptions proves invalid, the first Chinese nuclear test would be considerably delayed, perhaps by as much as several years beyond 1963.

39. Within a year after exploding their first device, the Chinese Communists could probably produce a few fairly crude fission weapons deliverable by medium bombers. Thereafter, at least two years and probably more would be required for the Chinese Communists to develop more advanced fission weapons suitable for delivery by missiles. Considerable nuclear testing would be involved in this development. Thus, if the first test should occur in the next year or so, we estimate that toward the last part of the decade, the Chinese Communists could have a variety of fission weapons to support many of their military requirements, but only in limited numbers.

40. We believe the Chinese would at some point in their program endeavor to produce uranium-235 for use in their weapons program. Aerial photography of September 1959 revealed a 2,000 foot building in Lanchou which had some of the characteristics of a Soviet gaseous diffusion plant, although no provision for power supply was evident. It was apparent that if a gaseous diffusion process were involved the Chinese would have to add a second building to obtain weapon-grade uranium-235. Overflight photography in February 1962 gave no further indication of provision for an electric power supply or of preparation for construction of a second building. This same photography indicates arrested development at the nearby hydroelectric power station which the Chinese had hoped to put in operation in 1960. Thus, if indeed the Lanchou site were to be a gaseous diffusion plant, the Chinese probably could not produce weapon-grade uranium-235 there before 1965 even if construction of another building were started now. The Chinese Communists could test an all-U-235 or composited device within about a year after the activation of a production facility. We have no evidence of any other suspect U-235 production facility in Communist China.

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<sup>9</sup> The Assistant Chief of Naval Operations (Intelligence), Department of the Navy, believes that the framework of assumptions on which this time schedule is predicated is logical in the abstract but not yet supported by basic evidence sufficient to lend it estimative validity. In the absence of what he considers to be any evidence pertaining to or indicative of the production of fissionable materials in Communist China and in the light of the relatively elementary state of known nuclear research facilities, he believes that a reliable estimate of the Chinese Communist program in the development of nuclear weapons cannot yet be made.

41. We do not believe that the Chinese Communists could have a thermonuclear weapons capability by the end of the decade.

*Economic Factors*

42. Communist China's drive to industrialize and to become a major military power at the same time has produced an uneven economic development. The Chinese have emphasized heavy industry, and with Soviet assistance have built up the aircraft, electronics, shipbuilding, and armaments industries. Today these industries are generally the most advanced in terms of production technology and skilled manpower. In terms of level of output and variety of product, Communist China's engineering industries are roughly comparable to those of the USSR in the early 1930s and are much inferior to those of contemporary Japan. However, certain industries producing military equipment are approaching the general technological level of similar Soviet industries in the early 1950s, and in some respects are little more than a decade behind other industrialized countries. Communist China's relatively low level of engineering skills and experience render any attempt to create a production capability for advanced weapons—particularly from wholly Chinese resources—a difficult task at a time when the regime has been forced to cut back the heavy industrial sector of the economy.

43. Classified documents captured from Chinese Communist forces in Tibet indicate cutbacks in China's budgeted defense expenditures for 1961 and sharply reduced allocations of materials to the military. The documents reveal low morale and severe food shortages in the armed forces in the winter of 1960–1961, which had been at least partially alleviated by the summer of 1961. They also indicate a poor state of maintenance and supply, rapid deterioration of equipment and high accident rates. These reports provide the first conclusive evidence that the general economic retrenchment in 1961 affected the military as well as the rest of the economy.

44. Although the efficiency of the Chinese Communist armed forces have probably been impaired, it is possible that Chinese Communist advanced weapons programs have not been adversely affected. Even in an economic crisis, resources could probably be found to support a few, very high priority projects—especially those in a research and development phase. Thus, we doubt that there has been any drastic cutback in Chinese efforts to develop prototype nuclear weapons. Similarly, test firing of missiles at the Shaung-cheng-tzu range has apparently continued, although this program does not appear to have reached planned levels. However, the net effect of the accumulated evidence is to cast doubt on the existence of any current program for guided missile production in support of deployment.

*Basic Industrial Skills*

45. *Metallurgy.* The ferrous metallurgical industry is one of the most highly developed in Communist China, and rapid progress has also been made in increasing the output of nonferrous metals and minerals. However, high-temperature alloys used in the manufacture of jet engines must still be imported. For missile engine production, imports of certain specialty steels and refractory metals might be required, depending upon the technical characteristics of the missile system.

46. *Electronics.* Rapid progress has also been made in the electronics industry, which by mid-1960 had grown from a modest group of small-scale enterprises into a large-scale industry consisting of 45 major plants. With Soviet Bloc technical assistance, the Chinese have produced largely from foreign prototypes a variety of military electronic equipment including ground radars, servomechanisms, radio equipment, and navigation aids. With no further Soviet aid, we doubt that at present they can produce all of the components for a radio-inertial guidance system for short-range, and possibly medium-range, ballistic missiles.

47. *Chemicals.* The chemical industry of Communist China has expanded rapidly, but is still grossly inadequate to meet the demands placed on it. It has been heavily dependent on Bloc equipment and technical assistance, and in certain areas suffered severe setbacks with the withdrawal of Soviet aid. There is no synthetics industry of any consequence. The Chinese can probably produce, however, the simpler types of liquid rocket fuels and solid propellants.

48. *Machine Tools.* The machine tool industry of Communist China, aided by the import of production technology and machine tool designs from the Bloc, has rapidly increased production in the past decade (from about 3,300 units in 1950 to 40,000–45,000 units in 1960). The product-mix is limited and heavily weighted with general purpose types, but some prototypes of specialized, modern machines have been built. The absolute volume of specialized tools which would be required to support a sizable production program for a single missile system is not large. But the pace of such a production program would depend heavily on the amount of Soviet assistance which had been supplied, and particularly the quality and completeness of tooling provided. The domestic industry at present probably could, albeit with difficulty, produce the tooling required for Chinese manufacture of relatively simple tactical and short-range missile systems. Any more ambitious program for the production of more complex systems would be gravely handicapped if Soviet tooling were not available.

49. *Aircraft.* Communist China's aircraft industry, largely developed since 1958, is currently limited to the production of earlier model

Soviet jet fighters, small transports, and helicopters. Although information since mid-1960 is lacking, production rates on all types are believed to be low. The extent of Chinese dependence on imported components is not known, but the aircraft industry probably continues to depend on Soviet supply of some key components, such as jet engine parts or materials. Much of the basic technology of producing jet aircraft is applicable and adaptable to missile production.

50. *Shipbuilding*. Communist China has emerged as a shipbuilding nation of considerable potential. The industry currently is capable of producing merchant ships of up to 15,000 GRT, and of assembling the hulls for submarines and destroyers. Some expansion of yards and related industries is continuing. In naval construction, the Chinese depended upon the Soviets not only for technical assistance but also ordnance, electronics, and high performance propulsion equipment. Certain new construction programs of naval vessels were halted following the withdrawal of Soviet aid.

51. *Vehicles*. Except for medium tanks, no vehicles manufactured within Communist China are designed exclusively for military use. The Chinese probably are capable of producing tracked and wheeled vehicles necessary for mounting and transporting ground support equipment for missile systems. However, these requirements would place an additional burden on the Chinese Communist vehicle industry, already strained by the requirements for economic expansion and the ground armaments program. Imports from some source would probably be necessary, although the adaptability of many vehicles would permit considerable flexibility in the type and source of imports.

#### *Operations, Maintenance, and Training*

52. The skilled manpower requirements for large-scale deployment and field maintenance of offensive and defensive missile systems probably present the Chinese Communist leaders with problems equal in difficulty to the initial problems of producing the missiles and associated equipment. The principal factors affecting Chinese troop training are the scale of the deployment program, the technical advancement and complexity of the missile systems, and the origin of the missiles and associated equipment (i.e., whether they are supplied by the Soviets or produced in large measure by the Chinese themselves). The more dependence placed on the USSR for supply of missiles and associated equipment, the more dependent the Chinese are likely to be on Soviet assistance in training and maintenance.

53. We cannot make a precise assessment of the limitations which the manpower and materials needed for training, site construction, and field maintenance may place upon Chinese missile programs over the next few years. But we believe such requirements will be a major factor

in Chinese Communist decisions on force level goals. Chinese problems in this respect would be greatly alleviated by relatively modest Soviet assistance. However, barring a change in Sino-Soviet relations, we doubt that such assistance will be forthcoming.

#### *IV. Production and Deployment of Advanced Weapons*

54. The recently acquired Chinese Communist army documents have provided some measure of current capabilities. According to one document, Marshal Yeh Chien-ying, chief of training for the armed forces, stated in January 1961 that Communist China has “no unconventional weapons” in a context which indicated that he was referring to both offensive missiles and atomic weapons. Reporting to the Military Affairs Committee in April 1961, Marshal Yeh noted that “we still do not have atomic weapons and space ships.” These statements, considered in the light of the available evidence, support our belief that the Chinese have no present capabilities with advanced weapons.

55. In his January 1961 statement, Marshal Yeh also declared that “if there is a war within several (literally, ‘three–five’) years, we will have to rely on the weapons we now have on hand.” This statement implies the existence of programs for the future production and deployment of advanced weapons. There is little evidence as to the present status of such programs. No Chinese missile production facility has been identified, nor, aside from a few SAM sites at Peiping is there any evidence of deployment. However, certain inferences as to Chinese progress to date can be drawn from the evidence relating to the test range and from a consideration of the factors bearing on development and production of advanced weapons.

56. It is apparent that native Chinese capabilities are very limited and that the extent of previous Soviet assistance is a critical factor. The evidence indicates that the Soviets probably agreed to assist the Chinese in acquiring operational capabilities with a family of surface-to-surface missiles of up to 1,100 n.m. range, and with other missile types. Considering the previous pattern of Soviet military aid, we believe that the Chinese probably received some assistance prior to mid-1960 in the creation of an independent missile production capability. We believe that the Chinese Communists would probably first seek to produce short-range (up to 350 n.m.) surface-to-surface ballistic missiles. The relative simplicity of production and the coverage by such missiles of targets peripheral to China point in this direction.<sup>10</sup> Short-range missiles could be fitted with nonnuclear warheads until nuclear warheads became available.

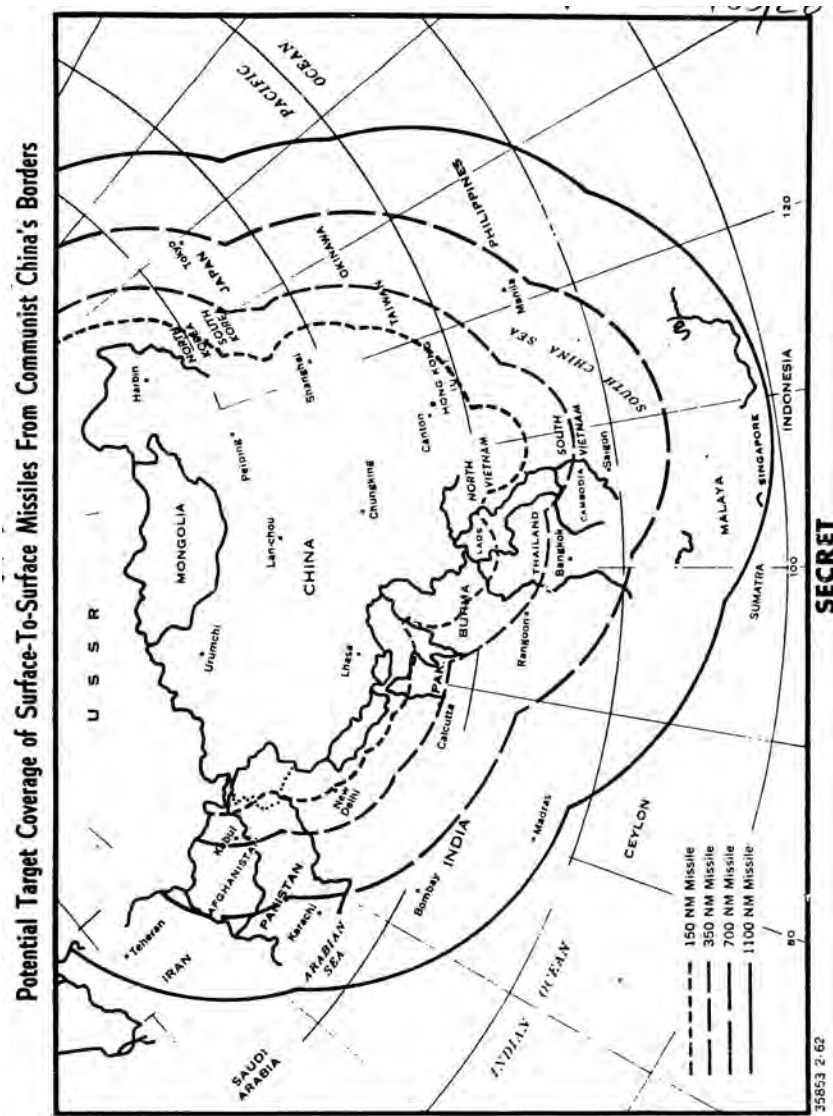
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<sup>10</sup> See Figure, following page.



MAP

Potential Target Coverage of Surface-To-Surface Missiles From Communist China's Borders





57. Chinese production of Soviet short-range missiles would depend at least initially upon Soviet aid in setting up production facilities and in supplying certain precision parts, principally propulsion and electronic components. The extent of Soviet aid cannot be ascertained. We believe that some aid probably was provided, but not in sufficient quantity to bring the Chinese to the point of independent production prior to mid-1960.

58. Any emerging Chinese production capabilities would have been seriously impeded by the Soviet withdrawal of technical assistance and by the possible stoppage of the flow of critical parts. However, given sufficient priority, these setbacks could be overcome. If so, the Chinese Communists could begin deployment of short-range surface-to-surface missiles within the next year.<sup>11</sup>

59. Without nuclear warheads, medium-range missiles (700 n.m. and 1,100 n.m.) are ineffective against most military targets. Therefore, the Chinese Communists probably do not plan to begin deployment of medium-range missiles in significant numbers before the latter half of the decade. A medium-range missile deployed in this time period would most probably be a copy of a Soviet system, but toward the end of the decade could be an original Chinese design. It is possible that the Chinese Communists might deploy a token force without nuclear warheads somewhat earlier for propaganda purposes and in order to gain experience with the weapon system.

60. There is no evidence that the Soviets have provided the Chinese with any aid in the development of IRBM or ICBM capabilities. Without such aid, progress made in the development of such systems would be the result of native effort including research and development, design, manufacture, and the construction of a new test range suitable for testing such systems. Complete testing of an ICBM system could not be conducted entirely within the boundaries of Communist China.

61. We have no evidence to indicate that the Chinese have taken even preliminary steps in an ICBM development program. Considering the lack of an adequate research and development base and the advanced technological and engineering requirements for ICBM development, we believe that 10 or more years would be required for the Chinese Communists to achieve an initial operational capability with an ICBM system of native design. Development of a sophisticated IRBM system similar to the Soviet 2,500 n.m. SS-5 would be a task of like magnitude, and would require nearly as long a time.

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<sup>11</sup> For the views of the Assistant Chief of Staff, Intelligence, USAF, on Chinese Communist deployment of short-range missiles, see his footnote to paragraph 8.

*Naval Missiles*

62. There is no evidence of a Chinese Communist program for development of a ship-launched guided missile suitable for delivery of a nuclear warhead. We believe that development of such a capability with submarine-launched short-range ballistic missiles would require about 10 years without Soviet assistance. There is no evidence of Chinese Communist interest in cruise-type missiles, but submarines could be equipped with such systems in about the same time period, and surface ships somewhat earlier.

*Air Defense Missiles*

63. At present, the Chinese would probably have great difficulty in producing the relatively complex SA-2 system without extensive Soviet assistance. Such production is unlikely in the next few years, and surface-to-air missile deployment in Communist China through 1965 is therefore heavily dependent upon Soviet assistance. We think it certain that the USSR supplied the missiles and associated equipment for SA-2 testing in the rangehead area and for limited deployment at Peiping. However, the three sites located near Peiping would clearly be inadequate for defense of the area, suggesting that a planned deployment program may have been halted before completion.

64. The present level of Soviet assistance is not known. If Soviet aid is withheld entirely we believe that, rather than embarking on a native SA-2 production program, the Chinese Communists will continue over the next few years to rely on their sizable fighter force as their primary air defense weapon. We do not believe that the Chinese Communists could develop an independent antimissile capability for many years. The USSR is unlikely to provide antimissile systems to other Bloc countries in this decade.

65. There is no firm evidence of air-to-air missile deployment in Communist China. However, the Soviet Union may have supplied some AAMs to Communist China in 1959 to counter the Sidewinders employed by the Nationalist Chinese. The Chinese may have received the AA-2, an infrared homing type which would require no special airborne radar, and possibly the Soviet AA-1, a beam rider missile. Production of the AA-2 would present no great difficulties, and we believe that the Chinese could have an independent production capability now or at least within the next year or so. However, without Soviet aid, we doubt that the Chinese can produce more complex AAM systems such as beam riders or radar homing types for a number of years.

*Air-to-Surface Missiles*

66. We believe that the Soviets probably agreed to provide ASMs to the Chinese Communists, as well as either BADGER jet medium

bombers (compatible with Soviet ASMs of up to 100 n.m. range) or assistance in producing BADGERs. Recent photography of Wu-kung airfield revealed two BADGERs which they probably received in 1959; we do not believe that any BADGERs have been delivered to China since that time. There is no evidence that ASMs have been provided to the Chinese Communists. We doubt that they will be capable of producing ASMs for a number of years without extensive aid, including entire production facilities. Moreover, if the Chinese are to achieve any significant ASM capability, additional delivery aircraft would be required. Aside from the two BADGERs, they have only 10 obsolete BULL piston medium bombers.

#### *Space Programs*

67. The Chinese have expressed interest in launching an earth satellite, but there is no evidence of such a program. Although the Soviets could easily provide assistance for a token space program, they are probably reluctant at this time to participate in a venture which would add materially to China's prestige. Whenever the Chinese Communists achieve competence with medium-range missiles, they might develop a second stage in order to orbit a small satellite primarily for propaganda purposes. The development of such a space launching system without Soviet aid would be extremely difficult and would require several years. It is possible that the Chinese will produce and launch upper atmosphere sounding rockets in the next few years.

#### *Advanced Aircraft Delivery Systems*

68. Communist China's aircraft industry, largely developed since 1958, is currently believed to be limited to the production of early model Soviet jet fighters, small transports, and helicopters. It is possible that prior to the withdrawal of Soviet technicians in mid-1960, the Communist Chinese received sufficient technical assistance to enable them to produce BADGER (TU-16) jet medium bombers within the next few years. The BADGER's superiority to the obsolete BULL might lead Communist China to produce a small number in order to achieve a more effective nuclear delivery capability. On the other hand, Sino-Soviet relations might improve to the extent that the Soviets would be willing to provide some additional BADGERs to the Chinese. We doubt that they will provide heavy bombers or assistance in making them. Nor do we believe that Communist China is likely to undertake a native program aimed at development of a heavy bomber.

TABLE

ESTIMATED CHARACTERISTICS OF SOVIET MISSILES<sup>2</sup>

	SS-1	SS-2	SS-3	SS-4	SA-2	AA-1	AA-2	AS-1
Initial Operational Capability <sup>b</sup>	1957	1954	1956	Late 1958	1957	1955-1956	1955-1956	1956-1957
Range (n.m.) <sup>c</sup>	150	350	700	1,100	25-30	5	1-4	55
Altitude (ft.)	—	—	—	—	60,000			
Warhead Weight (lbs.) <sup>e</sup>	1,500	2,000	3,000	3,000	400	35 HE	25 HE	3,000
Guidance	All-inertial	Radio track-radio command	Radio inertial	Radio inertial	Track while scan	Radar beam rider	Infrared homing	Beam riding-semi-active homing
Accuracy (CEP)	½ n.m.	¾ n.m.	1 n.m.	1½ n.m.	100 ft.	20 ft.	10 ft.	150 ft.
Propellants	Storable liquid	Nonstorable liquid	Nonstorable liquid	Nonstorable liquid	Solid	Solid	Solid	(against ships) Solid
Speed	—	—	—	—	Mach 3	Mach 1.7 <sup>f</sup>	Mach 2 <sup>f</sup>	Mach 0.8

<sup>a</sup> This table includes Soviet missiles which we believe may have been given to Communist China: the possible transfer of other types is not precluded. The designations SS-1 through SS-4 refer to surface-to-surface ballistic missiles (SSMs), SA-2 to a surface-to-air missile (SAM) system, AA-1 and AA-2 to air-to-air missiles (AAMs), and AS-1 to an air-to-surface missile (ASM).

<sup>b</sup> In the Soviet armed forces.

<sup>c</sup> Maximum horizontal range is given for SSMs, and maximum slant range for the SA-2. Range for AAMs and the AS-1 is given from launching aircraft.

<sup>d</sup> The SA-2 is believed to have some capability up to 80,000 feet; minimum altitude capability averages about 2,500 feet.

<sup>e</sup> Unless otherwise noted, warhead weights are for either an HE or nuclear payload. We do not believe that the Soviets have given nuclear warheads to the Chinese.

<sup>f</sup> Plus speed of the launching aircraft.

**267. Memorandum for the Record, April 25<sup>1</sup>**

April 25, 1962

SUBJECT

Daily Staff Meeting, 25 April 1962.

1. Mr. Bundy presided at the meeting today (in tennis clothes).
2. DefCons—no change.
3. The following matters were discussed:
  - a. Kaysen mentioned that he was not going to the NATO Athens meeting.
  - b. Klein mentioned some Berlin memorandum he had prepared for the President's information, which evidently brought out the fact that the Germans themselves had first taken the initiative some time ago to propose a Peace Treaty. (Legere—you may want to look at this.)
  - c. I told Bundy we had sent him a copy of the McNamara speech. He had flipped through it and thought it was pretty good and passed it to Kaysen for detailed comments. Kaysen's reaction was that it was a very powerful speech and he was preparing a memorandum on it. Bundy asked me what I thought of it, and I told him I thought it was a little too over-powering, that it ought to be fuzzed up at the end to solicit the thoughts and views of the Alliance; further, that the detailed pitch on downgrading tactical nuclears would over-complicate the speech and might result in its not selling the primary points that they wished to put across. Bundy seemed mildly receptive to these ideas. He said yes, the ideas on tactical nukes make some of the people around town unhappy, including General Taylor.
  - d. Bundy announced that he had backgrounded Marquis Childs and talked him into denouncing Sulzberger in today's Post.
  - e. There was a long discussion on how to background the press on our disarmament draft treaty, which I won't go into. Bundy did say that he felt that Dobrynin thinks that arms control is important and, as a result, is a good channel of communication.
  - f. Komer reported that our Ambassador in Burma had come in with a message which analyzed Nu Win's statements to date, and predicted that we are in for a rough time. Komer had several thoughts

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<sup>1</sup> Readout of White House staff meeting concerning McNamara's upcoming speech; the role of tactical nuclear weapons in U.S. national security policy; Berlin; Burma; and Dobrynin's views on arms control. Secret. 2 pp. National Defense University, Taylor Papers, WH Mtgs.

on how this should be countered, but Bundy said he would like to see a paper on it and think it over.

g. Bundy went into one of his philosophical asides, stating that we really have a large problem in the role of tactical nuclear weapons. The BNSP, of course, touches on this, but he has never been able to determine whether this reflects agreed Government policy, or is a try-on for size.

h. Kaysen said that he had sent the draft NATO communique to Bundy, but that he heard that the State Department wanted to pull out one of the key paragraphs. Bundy said that in that case he would not send it down to the President but would let the State Department complete staffing it out.

4. On the way back from the meeting, I talked to Carl Kaysen. He asked if the Services and the JCS had ever seriously considered the tactical nuclear weapons problem. I responded that I felt that they had considered it but that the discussion between DOD and JCS had never resulted in any meeting of the minds. The DOD staff approach has been to suggest drastic reduction in tactical nuclear weapons which the JCS feels is not feasible, particularly in the NATO context, in the foreseeable future. As a result, the conversations have been a complete stand-off. Kaysen said, well nobody is suggesting that you take all tactical nuclears out, just at division and below. I suggested that if that were so, it would be easy to concentrate on Davy Crockets and not get all confused with all the weapons in the inventory. He agreed and said yes, that was right, of course there is not much point in having a lot of 8" howitzers and Honest Johns rattling around Europe. We didn't have time to pursue the conversation any further, but he said he would talk to Ted Parker and see what he thought about it.

J.J.E.

**268. Memorandum of Discussion Prepared by McCone, April 30<sup>1</sup>**

April 30, 1962

Saturday afternoon at 5:00 o'clock I met with the President, Prime Minister Macmillan, and Secretary McNamara. Mr. Lundahl gave a thorough briefing on the most recent TKH photography, mission 9032. The briefing was very impressive. The President asked whether our recent photography caused a change in our estimates. McNamara answered no, that our '62 and '63 estimates remain. I however took a different position. I stated there were now 76 ICBM launching pads located and there were probably some which we had not located. Some were completed, the majority apparently under construction. I pointed out our mid-62 estimate was 35 to 50 ICBMs on pads and ready to go. I now felt we have to accept the higher figure as the minimum. The '63 figure of 75 to 125, and here we would have to accept the higher figure as the minimum and perhaps raise it. I pointed out this matter was under consideration by CIA.

Lundahl in answer to a question stated that his initial read-out and preliminary report of a CORONA mission required three to four days, but that a complete study required three months.

*Action:* This raises question in my mind as to whether we have in NPIC capacity to handle the load resulting from the planned missions this summer. This should be discussed with Carter, Cline and Sheldon.

After Macmillan left the meeting, I reviewed with the President certain CHICKADEE reports and referred to the December reports from CHICKADEE that the Soviets would place greater emphasis on ICBMs and I thought this was what we were witnessing.

The President expressed satisfaction with the briefing, made some complimentary remarks about CIA reorganization and present operation, raised the question of the scope of responsibility of Kirkpatrick. The meeting lasted about an hour and 15 minutes.

**John A. McCone**  
*Director*

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<sup>1</sup> Readout of April 28 meeting among Kennedy, Macmillan, McCone, and McNamara on TKH photography. Secret; Eyes Only. 1 p. CIA Files, Job 80B01285A, Mtgs w/ President 12/1/61–6/30/62.

May 1962

269. Letter from Kennan to Rostow, May 15<sup>1</sup>

May 15, 1962

Dear Walt:

In dictating the original draft of my letter to you about your general paper, I included some purple prose on the subject of disengagement which I later struck out, as not essential to the purpose of the letter. Unwilling, however, that any literary flower should blush unseen, I send you this excerpt, from which you will observe the obdurate and unregenerate state of my mind.

Sincerely yours,

George F. Kennan

**Enclosure**

Above all, I could not favor the admission of Germany to NATO and the development of West Germany's resources and territory as a major component of NATO strength. I considered that this would obviously make impossible, for an indefinite time to come, any withdrawal of the Soviet military presence from Eastern Germany and Eastern Europe, and that it was thus in conflict with our stated desire to see a loosening of the Russian hold on Eastern Europe.

All this is diametrically opposed to the concepts expounded in your paper. The paper repeatedly professes an interest in loosening the bonds that now hold the satellite countries to Moscow and even in extending to those countries the "frontiers of freedom." All this, it seems to me, is quite in conflict with those sections of the paper which deal with NATO and the military strengthening of Western Europe. You are pressing for the escape of the Eastern European countries from Moscow's domination, and at the same time you are rigidly denying them any place to go.

I have conducted this argument too long already; and I am reluctant to beat my drum any further. But can you not understand that the Eastern European countries cannot reasonably be expected to associate

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<sup>1</sup> Encloses his comments on U.S. military policy in Europe as it affects NATO, West Germany and the Warsaw Pact. Unclassified. 3 pp. Department of State, S/P Files: Lot 69 D 121, BNSP Draft, 3/26/62.



themselves with a military alliance directed against the Soviet Union, unless they are willing to stage a dramatic and provocative demonstration of defiance of Moscow on the political and military plane? Is it not clear that to remain passive in the face of such a demonstration is more than could be expected of any Russian government, communist or otherwise? Why do you wish to close the door in Eastern Europe's face, by insisting that there must be no neutral area in Central Europe to which an arrant Eastern European state could conceivably attach itself, and by even making the Common Market as impervious as possible to entry by anyone from the East? Is it not clear that our military policy in Europe binds the Eastern European countries to Russia in the most inexorable manner? Ask any Pole. Ask any Hungarian. And not only does it bind these countries to Moscow, but it denies any place to a country such as Yugoslavia which tried at an earlier date to extract itself from the Eastern bloc. As of today, Yugoslavia has no place to go but to the East; and while this is partly the result of her own leaders' mistakes, our own policies, which afford to Yugoslavia no choice but to join a western military and political alliance, to go East, or to suffer isolation, have contributed importantly to this unhappy state of affairs.

On top of this, we have the dangerous conflict in which we have involved ourselves in our policy toward Germany through just these same contradictions. Is it really not apparent that a policy which seeks the unification of Germany is in conflict with a policy which says in effect that East Germany could be reunited with Western Germany only at the cost of a total military defiance of Russia: a withdrawal from the Warsaw Pact and an association with NATO? Can there be any doubt that this would involve a major displacement of the military balance in Europe, to the disadvantage of the Soviet Union? What gives us the right to pretend that these are trivial contradictions, and that these two policies are theoretically compatible? The failure to face these things finds its expression at many points in the paper; and in this respect I would have to disagree down the line.

June 1962

**270. National Security Action Memorandum No. 165, June 16<sup>1</sup>**

June 16, 1962

SUBJECT

Assignment of Additional Responsibility to the Special Group (CI)

The President has assigned to the Special Group (CI), as provided by NSAM 124, eight countries sufficiently threatened by Communist-inspired insurgency to warrant the specific interest of the Group. These countries are: Burma, Cambodia, Cameroon, Iran, Ecuador, Colombia, Guatemala, and Venezuela; and are in addition to the Group's current responsibility for Thailand, Laos, and Viet-Nam.

**McGeorge Bundy**

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<sup>1</sup> "Assignment of Additional Responsibility to the Special Group." Confidential. 1 p. Department of State, S/P Files: Lot 69 D 121, NSAMs 62.

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**271. Draft Paper, June 22<sup>1</sup>**

June 22, 1962

BASIC NATIONAL SECURITY POLICY  
PART ONE: PRINCIPLES AND PURPOSES

*Introduction*

1. In order to outline national security policy in Part Two of this paper, it is necessary first to lay out the broad principles and purposes which generate these policies; which determine their relative impor-

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<sup>1</sup> "Basic National Security Policy." Printed in part in the print volume as Document 93. Secret. 186 pp. Department of State, S/P Files: Lot 69 D 121, BNSP Draft 6/22/62.

tance and urgency; and which should govern their execution and revision in the light of changing circumstances.

Part One has two major elements:

- a. *A definition of the working goal of National Security Policy. (Chapter I)*
- b. *A brief statement of the strategic components of a national policy designed to move towards that goal. (Chapter II). These components are outlined in more detail in Part Two, where specific policy prescriptions and injunctions are to be found.*

## I. THE WORKING GOAL

### A. *The Foundations of National Security Policy*

2. *National Purposes.* Our fundamental purposes as a nation remain what they have been since they were first set down in the Preamble to the Constitution: “. . . to form a more perfect Union, establish justice, insure domestic tranquility, provide for the common defense, promote the general welfare, and secure the blessings of liberty to ourselves and our posterity.” Further, the Declaration of Independence committed us to the principle that “. . . Governments are instituted among men, deriving their just powers from the consent of the governed. . . .” This principle has run like a thread throughout the history of our relations with the rest of the world, with a meaning and force dependent on the specific problems we confronted. Its special application in the circumstances we face now and over the foreseeable future is elaborated in this document.

3. *The National Security Objective.* National security policy should aim at promoting and maintaining a world environment in which these abiding national purposes can be best attained—notably an international environment in which it will be possible “to secure the blessings of liberty to ourselves and our posterity.” and thus to maintain a free and independent United States, capable of preserving and enhancing its fundamental values and institutions as a nation and a community of free citizens.

### B. *The Setting*

4. *The Forces at Work.* In our time an environment congenial to our national purposes must be maintained in the face of deep-seated Soviet and Chinese Communist determination to seize and exploit global power, and in a setting where certain other powerful, persistent, and sometimes dangerous forces are at work:

—A rapid increase in scientific knowledge and its applications, which enables man to change, for good or for evil, his physical and ecological environment, and which imposes a high premium on the capacity of nations to innovate and to adjust to innovation.

—In consequence of the pace of scientific change, a revolution in military technology, which has altered drastically the nature and the

results of war, yielded an intense competitive arms race, affected former relationships between economic potential and military strength, and created an imbalance of the offensive over the defensive in the nuclear weapons field.

—A political revolution, marked by the proliferation of ardent new nations at a time when an intensified interdependence requires the nation state to cooperate increasingly with others in order to provide for its security and its economic welfare.

—The revolution of modernization in Latin America, Africa, Asia, and the Middle East, including those underdeveloped areas under Communist control.

—The population explosion which, in many parts of the world, threatens to frustrate the drive for improved standards of individual welfare.

—The revival of economic momentum and political assertiveness in Western Europe and Japan.

—The revolution in modern communications, which has radically increased the speed and sensitivity of political and psychological reactions within and among nations.

Taken together, these forces decree a world setting where power and influence are being progressively diffused within, as well as without, the Communist Bloc; where strong inhibitions exist against all-out use of military force; where the interaction of societies and sovereign nations becomes progressively more intimate.

5. *The Clash*. This environment both conditions and is conditioned by the clash between Western and Communist ideologies and between the interests and objectives of their two principal proponents: the US and the USSR. This clash has many dimensions. In its largest sense it may be viewed as a contest between competing conceptions of how the world community should be organized—how a new world order can be constructed to replace the one which existed before 1914 and which has been shattered by a half century of war and revolution.

This manner of viewing the clash is not abstract: governments and citizens throughout the world assess the trend of forces and events in some such terms, sensing that, in the end, one conception or the other will constitute the framework for organizing the planet. Current diplomacy and popular moods are directly affected by this assessment of the long run outcome of the clash.

The major dynamic elements in the international environment cited above will not automatically determine the outcome: they cut both ways. For example:

—The product of the scientific and technological revolution is available to the Communist as well as to ourselves and, given the capacity

of a totalitarian state to concentrate resources on a narrow front, it is particularly susceptible to selective Communist exploitation.

—The revolution in military technology has strengthened the absolute power of the Communist Bloc, as well as our own. It has provided the Soviet Union with a capacity to assault, directly and swiftly, American territory but it also has generated inhibitions against the use of major force which are inevitably felt by the Communists as well as ourselves.

—Although nationalism and the revolution of modernization in the under-developed areas strengthen the forces making for independent nationhood, they release anti-Western sentiments, racial passions, particularist tendencies of all sorts, and create domestic pressures and turmoil susceptible to Communist exploitation.

—The revival of momentum in Western Europe and Japan has increased the strength of the non-Communist world, but the corresponding increase in assertiveness has set up strains and tensions, and increased also the possibilities of disunity which are capable of Communist exploitation. It is axiomatic, therefore, that the positive purposes of American policy can be achieved only by overcoming the considerable resistance inherent in the forces at work in the world environment; by designing policies which take these forces fully into account, if possible harnessing them for our central purposes; and by countering the persistent Communist efforts to use them to disrupt and destroy the non-Communist world.

### *C. The Threat*

6. *The Nature of the Communist Threat.* Although the Communist threat takes many forms, there are four which are particularly significant:

a. The Communists command now—and will command increasingly—a capacity to inflict severe damage and casualties on the United States and its allies, particularly NATO Europe. Nuclear war itself, whether undertaken rationally, irrationally, or by accident, is therefore, one threat to the American interest; although the safety of the nation and the possibility of deterring Communist aggression require that we be prepared to face nuclear war in defense of our vital interests, and that this fact be universally understood.

b. The Communists might seek to exploit their economic and scientific resources so as to achieve marked military superiority. Even though a margin of superiority would not necessarily lead them to initiate a direct attack upon the United States, it could generate increased aggressiveness, give rise to diplomatic and psychological pressures hard to control and damaging to our interests, and pose a critical threat to contiguous areas, particularly NATO Europe, Japan,

and the Indian Peninsula, on which regions the balance of power in Eurasia evidently depends. Aside from the reasons elaborated in Part Two, Chapter I, the United States should, therefore, maintain forces sufficient to avoid the emergence of such a margin of Communist military superiority.

c. Even without a general shift in the balance of military power, some areas of Eurasia, Africa, or Latin America might come under Communist control. Major losses of territory or of resources would make it harder for the US to help shape the kind of world environment it desires; might generate defeatism among governments and peoples in the non-Communist world; and could make more difficult the maintenance of a favorable balance of military power between East and West. Even though an effective nuclear deterrent can be maintained from an economic and geographic base narrower than that now available to the United States, a substantial reduction of the present area of freedom would have radically unfavorable political and economic consequences for the United States, and would complicate the tasks of defense. The United States continues to have, therefore, an abiding and straightforward interest in maintaining and improving the balance of economic and political power on the world scene which rests in the hands of the free community.

d. Quite aside from its direct or indirect implications for the balance of power the extension of Communism in Eurasia, Africa, and Latin America would represent a threat to the national interest. In conditions of modern technology and especially modern communications it is difficult to envisage the survival of democratic American society or, indeed, an Atlantic Community as a beleaguered island in a totalitarian sea. It is, therefore, in the national interest that the societies of Eurasia, Africa, and Latin America maintain their independence and develop along lines which respect those elements in their own culture and tradition which would limit the power of the state over the individual and are thus broadly consonant with our own concepts of individual liberty and governments based on consent. We do not need societies abroad in our own image; and, in any case, the democratic process must be viewed as a matter of underlying purpose, of degree, and direction of movement, not as an absolute condition. Moreover, our interest does not require that all societies at all times accept democratic values as their aspiration and that they move uninterruptedly towards its achievement. Nevertheless, the nation is legitimately concerned with the balance and trend of ideological forces throughout the world in just as real a sense as it is concerned with the balance and trend of material and military forces.

The policy outlined in this paper is designed, therefore, to achieve the national purposes set forth in paragraph 2 and to minimize—

without sacrificing vital US security interests—the likelihood of a war so destructive as to threaten our basic national structure and institutions; a change in the military balance of power which could markedly affect both the political and psychological balance between East and West; a progressive extension of Communist influence into Eurasia, Africa, and Latin America; or a shift in the ideological environment which would make it difficult to develop in continuity with the basic values derived from our history. It is also designed to accelerate constructive changes in the character and policies of the Communist regimes, to erode the grip of Communism on peoples under its rule and to facilitate their absorption into the community of free nations.

*D. The Opportunity*

7. *Favorable Factors.* This policy aims equally, however, to harness to the American interest the same set of forces which decree the perils we face.

a. Properly exploited, the resources available to us and to our allies should enable us to continue to make the use of military force irrational and unattractive to the Communists.

b. The pluralistic concepts and methods of organization inherent in democratic societies make it easier for us than for the Communists authentically to back the evolution of independent national states and to deal with them on the basis of limited but real areas of overlapping interest. The growth of nationalism and the diffusion of power on the world scene are fundamentally more disruptive forces for the Communists than for ourselves, since their methods for organizing both domestic and international power inherently require centralization and, ultimately, dictatorship if they are to maintain their effectiveness.

c. The underlying aspiration of peoples for forms of political and social organization which protect the individual against the unlimited authority of the state is strong, and rooted in abiding historical, cultural, and religious commitments. If an environment of regular movement forward towards economic progress and social justice can be created, the long-run chances of victory for political democracy—in one form or another—are good. The lessons of experience thus far is that this convergence of abiding impulses to human freedom and rising standards of welfare operates also within societies ruled by Communist regimes; and long run tendencies towards the diffusion of power and a reduction in thrust towards the external world within and from such societies may be expected, if the non-Communist world continues to maintain forces which make Communist aggression costly and unattractive.

d. The technical fact of increasingly intimate military, economic, and political interdependence can, with an appropriate American policy, be made to work for, rather than against, our interests.

In short, while the forces now so strongly at work on the world scene are capable of being captured by the Communists for destructive purposes, they lend themselves at least equally to direction along constructive lines for the building of the kind of world within which our own society could continue to flourish.

#### E. *Our Constructive Goal: A Free Community*

8. *The Long Term Goal.* Our purposes must be given operational substance in the light of this assessment of the threats and opportunities inherent in the forces at work on the world scene. *The operative constructive goal of United States policy is to foster and develop an evolving international community, the members of which;*

*a. Effectively cooperate with and support one another in their areas of interdependence.*

*b. Move forward in their own ways toward political systems based increasingly on consent and individual freedom.*

*c. Yield for their peoples steady progress in economic welfare and social justice.*

*d. Settle their differences by political means or legal processes rather than by armed conflict.*

*e. Increasingly participate in institutions and organizations which transcend the independent powers of the nation-state, where this is useful to achievement of the larger purposes set forth in this paper.*

*f. Move progressively towards a legal order which lays down and enforces essential rules of conduct in interstate relations and provides sure and equitable means for the settlement of international disputes.*

Progress in building a community with these six essential characteristics would reduce the risks both of an upset in the balance of power and of an unfavorable ideological trend among the presently non-Communist nations. Indeed, by moving toward this long-term positive goal we best mitigate these two risks, since only in this way are we likely to get an efficient grasp on the forces which generate these risks.

The creation of a free world community is, evidently a task which will remain unfinished business for a long time. The problems confronted will yield only slowly to sustained effort; and the US influence on the process of its creation can only be marginal. It is, however, a goal toward which even modest progress can contribute substantially to the national interest. It is one way of giving life to our commitment to the United Nations Charter; and the United Nations remains an important means for its implementation.

9. *Prospects and Problems.* This working goal—of an evolving community of nations—proceeds directly from values and commitments deeply embedded in our national style and domestic arrangements,



just as the Communist concept of a world order is linked intimately to the methods used to organize power within Communist states. From our historical origins as a nation we have sought a balance between freedom and law, between individual liberty and individual responsibility for the fate of the community, which would permit our society to solve its problems with minimum intrusion by higher authority. It is in a world organized in this federal spirit that we are most likely not only to avert pressing dangers but also to fulfill the central objective of basic national security policy—to shape the external environment along lines congenial to our abiding national values and purposes. And a foreign policy rooted in those values and purposes is most likely to evoke from our people the sustained attention, energy and resources required for its success.

While this aim harmonizes with our domestic polity and is thus natural and fitting for us, the nations in the world about us generally have not shared our historical experience. Thus, questions may be raised as to the feasibility of progress toward an evolving world community in which nations are moving toward democratic goals and in which they increasingly concert to achieve their common purposes.

To take the question of ideology first: many non-Communist nations are not now organized on lines which can accurately be described as democratic. The attainment of a significant degree of democratic practice depends upon the development of a complex set of preconditions, which are often lacking, in greater or less degree. Nevertheless, there are realistic grounds for hope that many of these preconditions will come into being if these nations can maintain their national independence, make progress in raising their living standards, organize their lives with increasing attention to social justice, and are confronted with effective constraints on the disruptive pursuit of irresponsible national objectives. The economic, social, and political systems that will emerge if these conditions are fulfilled may not appear to be ours; indeed, to survive they must be consistent with the history, culture, and acknowledged goals of each society. What is essential is that the peoples concerned move in their own ways toward governments which are based increasingly on consent and which increasingly respect individual freedom. Obviously the pace and extent of this movement will vary greatly; some nations just emerging into independence and lacking most of the prerequisites to freedom will be under rule which is authoritarian, in varying degree, for a very long time indeed. The preconditions for economic growth are less complex and far-reaching than the preconditions for effective political democracy. Regular economic growth can, therefore, usually be generated at a stage earlier than the emergence of mature democratic political institutions and practices. But the possibility that consent and individual liberties will

play a larger—rather than smaller—role in the political affairs of the non-Communist nations over the years ahead does not seem unrealistic, and US policy and programs should be addressed systematically to this end.

Nor does the goal of a community of increasingly cooperative independent states seem impractical. At the moment nationalism remains a most powerful force. And there are, of course, rifts and deep-seated conflicts within the non-Communist world which make whole-hearted cooperation between some states difficult to envisage and perhaps unlikely over the foreseeable future. However, the members of the free community share a threat to their independence—however dimly realized and hesitantly articulated; and that threat has led many of them to band together overtly against the threat of Communist coercion. Moreover, as indicated in Part Two, Section III of this paper, the fact of interdependence finds expression more broadly in an extraordinary array of bilateral arrangements and international organizations, each—whatever its present worth—proceeding from a recognized area of common interest in the solution of problems which cannot be met on a purely national basis. In holding up the vision of a community of nations cooperating freely for the easier attainment of their own objectives we are, therefore, building on impulses and institutions which are real. The task is one of imparting more vitality and direction to these impulses and institutions.

To develop a willingness to settle disputes and to reconcile conflicting interests without recourse to arms is by no means easy or assured—especially where these conflicts are with Communist states which do not share Western concepts of law. Even within the community of free nations there are deeply felt conflicts over which there is reluctance or refusal to submit differences to judicial decision, arbitration, or even negotiation. And such (usually) intraregional conflicts may persist as a source of danger to the peace for a long time. Nevertheless, the United Nations Charter lays down rules of conduct governing the manner in which nations should act; and the task of strengthening the will to live by that code within the free community does not appear hopeless. Recognizing the imperfections which characterize the present ideological and organizational contours of the non-Communist world, movement towards the goal of a free community does not run against the grain of history: it requires that we support and build on forces already in motion, rather than to invent new forces.

Our actions in support of this working goal must be directed, then, not merely against Communist tactics and strategy but also towards creating, within the limits of our capacity to shape events, the kind of evolving world environment within which our own society can continue to flourish. This would be our purpose even if Marx and Lenin

had never existed, but, because their heirs are now attempting to impose their version of the future on all mankind, the requisite urgency and scale of national effort is the greater. In pursuing this positive purpose, we face a future of shifting crisis, of sustained constructive effort, and of national peril for as long as any of us can peer ahead.

## II. *Outline of A Strategy*

### A. *Introduction*

1. *Need for A Strategy.* To be meaningful, this statement of principles and purposes must not only define a goal but also lay out the means of its attainment. We must frame a broad strategy which will ensure that the wide range of U.S. activities at home and abroad are consistent with this goal. The U.S. ability to influence events is too limited, and the obstacles we confront too grave, for our objectives to be achieved in the absence of such a broad central strategy—clearly defined and thoroughly understood at all levels of the government. Only through such a working strategy can we ensure that the instruments of our power and influence are marshaled on behalf of the measures which should have highest priority, and that our efforts are mutually reinforcing, rather than diffuse or, even, offsetting in their effect. Only in the light of such a strategy can these efforts be presented to our own and to other peoples as interrelated elements of a coherent policy which merits their support.

2. *Objective.* Our working goal of developing progressively the free community comprises three strategic objectives: maintaining the frontiers of freedom; building the community itself; and peacefully extending this community beyond the present borders of freedom. The paragraphs that follow identify the five main components of a strategy to reach these objectives.

### B. *Military Policy*

3. *The Role of Force.* At the center of this community must remain American military power and the will to use it, linked to the power that can be generated elsewhere in the free community, organized so as to cover the full spectrum of force. Given the wide-ranging character of Communist techniques of aggression, U.S. military power and that of our allies must be closely coordinated with other means for the exercise of power and influence: economic, political, and ideological. The international order we seek to build requires now—and for the foreseeable future—an ability and readiness to use force in this wide sense for several purposes, including two which are basic:

—To deter or to deal effectively with the flexible arsenal of Communist techniques of aggression against or within the frontiers of the free community;

—To support diplomatic efforts to protect and advance U.S. and free world interests.

4. *A Stable Military Environment.* We wish to be able to use this force effectively and in such a way as to minimize the likelihood of a large-scale nuclear war, whether initiated by the Communists, originated by us in defense of our vital interests, or arising from local conflicts, armed clashes, and hostile confrontations. This requires on the one hand the existence of ready force, and a firmness and a resolution which will convince the Communists that aggressive actions and heavy pressures are dangerous and unprofitable, and on the other hand a continued restraint which furthers peaceful settlement of disputes and encourages favorable evolutionary trends within the Communist Bloc. To strike a balance between deterrence and seeming aggressiveness, and to back this attitude with the forces needed persuasively to support it, is perhaps the most difficult task confronting the United States today. The key issues of military policy and arms control involved in thus creating an environment which is unlikely to erupt into nuclear war under the strain of crises or the actual use of limited force are treated in Part Two, Chapter I, of this paper.

Besides stability with respect to nuclear conflict, we wish also to create and sustain a stable environment so far as conflict in underdeveloped areas is concerned. The use of force by emerging nations should be discouraged and, if possible forestalled altogether. New nations, often stridently nationalistic, may display the same hostility toward neighbors that for so long characterized European nation-states, and there may be a growing tendency for the stronger ones to indulge this hostility. Our policy should work toward suppressing such misuse of force by making clear to new nations that it would bring them more loss than gain. Our policy should seek to deter local imperialisms of this sort through economic and political means. The effectiveness of these means will depend largely upon how well aware the new nations are made of our ability and will to use force when necessary to keep the peace.

### C. *The Role of Progress*

5. *Progress Within the Free Community.* Within the framework of power designed to protect the frontiers of freedom and to induce processes of peaceful change, a central objective of policy must be to seek to create an environment of sustained progress towards higher standards of economic welfare, social justice, individual liberties, and popularly based governments throughout the free community. The problem is particularly acute in the less developed areas of Latin America, Africa, the Middle East, and Asia. Since the evolving community of independent nations can only be maintained by consent, the emerg-

ing less developed nations must be persuaded that their human and national aspirations will be better fulfilled within the compass of that community than without. Measures required to help assure an environment of sustained progress for the more advanced nations of the free community are considered in Part Two, Chapter III, and for the less developed nations in Part Two, Chapter II.

*D. The Framework of Organization*

6. *The Hard Core.* The missions of force and progress discussed under B and C, above, require that the free community generate a hard core of developed nations (to include the Atlantic Community, and, in somewhat different degree, Japan, Australia and New Zealand) which are broadly committed to this world strategy, willing to concert their resources for these defensive and constructive tasks beyond their borders, and able to draw together with the less developed nations in a network of common ties of mutual advantage for those purposes. The means of building such a hard core and relating it systematically to other areas of the free community are considered in Part Two, Chapter III.

7. *U.S. Regional Interests.* Regional policy problems are dealt with in Part Two under the general headings "Policy Toward the Underdeveloped Areas" (Chapter II) and "The Framework of Organization" (Chapter III). Certain limited, basic observations on the character of the U.S. interest and objectives in particular regions are set down here.

a. *Latin America.* Although the problems confronted by the U.S. in Latin America are a special version of those confronted in other less developed regions, and, although the distance of the region from the borders of the Communist Bloc reduces its vulnerability to certain types of more direct Communist pressure felt elsewhere, the U.S. relation to Central and South America is, nevertheless, peculiarly important. The special status of Latin America derives from the sensitivity of our people to the course of events there, rooted, in turn, in geographic proximity, the length of our historical association, and the scale of our economic interests. The containment of the Communist thrust in Latin America, the maintenance of the independence of the region, and the development there of conditions of reasonable progress and order are required both to fulfill the general conditions of national security policy and to permit a political setting at home in which our people will support the exertion of U.S. power and influence on a world basis. *Within the range of policy outlined in Part Two of this paper for the underdeveloped areas, Latin America enjoys, therefore, a high and urgent priority.*

b. *The Rimland of Asia.* The arc from Iran to Korea represents an area where the balance of power between the Communist Bloc and the free community is so precariously held that with relatively minor exceptions, the free

*community cannot afford an extension of Communist influence without risking loss which would extend far beyond the area immediately affected. The definitive loss of South Korea to Communism, for example, would endanger the orientation of Japan towards the free community; the loss of South Viet-Nam or Thailand would endanger the whole South-east Asian position and place in jeopardy the independence of the Indian peninsula itself. The independence of the Indian peninsula is, like that of Japan, fundamental to the interest in the balance of power in Eurasia. The definitive loss of Iran would endanger the whole Middle East. In Laos and Afghanistan, where Communist influence has gained a substantial but not definitive hold, our object is to maintain buffer states where the influence of the Communist Bloc and the free community are, at least, in tolerable balance. The definitive loss of Afghanistan would severely increase pressure on both the Indian peninsula and Iran; the definitive loss of Laos would severely increase pressure on Thailand and Southeast Asia in general. Behind the screen of Thailand and South Viet-Nam, the U.S. interest is satisfied if Cambodia, Malaya, Burma, and Indonesia maintain their independence without formal military alliance. All these interests are threatened not only by Communist pressures but also by intra-regional disputes, particularly the Kashmir dispute, the Pushtunistan quarrel, and the differences between India and Nepal, which absorb the resources of the countries concerned, twist or thwart efforts to build up common defenses against Communism, undermine programs for economic development, and carry the possibility of violence which could upset stability in the region.*

*Our general objective is to maintain the independence of the states in the region: reduce the present level of Communist influence; mitigate disputes between states of the region; and to assist, as opportunity may offer, in bringing these peripheral nations into closer association with each other and the free community as a whole. This objective, in turn, requires the maintenance both of our position in the Western Pacific and of existing military pacts and relationships which provide bases and a legal commitment of the U.S. to the defense of the area.*

*c. The Middle East. The common border with the USSR and its year-round access to the sea give Iran a position of particular importance; its political, economic and military ties with the U.S. and Western Europe must be strengthened if this can be done without generating counter-productive local reactions. So long as Iran is held, the U.S. interest in the Middle East is that the nations of the region maintain their independence; reduce the present degree of Communist influence; develop along the lines suggested in Part Two: and avoid intra-regional struggles disruptive of the free community and capable of Communist exploitation.*

*d. Africa. As in the case of Middle Eastern nations which do not have a common border with the Communist Bloc, the U.S. interest in Africa is that*

*the newly emerging nations maintain their independence: reduce the present degree of Communist influence: develop along lines suggested in Part Two: and avoid intraregional struggles disruptive to the free community and capable of Communist exploitation.*

8. *The Problems of Priority.* Western Europe evidently has a role of unique importance in U.S. foreign policy. Its uniqueness derives from multiple considerations: it is decisive to the balance of power and we are committed to defend the area on virtually the same terms as the U.S. itself; European resources are essential to the tasks of defense and construction throughout the free community; European political and trade policies will be an important determinant of whether, in fact, an increasingly coherent free community can be created. Beyond these technical factors, the broadly common ideological heritage of Western Europe and the United States is the ultimate foundation for the values of the free community itself. *The maintenance of the integrity of the Western European nations and the transatlantic connection are fundamental.*

The special importance of Western Europe (as well as, in different ways, Canada, Japan, Australia, and New Zealand), immediately raises the question of whether the interests of the more advanced and less advanced nations of the free community are mutually compatible and of the U.S. interest when clashes arise.

Although the interests of the two main sectors of the free community clash at a variety of points, the more developed areas, whether they acknowledge the fact in their current policy or not, share with the less developed areas certain basic interests: (i) that the inevitable end of the colonial era be brought about as peacefully as possible and in a manner which minimizes the possibilities of Communist exploitation; (ii) that the less developed areas generate regular economic growth patterned in ways which lead to enlarging and mutually advantageous trade with the free community; and (iii) that the Communist strategy of out-flanking and isolating the more advanced areas of the free community, by progressive inroads in the less developed regions, be defeated.

*With respect to specific issues where conflict within the free community might require choice or clear-cut priority, the U.S. interest will generally lead us either to support the views of the more developed nations or to pursue a firm national course with respect to such critical military and security issues as: U.S. military policy; arms control and disarmament policy; NATO; and Germany.*

*With respect to residual colonial issues the U.S. interest will generally lead us to support an ending of colonial ties, but continuing ties between the liberated colony and metropole, while seeking to fashion means for the transition which will minimize frictions and opportunities for Communist exploitation.*



*Where marginal conflicts of interest within the free community arise over economic assistance or trade policy, the relative poverty of the less developed nations—and the larger communal interest in their rapid economic growth—will generally make it the U.S. interest to favor the interests of the less developed nations.*

*In the case of regional security issues—such as Communist pressure in Southeast Asia and the Caribbean—it will generally be the U.S. interest to favor those who feel that pressure most directly, while maintaining independence of judgment on appropriate courses of action in the light of our total interests and responsibilities.*

These priorities flow from the basic fact that at the present stage of the free community's development the U.S. is the only true world power. Our ability to influence the course of events is limited, but it extends, in differing degree, into every region. In this sense our role of leadership in building, unifying, and protecting the community is unique. The implications of these basic propositions on the focus of U.S. priorities are elaborated in policy prescriptions which run through Part Two of this paper.

#### *E. The Confrontation with Communism*

9. *The Appeal to the Communist World.* If we hold out to the world the vision of a free community—and grip the real problems of our environment with the techniques it decrees—its appeal will transcend the present non-Communist world. The concepts of independent nationhood, of national interest, and of national culture are living and corrosive forces within the Communist Bloc. The prospect of association with a community committed to respect these concepts should, even in the short run, further loosen the ties that now bind to the USSR the countries of the Communist Bloc. In the long run—in a context where Communism is denied the possibility of expansion and where time and material progress work their mellowing effects—there is a decent hope that changes might be induced in at least some of the Bloc states which would make it possible for them to move towards or even to adhere to the free community; for, if Communism is part of the environment we confront, the secure strength, progress, and national independence of a coalescing community of free nations will inescapably be part of the environment which surround the Communist world. The implications of this perspective for relations with Communist states are examined in Part Two, Chapter IV.

#### *F. The National Base*

10. *The Prerequisites of Foreign Policy.* All these policies require, for their effective execution, a firm base at home: an understanding of what we must do and a will to do it rooted in a substantial political majority of our people; domestic progress which carries forward the



ambitions and hopes of our people; an economy capable of providing the resources for both our domestic and security requirements; a balance of payments position which does not constrain our efforts at home and abroad. The means for maintaining such a national base are considered in Part Two, Chapter V.

*G. The Five Dimensions of a National Strategy*

11. *The Development of Policy.* In the light of the working goal of the national strategy and the foreseeable setting within which it must be pursued, developed in Chapter I, we turn to a more detailed discussion of the five major dimensions of national strategy suggested above:

- Military Policy.*
- Policy in the Underdeveloped Areas.*
- The Framework of Organization.*
- Policy Toward the Communist States.*
- The National Base.*

PART TWO: A STRATEGY

*I. Military Policy*

*A. The Role of U.S. Force*

1. *Force and policy.* The positive and constructive objectives of national policy depend intimately and in a variety of ways on the existence of appropriate U.S. forces and the evident will to use them to protect vital interests of the free community. Now and for the foreseeable future U.S. military policy is a crucial determinant of the fate of the free community because our military strength is proportionately great in relation to our population and command over resources, and because the security of our allies is intimately dependent on our strength and will to exercise it. There is hardly a diplomatic relationship we conduct that is not colored by an assessment of U.S. military power and of the circumstances in which we are likely to bring it into play. In generating this power the motivation of men in the expert employment of weapons of war continues as a responsibility of the population at large. It is brought to and maintained at a fine edge of effectiveness by the nation's military services, which provide a basic source of leadership for present and future generations of military men.

2. *Major Missions.* To sustain the free community, U.S. forces have four major missions:

a. *To deter or deal with a direct nuclear assault against the U.S. or other vital areas.*

b. *To supplement allied and friendly forces in deterring or countering Communist non-nuclear attacks on the free community or in sea areas or on lines of communication vital to its survival.*

c. *To support friendly peoples against Communist or Communist-inspired efforts to undermine their governments and fragment their societies through subversive, paramilitary and guerrilla operations.*

d. *In the event of war to conduct hostilities so as to minimize damage to the U.S. and its allies, preserve their interests, frustrate opposing military forces, and bring about a conclusion of hostilities on terms acceptable to the U.S. and its allies. It is in the interest of the United States to achieve its wartime objectives while limiting the destructiveness of warfare, whether it be non-nuclear or nuclear, local or global; in this sense, it is a goal of U.S. policy that any war be a limited war.*

*For all these missions it should be recognized that effective deterrence has as its basis the evident military capability to prevent a potential enemy from achieving greater gain than loss by using force. While many other factors contribute to deterrence, this requirement for such a capability is constant and must be satisfied.*

3. *Supplementary Tasks. U.S. forces have three other important missions:*

a. *To provide within the free community a sense of security against Communist incursions and Communist political and psychological pressures, including threats of nuclear or non-nuclear attack against the U.S. or its allies.*

b. *To support American diplomatic and other efforts to minimize conflicts within the free community, to work toward peaceful adjustment of disputes and differences, and otherwise to promote U.S. and free world objectives.*

c. *To contribute, both directly and through military assistance and training programs, to the constructive modernization of underdeveloped nations.*

4. *The Special Imperatives of a Nuclear-Missile Age. The nature and consequences of nuclear war conducted with present and foreseeable delivery vehicles call for a military policy which can accomplish the purposes indicated above with a minimum likelihood that we would have to initiate the use of nuclear weapons in order to defend vital interests and, more generally, with a minimum risk of escalation toward general nuclear war.*

*The number of U.S. casualties and the scale of U.S. civil damage consequent on a major nuclear exchange is already great. It will increase with the passage of time.*

*The population of our European Allies is even more exposed.*

*These facts heighten the requirement for a policy aimed at limiting civil damage in the event of a major nuclear war; for generating, so far as possible, adequate non-nuclear defense alternatives; for maintaining—both to deter attack, to influence enemy targeting and to conduct operations—strong flexible, survivable and controlled strategic nuclear forces; and for seeking effectively inspected measures of arms control which would limit mutual powers of destruction while not reducing the free community's relative capacity to deter or to deal with Communist attack.*

B. *The Objective: A Stable International Military Environment*

5. *Objectives of U.S. Military Policy.* The fundamental objective of U.S. military policy which flows from these considerations is to create a military environment which will permit us to:

a. achieve maximum deterrence of deliberate aggression, and especially aggression with nuclear weapons.

b. minimize the likelihood of uncalculated, unpremeditated or unintended nuclear conflicts; to reduce the likelihood of accidents, misinterpretations of incidents or intentions, false alarms or unauthorized actions within any nation (including the U.S. or its allies); and to reduce the possibility that such actions might trigger major nuclear war.

c. deal successfully with aggression in ways which will not readily escalate and, especially, which will not deteriorate into general war under the pressure of crises and limited conflicts.

6. *The Prospects for Stability.* With care and prudence we may thus hope to create an environment which will reduce both the incentives of others to use force in international affairs and the instabilities inherent in an age of nuclear and missile armaments. The rest of this chapter examines the implications of this objective for the design and employment of major elements of U.S. military power: strategic forces; defensive forces; general purpose forces; and anti-guerrilla forces. It also examines arms control and disarmament policy as an integral part of national security policy.

C. *The Threat*

7. *Communist Strategy.* A persistent characteristic of Communist military strategy has been its searching attention to specific gaps—regional and technical—in the defense of the free community. It has been, thus far, an evident purpose of Communist strategy to avoid a direct confrontation not only with U.S. main strength, but with positions of relative strength within the free community of other nations as well. Soviet policy appears to be based on pressure against particular areas of vulnerability (e.g., Northern Azerbaijan, Greece, Berlin, Indochina, South Korea, etc.) and particular types of vulnerability (e.g., the geographical position of Berlin, the inadequate defenses against subversion and guerrilla warfare in Laos and South Viet-Nam, etc.)

8. *Future Threats.* Given foreseeable U.S. nuclear capabilities, including, in particular, our powerful ability to strike second, it is estimated that the USSR will not deliberately take actions which would bring about general nuclear war. There is, nevertheless, always a possibility that the Soviets may miscalculate U.S. capabilities or misjudge U.S. intentions. They may calculate that their growing nuclear strength makes non-nuclear aggression, especially against areas believed to be not vital to U.S. interests, a feasible course of action. They may also

under-estimate the importance attached by the U.S. to particular interests or areas, and initiate action in the belief that the U.S. will not respond. Accordingly, it is a first charge on U.S. military policy to make grossly unattractive and unprofitable a direct Soviet assault on the U.S. or on other vital areas, notably Western Europe. But a major lesson of postwar history is that U.S. and allied policy must also achieve, to the maximum degree possible, a closing off of all areas of vulnerability, if we wish to minimize the number and effectiveness of Communist probes. It is this lesson which calls for the U.S. and its allies to develop a fuller range of military capabilities, capable of covering as much as feasible of the free community, if they are to create a stable overall military environment.

*The major gap in the U.S. and allied spectrum of capabilities lies at the non-nuclear end—both with respect to conventional forces and those whose mission is counterinsurgency. Although the military stance of the free community is basically defensive, the U.S. and its allies also require capabilities for limited overt and covert action in areas under Communist control. Such action must be carefully weighed in the light of particular circumstances, costs, and risks; but the U.S. cannot accept an asymmetry which allows Communist probes into the free community without possibility of riposte.*

#### D. Strategic Forces

*9. Scale and Character of Strategic Nuclear Forces. Attainment of a stable military environment requires strategic nuclear forces sufficiently effective so that Sino-Soviet leaders would expect—without question—the Bloc's present power position to be worsened drastically as a result of a general nuclear war. In assessing the appropriate scale of a U.S. effort designed to meet this requirement it should be borne in mind that the Soviet calculus must take into account not merely relative Soviet strength after a nuclear exchange but also its consequences for the Communist position in Eastern Europe, for the relative power of Communist China, and for the possibilities of maintaining Communist control over the Russian base.*

*To meet the objectives indicated above the U.S. should, for the relevant planning period through the mid-1960's, maintain a sophisticated mix of delivery vehicles so dispersed, hardened, mobile and controlled that:*

*a. the USSR could not count with confidence, despite any technological break-through it might reasonably expect to score, upon neutralizing or blunting a large proportion of U.S. retaliatory power;*

*b. the U.S. could, even under unfavorable circumstances (e.g., an initial Soviet surprise attack), substantially reduce the military capabilities of the enemy.*

*To achieve not only the objectives indicated above, but also greater stability in the international military environment, our U.S. strategic forces and plans*

*for their use should be designed so that they will constitute an element of stability in grave international crises. Thus, our strategic nuclear forces should be sufficiently invulnerable so that their survival and effectiveness need not rest (i) on the U.S. striking first; (ii) on the U.S. taking in a crisis such "crash measures" to reduce these forces' vulnerability as the Soviets might consider evidence of impending attack or as would materially reduce the forces' operational effectiveness; (iii) on an instant U.S. response to ambiguous evidence of impending enemy attack.*

10. *Presidential Control. The planning and design of U.S. strategic forces should offer an increasingly wide range of options, at alternative levels of violence and against alternative target systems, which the President or authorities pre-designated by him could review in advance and choose among in the event. Our strategic forces must increasingly be susceptible of discriminating and controlled use, under centralized military command, in accordance with such high level decisions. Highly survivable command, control, and communication systems should be developed and maintained (i) which provide for authorization by the President, or authorities pre-designated by him in case he is unable to function, of initial use of nuclear weapons under all circumstances, especially including periods of great tension or hostilities; (ii) which ensure, insofar as feasible, that conduct and termination of operations are also continuously and sensitively responsive to political decisions by the President or authorities pre-designated by him. The expectations of individuals about the occasions on which nuclear weapons would be used, and the methods of using them, should not be allowed to narrow to the point that flexibility in execution is in any way reduced.*

11. *General war may come about in a variety of ways (through pre-meditated attack, preemption, escalation, or inadvertence) and may take different forms, dependent upon the time when it occurs, the accuracy of U.S. intelligence estimates, the kinds of targets the enemy chooses to attack, and the capabilities of the U.S. to prevent repetitive or follow-up strikes. To fix in advance a specific pattern for the conduct of operations is virtually impossible, and our targeting plans and command-control system must, as has been indicated, be designed so as to enable the direction of operations by the President and authorities designated by him before or during the conflict. Within these limitations, pre-attack strategic nuclear planning and preparations will be aimed at:*

*a. reducing the strategic nuclear offensive capabilities of the enemy, and particularly his ability to mount repetitive attacks against U.S. and Allied population centers.*

*b. retaining ready, survivable strategic nuclear forces under centralized control for possible selective use against his urban-industrial centers; against other major elements of enemy strength; and for use in other ways which will contribute to c, below.*

*c. facilitating the conduct of negotiations designed to bring the war to an end on terms which are consistent with U.S. interests, as set forth in this paper.*

The prospect of confronting reserve U.S. nuclear forces after any attack may give a potential enemy powerful incentive to refrain from planning or executing unrestricted attacks on U.S. or Allied civil society. Such ready forces, held in reserve and threatening—by their very existence—surviving enemy targets, may also conceivably extend deterrence into the wartime period, and thus destroy the *will* of surviving enemy leaders to pursue unrestricted attacks or to continue the war. Moreover, the goal of ending hostilities on acceptable terms requires that plans and operational decisions preclude the prospect of an unarmed U.S. confronting armed opponents. *For all these reasons, it is essential—whatever the size, composition and effectiveness of U.S. strategic forces—that the U.S. not disarm itself, by expending all ready strategic nuclear forces in initial attacks.*

12. *Optimum Use of Strategic Nuclear Weapons.* A major problem in connection with the design and use of these strategic forces relates to the optimum use of nuclear weapons if we must initiate such use.

On the one hand, since 1945 American policy has ruled out the initiation of nuclear attack on the Soviet Union as a means of bringing the cold war to an end and providing a definite victory for the Free World. Aside from its violation of our moral and political tradition a policy of initiating nuclear war was always shadowed by its consequences for Western Europe; and its rationality on strictly military grounds has been gradually reduced with the Soviet acquisition of medium and long-range nuclear delivery capabilities.

On the other hand, we are committed explicitly to defend the populations and territory of Western Europe, and we have similar though implicit commitments to use nuclear weapons rather than accept major defeat in Asia and the Middle East.

This situation immediately raises the question of whether, if we initiated use of nuclear weapons, a limited use of nuclear weapons with a concomitant risk of escalation of nuclear engagement by the other side would be the sensible course to follow, or whether an initial strike against Soviet strategic nuclear delivery systems would be the optimum course.

At the present time this question—involving complex problems of intelligence assessment and projection as well as evolving military technology—is subject to legitimate debate. The answer may well vary according to circumstances which cannot be foreseen in advance.

13. *Current Policy.* *In order not to foreclose this issue of optimum initial U.S. use of nuclear weapons, it is important to preserve utmost flexibility*



*in our plans and posture. Three propositions warrant special comment in this connection.*

a. *We should try to convey to the Soviets: (i) That we do not intend to mount an initial strategic strike if their forces do not transgress the frontiers of the free community; (ii) that if they do we would strike first under certain circumstances if this was necessary in order to protect our vital interests; (iii) that we are not so prone to mount an initial strategic strike in the event of grave crises or limited conflict as to maximize the incentive for the Soviets to take a pre-emptive action in these contingencies. This is, in effect, the manifold message we have conveyed with respect to West Berlin.*

b. *We must not lock ourselves into plans and assumptions regarding an initial U.S. strategic strike against Soviet nuclear delivery systems, which could play somewhat the same role in a major international crisis that the great powers' mobilization and war plans played in 1914, e.g., create such pressures for early military moves, in order to destroy enemy nuclear forces, as to deny diplomacy the time it needs to resolve the crisis peacefully.*

c. *We have not and should not set an absolute requirement that our strategic forces be able substantially to destroy all Soviet nuclear delivery systems in a first strike. For one thing, such an objective does not appear practical.*

#### *E. Active and Passive Defense*

14. *Active Defense. The prime objectives of active defense systems are to improve stability by:*

- a. *helping to protect U.S. retaliatory forces;*
- b. *preventing the enemy from cheaply and easily wreaking devastation on U.S. population and industrial centers;*
- c. *accomplishing maximum attrition of the attacking force and complicating enemy planning.*

*Attainment of the second of these objectives will present increasing difficulty as the USSR develops more sophisticated weapons systems; hence, the actual level of resources to be devoted to this mission should be reconsidered frequently and thoroughly.*

15. *Passive Defense. Passive defense measures will not preclude the USSR from inflicting heavy damage on the U.S. should it wish to do so. If it were the primary enemy purpose to overcome passive defense measures, there are numerous weapons options available to him. A more reasonable assumption, however, is that the allocation of resources to long-term and costly development of inter-continental weapons systems would not be significantly affected by U.S. measures of passive defense designed to reduce loss of life from nuclear attack. In the light of the various circumstances under which hostilities might be conducted, passive defense has three main purposes:*

a. *To prevent or limit avoidable fatalities or casualties from nuclear conflict not involving massive attack directly upon U.S. population centers. This purpose can be separated into two parts: the first, limitation of casualties and fatalities from blast, heat and other immediate effects of nuclear detonations; the second, limitation of casualties and fatalities from fallout, spreading fires and other indirect effects of nuclear detonations. The first can be accomplished only through a combination of active and passive defense measures; systems to accomplish this on a nation-wide basis are not yet sufficiently efficient to warrant their adoption. The second can be attained by a system of fallout shelters, together with local organization, planning and training to use the system.*

b. *To maintain continuity at all feasible levels of government. This will require particular attention to such tasks as establishing and promulgating lines of succession to official positions; providing for the safekeeping of essential records; establishing control centers and alternative sites for government emergency operations; and providing for the protection and maximum use of essential government personnel, resources and facilities.*

c. *To strengthen, mobilize and plan for the management of the nation's resources in the interest of current and future national security. In this connection, continuing attention must be given to planning, training, stockpiling, research and development, and other preparations necessary to: (i) the stabilization and organized direction of the civilian economy in times of national emergency; (ii) the prompt initiation of post-attack industrial rehabilitation programs necessary to national survival, rehabilitation and recovery; and (iii) the proper organization of remaining human and material resources.*

*These passive defense steps are essential, lest the U.S. socio-economic system collapse or be distorted into an unacceptable form even following an attack of limited scale not directed primarily against our civil society. Sustained effort and public education by the Federal Government will be required for their execution. Care should be taken, however, not to generate unwarranted expectations as to what such programs can accomplish, not to allow these measures to divert public attention and energies from other needed national security tasks.*

#### F. General Purpose Forces

16. *Scale and Nature.* A third major element in our effort to achieve a balanced and stable international military environment should be the maintenance of U.S. and allied general purpose forces adequate, not only to accomplish prescribed general war tasks but also, in situations less than general war, to use force within certain limits to defend allied and friendly peoples and areas without taking actions involving a high probability of nuclear war.

*In determining the scale of U.S. non-nuclear forces needed to meet this requirement, three conceivable types of Sino-Soviet ground-air non-nuclear*



*attack should be considered: (i) major assault, based on full use of forces in being which are deployed or readily deployable to the area under attack; (ii) lesser forms of aggression, at any level up to major assault; (iii) all-out assault, based on full mobilization and use of all manpower and material reserves.*

*U.S. general purposes forces should be strong enough in combination with available allied forces:*

*(i) to frustrate, without using nuclear weapons, major non-nuclear assault by Sino-Soviet forces against areas where vital U.S. interests are involved, long enough—at a minimum<sup>2</sup>—to give the Communists a full opportunity to appreciate the risks of the course on which they are embarked and then to afford diplomacy an adequate opportunity to end the conflict;*

*(ii) to frustrate in sustained combat, without using nuclear weapons and without any time limit, non-nuclear aggression at any level less than major assault by Soviet or Chinese Communist ground and air forces;*

*(iii) to contribute to general war missions in the event of all-out Sino-Soviet attack, so long as this does not significantly interfere with or detract from the general purpose forces' primary missions, which are to deter and deal with conflicts less than general war.*

*In addition, general purpose forces should be able to maintain, without using nuclear weapons, control of required sea bases and sea-areas in the face of non-nuclear naval and air attack against such sea lanes and sea areas.*

*General purpose forces should be increased in quantity and improved in quality (e.g., through modernization of material stocks) as necessary to attain the above objectives. In so doing, account should be taken of the fact that, although the reserve call-up of 1961 was under the then existing circumstances an essential military and political act, we cannot assume the threats we will face will be so infrequent, dramatic, and unambiguous as to make recurring reserve call-ups (except as indicated in paragraph 23) a politically feasible or technically desirable means of meeting the objectives outlined above.*

*U.S. general purpose forces should also be:*

*a. Sufficiently mobile so that they could respond promptly and simultaneously in needed numbers to two substantial threats in areas where such threats can reasonably be expected and where they would directly threaten vital U.S. interests—notably in Europe and Southeast Asia.*

*b. So trained, organized, and equipped as not in any way to be dependent on nuclear weapons in such sustained combat as may be necessary fully to discharge the missions prescribed under (i) and (ii), above, in regard to major Communist assault and lesser aggressions.*

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<sup>2</sup> That is, in cases where U.S. and allied strength is not sufficient—or could not be made sufficient, with a minor build-up—to permit defense against major assault without a time limit.

c. *Afforded sufficient logistic support (including advance construction and pre-stocking, where feasible, of needed facilities in or near possible overseas combat areas) to permit discharge of the missions indicated above.*

*A longer term, but clearly desirable, objective of U.S. policy would be to create U.S. general purpose forces sufficiently substantial so that they could frustrate, in conjunction with available allied forces and by non-nuclear means, major Sino-Soviet non-nuclear assault against a maximum number of those areas involving vital U.S. interests, without any time limit. Prompt consideration should be given to the question of whether steps additional to those called for in the preceding paragraphs should eventually be taken to achieve this objective, in respect of both U.S. and allied forces. The resources available to the U.S. and its allies in manpower, financial and production terms place this objective within our capabilities. Action to achieve the objective, however, would require difficult political decisions for the people of both the U.S. and its allies. New approaches to this problem should be studied intensively.*

The possibility should be examined that, even with an increase in free world non-nuclear strength within likely limits, U.S. and allied forces might not be able to frustrate major non-nuclear assault in some regions without (or, in the event the opponent were to respond in kind, even with) local use of nuclear weapons, so that the threat of U.S. initial use of strategic nuclear weapons would remain essential to deterring attack on these areas. *The political and military implications of any such conclusion should be the subject of urgent study.*

17. *Contingency Planning. Within the limits of capabilities which exist or are to be firmly planned in accordance with the policy set forth in paragraph 16, contingency plans should exist for a non-nuclear response by general purpose forces to each likely form of Communist non-nuclear aggression short of all-out attack. Preparations should be such as to permit immediate execution of these plans.*

18. *Conduct of Local War. In conducting local war the U.S. should:*

a. *seek to bring the war to a conclusion on terms satisfactory to the U.S., and make clear to the enemy the specific political objectives for which the U.S. is fighting where this will contribute to doing so;*

b. *be prepared to fight locally in direct conflict with Sino-Soviet forces;*

c. *protect the interests of the friendly people involved;*

d. *seek to control the scope and intensity of the conflict to minimize the risk of escalation to general war, recognizing that this may sometimes require controlled and deliberate intensification of the conflict;*

e. *conduct military operations so as to limit damage in the area of conflict and enhance allied solidarity and effectiveness.*

19. *Deployment and Use of Tactical Nuclear Weapons. We can no longer expect to avoid nuclear retaliation if we initiate the use of nuclear*

weapons, tactically or otherwise. Even a local nuclear exchange could have consequences, for example, for Europe that are most painful to contemplate. Such an exchange would be unlikely to give us any marked military advantage. It could rapidly lead to general nuclear war.

A very limited use of nuclear weapons, primarily for purposes of demonstrating our will and intent to use such weapons, might bring Soviet aggression to a halt without substantial retaliation, and without escalation. This is a next-to-last option we cannot dismiss. But prospects for success are not high, and there might be acutely undesirable political consequences from taking such action.

It is also conceivable that the limited tactical use of nuclear weapons on the battlefield would not broaden a conventional engagement or radically transform it. But these prospects are not rated very highly.

Highly dispersed nuclear weapons in the hands of troops would be difficult to control centrally. Accidents and unauthorized acts could well occur on both sides. Furthermore, the pressures on the Soviets to respond in kind, the great flexibility of nuclear systems, the enormous firepower contained in a single weapon, the ease and accuracy with which that firepower can be called in from unattacked and hence undamaged distant bases, the crucial importance of air superiority in nuclear operations—all these considerations suggest that local nuclear war would be a transient but highly destructive phenomenon.

Studies of the use of nuclear weapons, either for battlefield or interdiction purposes, are under way and should be urgently prosecuted. Pending the completion of these studies, tentative guidelines are:

a. *Scale and Nature: U.S. forces should have sufficient tactical nuclear capabilities (i) to deter enemy initiation of tactical nuclear warfare; (ii) to enhance (in conjunction with a manifest U.S. intent to use nuclear weapons, if necessary) the primary deterrent, which is and will continue to be, posed by U.S. non-nuclear and strategic nuclear capabilities, to major or all-out Communist non-nuclear assault; (iii) to be able to use tactical nuclear weapons selectively for military advantage, if circumstances should arise (e.g., at sea or in the air) where we would gain militarily from a local nuclear exchange and where such an exchange would be unlikely to cause escalation; (iv) to permit a very limited use against valid military targets in other circumstances, primarily in order to demonstrate our will to resist aggression.*

b. *Organization and Deployment: U.S. and allied tactical nuclear capabilities should be so deployed, and their command and control should be so organized as; (i) to preserve carefully the distinction between nuclear and non-nuclear weapons; (ii) to ensure that initial use of tactical nuclear weapons—even after non-nuclear hostilities have begun—will take place only on the President's decision; (iii) to ensure that continuing control will be exercised over use of tactical nuclear weapons, within limitations established by the*

President, at as high a level of authority as is consistent with the character of the conflict and the likely grave consequences of a nuclear mistake. In order to accomplish the purposes indicated above and ensure that nuclear weapons are as immune to accidental or deliberate unauthorized use as consistent with their operational effectiveness: (i) High priority should be given to incorporating, as a matter of urgency, all needed and operationally feasible technical safeguards in nuclear weapons specified by the President, in allied and in U.S. hands; (ii) U.S. custodians of warheads in allied hands should be given the training, equipment, and orders necessary to destroy these warheads quickly, and without the cooperation of the host country, if this should prove necessary to prevent unauthorized use; (iii) Periodic review of these arrangements and safeguards and of the state, command and control, organization, and deployment of U.S. and allied nuclear weapons and of their nuclear components should be undertaken to ensure that they are the optimum from the standpoints indicated above.

c. Use: Tactical nuclear weapons should be used in local war only when it is clear that the objectives stated in paragraph 18 would be furthered by, and could not be attained without, use of nuclear weapons. In determining whether this condition exists and, if so, how nuclear weapons should be used, account should be taken of: (i) our ability or inability to frustrate the aggression without using nuclear weapons; (ii) the likely military effects of a local two-way nuclear exchange; (iii) the political effects of such a local nuclear exchange—both locally and worldwide; (iv) the physical effects of the exchange for the country being fought over; (v) the chances of the exchange escalating into general nuclear war.

#### G. Counter-Guerrilla Forces

20. *The Task.* A fourth major element in a stable military environment must be the generation of allied and U.S. forces and policies capable of making the imposition of guerrilla war on nations of the free community unprofitable to the Communists. *Given the preponderant role of local forces in deterring guerrilla war and conducting counter-guerrilla operations it follows that:*

a. *Preventive Action:* Special steps should be taken to make vulnerable nations more aware of Communist tactics in this field and of the civil and military conditions in the free community which make such tactics feasible and attractive. Recognizing the importance of non-military factors in this connection, emphasis should be placed on devising and implementing economic and political—as well as military—programs aimed at preventing situations that could lead to guerrilla warfare. We must identify such areas of potential or current vulnerability in advance; focus the attention of foreign governments and our own instruments of policy on preventive action; and generate the local and U.S. forces, civil and military, capable of dealing with them in the most forehanded way possible.

b. *Crisis Situations: When guerrilla conflict erupts we should seek to mobilize effective local defense, supported by necessary political and economic programs, at the earliest possible stage of the conflict. Our objectives, where appropriate and feasible, should be to: (i) maintain the independence and territorial integrity of the nation attacked; (ii) minimize the scope of direct U.S. involvement, so far as consistent with this objective and our commitments; (iii) minimize the risk of escalation to local conventional or to nuclear war.*

c. *U.S. Programs: The development of hardware, techniques, and tactics appropriate to guerrilla warfare should receive high priority in U.S. training and production programs, as necessary to achieve the purposes set forth under (a) and (b) above.*

21. *The Border Problem in Guerrilla Warfare.* Although main reliance is placed on local dissidents or converts to Communism by guerrilla forces, the conduct by the Communists of guerrilla war sometimes involves the infiltration from outside of key personnel and material, as well as external inspiration and stimulation of the operation. Since it may, therefore, be difficult to conduct successful counter-guerrilla operations where an open frontier with a Communist country exists:

a. *The U.S. should heighten the free community's awareness of the element of international aggression involved in outside support for guerrilla operations, so as to deter border crossings and other forms of support, and to provide a basis for possible sanctions.*

b. *The U.S. should seek to close off open frontiers or to control the flow of supplies from outside the country—a move in which an international presence may sometimes be helpful, although experience to date is not encouraging on this point.*

c. *The U.S. should consider the application of selected, measured sanctions against the aggressor, if necessary to prevent the defeat of the free community nation under attack, in ways which would minimize—but nevertheless confront—the possibility of escalation.*

22. *The Role of Allies.* With respect to allied participation in the deterrence and conduct of guerrilla war, it is U.S. policy:

a. *To generate local forces—through formal alliance arrangements or otherwise—which will deter guerrilla warfare, if possible, and provide time for the mobilization of effective countermeasures, should deterrence fail.*

b. *To rally diplomatic, civic and military support for the nation under attack from the maximum number of nations of the free community, taking into account, with respect to civic and military contributions, the relative political acceptability, in particular regions, of the presence of various of our allies.*

#### H. *Other Missions of U.S. Forces*

23. *Subsidiary Tasks.* The subsidiary missions assigned the armed forces (see paragraph A, 3 above) impose only minor additional special-

ized military requirements, but these must be given particular attention lest they be lost to sight. The accomplishment of these missions depends on a mutual awareness among civilian and military officials of the particular contributions of armed forces can make, and a willingness to offer and to accept those contributions. *This in turn implies an even better reciprocal flow of information, closer liaison, and more cross-education than has sometimes been achieved in the past.* U.S. military forces at home and abroad, because of their size, geographical distribution, and versatile nonmilitary capabilities continue to have great impact in various countries and exert strong influence on all of our political, economic, and psychological policies. This influence should be used to our advantage.

I. *Supporting Programs.* The following programs provide support for all the types of U.S. forces and missions described in this chapter.

24. *Reserve Forces.* With due regard for political and psychological difficulties, the training, equipment, and orientation of reserve forces should be altered to fit them better for:

- a. Manning active defense systems.
- b. Augmenting active forces in contingencies which require rapid but limited mobilization.
- c. Providing reinforcements in the event of protracted local conflicts.
- d. Fulfilling a significant supporting role as a secondary mission in civil defense, when civil defense plans and concepts have developed to the point where specific useful missions can be assigned to reserve units.
- e. Providing additional forces and expanded base for large scale mobilization in major emergencies.
- f. Provision of units to augment or replenish the strategic reserve in the CONUS.

While selected high priority units should be readied to augment or replenish the strategic reserve in the continental U.S. reserve call-ups should so far as practicable be limited to organized units and individuals with the least prior service.

25. *Overseas Bases and Facilities.* Although the development of ballistic missile technology has reduced the need for strategic air and missile bases overseas, the possibility of U.S. engagement in local wars or in anti-guerrilla operations creates a new need for tactical bases, overflight rights, and contingency arrangements. Moreover, requirements for peace-time storage, communications, tracking, and intelligence facilities are increasing.

To meet vital needs the U.S. should maintain an adequate system of overseas facilities for local war, military counter-insurgency operations, gen-



*eral war, and peacetime missions, together with the arrangements necessary for their support.*

*This base structure must be clearly and fully capable of supporting U.S. and allied forces in their preparation for, and conduct of, local war, wherever such war may occur throughout the world. Where local logistic limitations exist which would not prevent optimum deployment of U.S. and allied forces to a country which we would propose to defend in local war, prompt and vigorous remedial action should be taken, e.g., building more transport and other facilities in the host country or pre-stocking existing facilities in or near that country.*

*We should seek to limit dependence on a single base, or a group of bases, and should examine with urgency, in view of the growing nationalist and neutralist pressure on existing U.S. bases, the possibilities of maintaining services essential to U.S. security by acquiring new bases, and by developing new or applying existing technologies, which would reduce our dependence on overseas bases in general. Given the increasing diplomatic and political cost of maintaining base and facility rights overseas, and the pressure that maintenance of such bases and facilities exerts on our balance of payments position, we should make every effort to dispose in whole or in part of outmoded or unnecessary facilities, to hold new requirements to a minimum and, where needed, to secure additional rights to use existing foreign military and civil facilities.*

26. *Military Aid.* This is dealt with in Chapter Two, following.

27. *Research and Development.* To maintain effective deterrence over the full spectrum of force, the free community must prosecute research and development efforts over a broad front. *The U.S. should pursue research and development to maintain a selective superiority in military technology that is increasingly responsive to our political and military objectives. New emphasis should be given to research and development in two fields which have enjoyed less attention than their importance warrants:*

a. *We should give high priority to weapons and equipment designed to improve our capabilities in sustained non-nuclear combat. We should support mutually with certain allies selected non-nuclear research and development for military application in improving such non-nuclear capabilities.*

b. *We should give new emphasis to weapons which will help less developed countries cope with guerrilla and local external threats.*

To these ends, continuing efforts should be devoted to promoting basic scientific research (both within the military and the civilian agencies of government), to uncovering and applying technological discoveries and innovations, (using both governmental and private research and development facilities), and to expediting their translation into military equipment. However, the wide range of possible improvements, the cost of changing models and making adaptations, and the

nation's over-all requirement for scarce research and development resources, indicate a need for focussing more sharply on developments of significant import and for eschewing marginal improvements or those which do not remedy basic defects of existing weapons systems.

*We should also seek, through research and development, to devise new capabilities for limited countermeasures against Communist pressures short of the overt use of substantial force.*

*28. Chemical and Biological Warfare. United States military forces should have a capability to use and defend against chemical and biological weapons. Chemical and biological weapons should only be used in case of direct decision by the President that such use is warranted by the political military situation, except for the use of: (1) existing smoke, incendiary, and riot control agents in appropriate military operations, and (2) riot control agents in suppressing civil disturbances.*

#### *J. Arms Control and Disarmament*

*29. The U.S. Interest in Arms Control and Disarmament.* The fifth and final element in the effort to maintain a stable military environment is our policy toward arms control and disarmament. The U.S. security interest in arms control and disarmament derives directly from the following characteristics of U.S. military policy and of the present and foreseeable military environment:

a. Continuation of existing trends is likely to yield an increasing number of powers which command nuclear capabilities and means of delivery—on the whole a destabilizing factor, contrary to the U.S. interest.

b. The possibility that a nuclear war might result from accident or—more likely—from miscalculation, misinterpretation of incidents, false alarms or unauthorized actions, or failure of communication is large enough to be an important reason for seeking remedial measures.

c. The prospect over the coming years, in the absence of arms limitation, is for (i) continuing U.S. ability to inflict a high level of damage on the USSR; (ii) substantial increase in the Soviet capacity to inflict civil damage on the U.S. in all-out nuclear exchange; (iii) continuing substantial expenditures of resources and scarce talent in efforts to maintain a stable military environment.

d. Since the U.S. does not intend to initiate nuclear attack on nations ruled by Communist regimes except in riposte to prior Communist aggression, the U.S. cannot exploit the technical advantages of unprovoked, secretly planned, and surprise nuclear assault.

e. A persuasive second-strike deterrent can be maintained at lower levels of U.S. nuclear delivery capabilities than at present, without necessarily jeopardizing U.S. objectives, if we are assured that our own reductions in capabilities are matched appropriately by the USSR.



30. *Objectives of U.S. Arms Control and Disarmament Policy.* In the light of these considerations, U.S. arms control and disarmament policy should form a major element of our national policy and, as such, should seek to complement our military policy in enhancing U.S. security by promoting a stable military environment and developing the means of limiting damage should war occur. To this end the following objectives (which are not necessarily listed in order of priority) should be sought:

a. The U.S. should seek to prevent the proliferation of nuclear weapons capabilities to nations not now controlling such capabilities.

b. It should seek to reduce the likelihood of hostilities occurring through accident, miscalculation or failure of communication.

c. It should seek to limit the capabilities of enemy states to undertake aggression against the U.S. and its allies, to reduce the risk of war, and to decrease the destructiveness of war should it occur, through substantial safeguarded reductions in armaments and other measures by the major powers, short of general and complete disarmament.

d. It should, as a long-term goal, seek to promote the political and military conditions under which the use or threat of force as an instrument of national policy would be reduced and finally eliminated, through an agreed total program of general and complete disarmament under effective international controls in a world effectively organized for peace.

Each of these four categories of measures is discussed below.

31. *Steps to Prevent Proliferation of Nuclear Weapons Capabilities.* In order to reduce the risk of nuclear proliferation, emphasis should be placed on seeking not only a safeguarded cessation of nuclear testing but also a safeguarded cessation of production of fissionable materials for weapons purposes and an agreement under which nuclear powers would commit themselves not to relinquish control over nuclear weapons to non-nuclear states. An agreement not to disseminate nuclear weapons should be couched in terms that would not call into question either existing NATO custodial arrangements or any contemplated allied multilateral arrangement.

32. *Initial Measures to Reduce the Likelihood of Accident, Miscalculation or Failure of Communication.* Even if the Soviets do not share the U.S. image of the future of the world in the degree necessary to negotiate major arms reductions programs, they may come to recognize the serious dangers of accident, miscalculation and failure of communication and thus be willing to join the U.S. in limited measures to reduce those dangers. Such measures might include advance notification of military movements, creation of some facility for direct, secure, and instantaneous communication between national military command centers of the two sides, establishment of observation posts and arrangements to reduce the risk of surprise attack, and establishment of an International Commission to Reduce the Risk of War in which the U.S. and the USSR would consider further steps

*to promote stability, reduce tensions, dampen military crises, and minimize the need for hasty military responses. The U.S. should, even before such a Commission is established, urgently seek out opportunities informally to discuss such measures with the USSR to try to alert it to the importance and nature of the problem.*

### 33. Limited Disarmament Measures.

*Limited disarmament measures, though short of general and complete disarmament, might still be substantial and comprehensive. They might include reducing and limiting strategic nuclear delivery capabilities; reducing and limiting conventional armaments and armed forces; and insuring the peaceful uses of outer space. In negotiating limited measures, the U.S. should seek to the maximum possible extent to redress the imbalance in conventional land armaments existing between NATO and the Bloc. Such measures might reduce the risk of war, limit the cost of military programs, and reduce the destructiveness of war, if it occurs.*

### 34. General and Complete Disarmament in a Peaceful World.

*The U.S. should continue to evidence its willingness to negotiate a program and a treaty for general and complete disarmament in a peaceful world.*

*Such a program would involve the reduction and eventual elimination of national military capabilities except those required for maintaining internal order and for an international peace force—to be carried out by balanced, equitable, and safeguarded steps for the concurrent regulation and reduction of both nuclear and non-nuclear armed forces and armaments where appropriate, under effective verification procedures which would be reciprocal or international and would be responsive to the required amount of security dependent on the extent and kind of retained armaments. Parallel to the curtailment of national military power, such a program would promote the growth of more effective means for keeping the peace, including: renunciation of subversion and indirect aggression as instruments of policy, development of the rule of international law, improvement of procedures for settling international disputes, and development of an international peace force capable of effectively protecting all nations against breaches of the peace.*

*Given Soviet attitudes and policies, general and complete disarmament is unlikely of attainment in the near future. The U.S. should: (a) continue to favor such a policy, while underlining candidly its radical implications for international law and effective peace-keeping machinery; and (b) at the same time seek the more limited and feasible arms control measures set forth above.*

### 35. Evaluation.

*In evaluating arms control and disarmament measures primary consideration should, of course, be given to the degree of military risk or military advantage involved. In addition, the following factors should be weighed: the dangers inherent in the continuation of uncontrolled increases in the proliferation of armaments, the possible effect of a proposed measure on the*

*ability of the U.S. to carry out its foreign policy, and its probable effect on over-all Communist policy and on the evolution of the Bloc.*

*36. Inspection and Verification.*

*Adequate verification must accompany arms control and disarmament. There should be effective verification of: (i) destruction of armaments or their conversion to peaceful uses; (ii) cessation or limitation of production, testing, or other specified activities; (iii) the fact that agreed levels of armaments and armed forces are not exceeded. A continuing attempt should be made to devise inspection techniques which would fully exploit technological progress, and the degree of inspection should be related to the technical need and the degree of risk to the national security involved. Some arms control measures conceivably may be assured without formal inspection machinery or may be subject to verification through national intelligence collection capabilities.*

*37. Arms Control and Military Planning.*

*It is essential that U.S. arms control planning and research be integrated with U.S. military planning. Both are directed toward improving U.S. military security, and they will only achieve this objective if they are carried forward in close concert. On the one hand, in proposing an arms control measure, we must take into account its effect on relative military capabilities and support of national strategy. At the same time, military contingency plans, research and development, and programming of armed forces and armaments should reflect an awareness of the extent to which they affect stability in the military environment, the evolution of weapons and doctrine, and the likelihood of unauthorized use of weapons.*

*38. Dissemination of Arms Control Knowledge.*

*The increasing U.S. knowledge and understanding of arms control matters should be disseminated not only to other Western powers but also to the neutrals and to the Soviet Bloc. Informal conferences, consultations, and meetings should be encouraged both within the West and on an East-West basis where we can be assured that U.S. participation will be competent, responsible, and responsive to the national interest.*

*39. Regional Arms Races in Newly Developing Areas.*

*The development of regional arms races for purposes of prestige or external adventures should be discouraged where possible. Any opportunity for tacit or explicit agreements to limit such competition should be fully exploited. We should constantly be alert to means for creating or embracing such opportunities.*

## *II. Policy Towards the Underdeveloped Areas*

### *A. The U.S. Interest in the Underdeveloped Areas*

*1. Direct Interests.* It follows directly from the principles and purposes outlined in Part One that the U.S. has three basic interests in the

underdeveloped areas of Asia, the Middle East, Africa, and Latin America:

—A military interest: that they not fall under Communist control and that we maintain within them the minimum essential military arrangements required for our own security and that of the free community as a whole.

—A political interest: that they evolve in directions which will afford a congenial world environment for our own society.

—An economic interest: that the resources and the markets of these areas are available to us and to the other industrialized nations of the free world, on a basis of mutually rewarding and self-respecting trade.

2. *The Problems of Change*. In addition we have a direct interest that the inevitable processes of change within these regions of the free community take place in as peaceful a manner as possible.

Over the past decade the turbulent forces at work in the underdeveloped areas have been—with the exception of Berlin and the offshore islands—the primary setting for international crisis: Indo-China, Suez, Iraq, Cuba, Algeria, the Congo, Bizerte, Goa, West New Guinea, etc. These crises have been of three kinds, usually in some sort of combination: international crises arising from internal power struggle, reflecting the inevitable domestic political and social strains of modernization; colonial or quasi-colonial conflicts; and Communist efforts to exploit the opportunities offered by these two inherent types of trouble. These crises have distorted relations with our major allies; diverted the free community's attention and resources from major constructive tasks; created dangerous tensions with the Communist Bloc; and obtruded on the effort to build harmonious relations with the underdeveloped areas themselves.

There is every reason to believe that for the next decade—and probably for the next generation and beyond—the management of the Free World's affairs with respect to the underdeveloped areas to the South will remain a critical element in national policy, with fundamental consequences for our relations with Europe and Japan, for the conflict with the Communist Bloc, and for the military and political environment of our own society. A high premium attaches to anticipating such crises and dealing with them in ways which minimize the possibility that they yield results contrary to the national interest.

#### B. *The Setting*

3. *Pressures for Modernization*. What is happening in these areas is familiar enough. They are driven forward by powerful impulses both to modernize their way of life—so as to exploit the potentialities of modern technology—and to assume a role of dignity and authority on the world scene. Politically active and literate groups in many countries

have awakened to the fact that their lot can be bettered by human effort; and they demand that their nations achieve the status, material base, and human well-being they associate with a modern state.

4. *Obstacles.* In responding to these impulses they have been obligated to struggle against the habits, institutions, and structures of power inherited from the past; against the breakdown of traditional societies and deep divisions in the new ones; against serious inadequacies in trained administrative and technical personnel; against rapid rates of population increase that threaten to overwhelm such material progress as they can generate; and against economic dependence on the uncertain prosperity of a single export crop.

5. *Nationalism.* Emerging as many of these nations have from colonial or quasi-colonial status, their political life is shot through with anti-Western sentiments and, often, with a profound sense of racial feeling. They wish to express the new nationalism which dominates their political life by rectifying real or imagined past humiliations and by a new assertiveness in political affairs. Some states seek national satisfaction in the form of regional expansion while others have revived old territorial disputes. Such sentiments and actions compound their problems and raise new barriers to fruitful relations with many developed countries of the West. A growing spirit of nationalism has also emerged in nations which, while independent for many years, are only now breaking up the patterns of traditional social and political power and demanding recognition as modern, independent states.

6. *Communist Appeal.* Confronted with urgent domestic and external ambitions on the one hand, and intractable domestic problems and external restraints on the other, the literate elites are tempted by the possibility that Communist methods of organization may represent a short cut to economic growth, to personal power, and to enhance national status, as well as by the possibility of using Soviet and Chinese Communist support to hasten the satisfaction of national aspirations abroad. Communism thus presents a pragmatic appeal which reinforces its ideological attractions and makes easier the extension of Bloc influence.

### *C. The Objective and Assets of U.S. Policy*

7. *Working Goals.* It is in this setting that American policy, directed to the interests set out in Para. A.1, above, must operate. *U.S. policy must seek both to encourage a concentration of these countries' limited political and administrative energies on the constructive tasks of development, and to encourage and constrain them to seek methods of peaceful change in their domestic affairs and international relations.* If these goals can be fulfilled, the less developed countries should be increasingly able to maintain their independence in the face of subversion and indirect aggression, and to assume a responsible role as members of the free community.

8. *U.S. Assets.* In pursuing these objectives against inherent obstacles and Communist appeals and methods, U.S. policy—while necessarily limited in its impact on the evolution of other societies—has three fundamental assets within the fabric of most developing nations:

—By and large the most vital political elements in these nations seek national independence; the subservience that goes with Communist control is increasingly understood; and the authenticity of U.S. support for national independence is emerging with increased clarity.

—Although in many cases there is disillusionment with the possibility of using Western democratic political methods effectively in the short run, there is a widespread commitment to Western norms of political democracy as a long-run goal, and considerable resistance to a definitive acceptance of totalitarianism—a resistance rooted in national cultures, not merely acquired Western political values;

—There is among important and enlarging groups an authentic desire to get on with the tasks of economic and social development, both for their own sake and as an essential basis for national independence.

9. *Implications for U.S. Policy.* If these assets are to control the pattern of development of the underdeveloped areas, there must be an effective demonstration that the goals of national independence and sustained development are compatible with governments increasingly based on consent and associated in their international relations with the U.S. and the West. *This condition, in turn, requires that the U.S. support and align itself systematically with those groups inside the developing nations which are, in fact, prepared to carry forward the acts of self-help and reform on which the process of modernization depends.* In a number of areas our short and long-run interests have been in conflict, in that groups which promise to maintain independence against the Communist thrust are committed by their vested interests to oppose measures essential for rapid economic growth and political and social modernization. *The resolution of this dilemma (which is a fundamental task of U.S. policy in many parts of the underdeveloped areas) requires that we identify, support, and, if possible, help to unite those elements in the political and administrative structure; in the military; in the commercial, industrial, and professional community; and among the intellectuals, students, and trade unions which are committed to national independence, to economic and social progress, and, within the capacity of each society, to the progressive extension of democratic political practice.*

10. *The Prospect.* The crosscurrents at work within these countries and their inherent instability require that we be prepared to work towards our objectives over very considerable periods of time without achieving cleancut and definitive results. On the other hand, the unformed character of these societies, their turbulence, and their ambitions mean also that it can be difficult for the Communists to effect a



definitive takeover. Despite the success of Ho Chi Minh and Castro in capturing for Communism broadly-based popular movements, analogies based on their techniques or on Communist takeovers in Soviet-occupied Eastern Europe after 1945 may not prove generally relevant—particularly if we are alert to the danger. *Areas which may appear most unpromising to us in the short-run—and which appear to be dangerously impregnated with Communist and other anti-American influence from without and from within—should not be prematurely written off. An underdeveloped society can wallow in a sea of trouble for longer than we might think without coming effectively under Communist control and discipline. We must be prepared to continue to work towards our objectives with poise and confidence, even under quite unpromising circumstances.*

#### D. The Instruments of United States Policy

11. *Available Instruments.* To assist constructive modernization, we should vigorously use the array of instruments available to us—including diplomacy, military force, military aid, information activities, exchange programs of all kinds, help in educational and cultural advancement, people-to-people activities, assistance in economic programming, technical assistance, the provision of capital, the use of surpluses, policy towards trade and commodity price stabilization, and a variety of other actions capable of affecting the orientation of men and institutions within these societies towards their problems. Some of these instruments are wholly at the disposal of the U.S. Government, while others can be utilized fully only with the cooperation of private institutions (such as business enterprises, trade unions, universities, etc.) or through influencing and working with international organizations. Each has its own advantages, drawbacks, and side-effects, which may be as significant as their direct impact. Under these circumstances, it is impossible in this paper to do more than set down broad guidelines for their use.

12. *Orchestration of Instruments.* In view of the variety and complexity of these instruments, it is of crucial importance that they should be closely concerted and coordinated to common ends. A conscious and determined effort should be made to develop and implement for each less developed country, a country plan or system of priorities for the use of these instruments based on:

—A unified and realistic concept of the forces at work within that country and the ways in which these forces can be influenced or motivated, over any period of time.

—A clear understanding of the desired pace and direction of modernization, based on our objectives and on the limits and possibilities set by the particular country's stage of political, social and economic development.

—A realistic understanding of the possible effect of the various instruments of action available to us in promoting our objectives.

—A system for focusing and orchestrating these instruments so that our limited influence is maximized.

*In preparing these programs, the development of the knowledge and the management tools required for this purpose should be a prime charge upon U.S. resources, and needed research should be systematically undertaken to this end.*

#### E. Social and Political Change

13. *Social Change.* In the process of modernization economic, social, and political changes are interlocked in complex ways which U.S. policy must seek increasingly to understand and to take into account. *Although economic change and economic incentives are powerful forces in the total process of modernization, U.S. policy should recognize that success depends decisively on the emergence of politicians, bureaucrats, military leaders, businessmen, trade union officials, and others determined to achieve progress—with all this involves in the way of effort, risk, and innovation—and who are at the same time able to operate effectively within a political system based upon an increasing measure of consent. It should be a prime purpose of U.S. policy to promote that emergence; our economic, cultural, and political programs vis-à-vis less developed countries should be systematically geared to this end. Programs for the exchange of persons and information, on both a bilateral and multilateral basis, should be directed to this goal. Projects and programs to encourage local and foreign private enterprise, properly related to the life and objectives of the host country, should also receive high priority, as a means of serving this purpose. The kinds of assistance in education which are likely to promote the emergence of innovation-minded groups should be pressed. Given the inappropriate character of the educational institutions and values initially built into many underdeveloped nations out of their colonial or traditional past, U.S. educational policy should seek to guide them towards more pragmatic and vocational educational programs and systems, in the spirit of the Morrill Act, which played so important a role in our development at an equivalent stage of our evolution. Measures should be devised which would ensure exposure to appropriate external influence of groups which play a key role in modernization, including the military. These measures might take a variety of forms, ranging from transport to afford tradition-bound rural areas wider contacts with the outside world to programs for making available to businessmen and bureaucrats in the less-developed countries—through travel, reading, and education—some of the skills and the attitudes that will contribute to progress. In all these ways we should seek to promote and enhance the entrepreneurial spirit which is an indispensable component of modernization. It is a practical lesson of our postwar experience that a consensus between ourselves and those who take a serious view of the modernization process within their nations is one of the strongest bases for common action and common perspective on even larger issues, and one of the most important strands on which the community of free nations can be built. The Marshall Plan was carried through by this kind of alliance between Americans and the often small groups of*



men determined to revive their national economies; e.g., the Monnet group in France. *A major immediate objective of our policy towards the underdeveloped areas must, therefore, be to help to identify these men and to support them.*

14. *Political Change.* The fundamental U.S. objective in the underdeveloped areas is, of course, not economic development for its own sake but the maintenance of the independence of these nations and the gradual emergence of reasonably effective and increasingly democratic political systems within them. Economic development is, nevertheless, a crucial component of our policy because these political objectives are unlikely to be attained in the contemporary world without provision to the people of an environment of reasonably steady material progress.

On the other hand, the political dimension of modernization is also critically important to economic development. The central role of economic planning, education, social overhead capital, and public policy towards agriculture, foreign trade and taxation in the development process at its early stage makes the attitudes and capacities of governments directly relevant to economic analysis and aid policy.

The modernization process will inevitably create political tensions and crises. New modern-minded groups will expand as development moves forward. They will make insistent demands for power and influence on those more oriented to traditional ways. The latter may in turn, be increasingly reluctant to make concessions to a program of modernization which threatens their social and political prerogatives. This kind of tension—notably present in Latin America but endemic throughout the underdeveloped areas—poses for American policy extremely subtle problems of timing and emphasis in the use of our influence.

*On occasion it may be in our interest actively to encourage change—even radical change—as it would have been in Batista's Cuba. In other cases it may be to our interest to damp the pressures for change and to seek to move the modernization process forward within the framework of an evidently transient but temporarily necessary traditional or neo-traditional framework—a course which on the whole has thus far appeared wise in Iran and South Viet-Nam. In general our basic orientation must be to the modern, progressive, and popularly-based groups within the underdeveloped areas; however, we must recognize that the rise to power of such groups will be a slow and uneven process, and that we may, on occasion, have to accommodate ourselves to less desirable situations. We must be sensitive to the pace at which power and influence can be transferred to the more modern-minded groups without risking excessive disruption in the underdeveloped societies or—in some cases—Communist exploitation of their domestic tensions.*

15. *The Speed of Change.* In short, while there are suggestive patterns of experience emerging in the process of political and social modernization, there

*are no safe, fixed rules consonant with the complex of American interests except this: In most of the underdeveloped areas we must come to take change—and quite rapid change—as the norm and insure that the United States is in the process of developing rapport and understanding with emerging groups outside the government while dealing effectively with the current government. We should also be conscious of the fact that the built-in bias and habits of our government have, on the whole, tended in the past to make us too slow rather than too quick to respond to and align ourselves with the forces making for change. On balance, our interests are likely to be better served by accepting the risks of leaning forward towards more modern groups than the risks of clinging to familiar friends rooted in the past; although no general rule can govern.*

#### F. Some Broad Aid Criteria

16. *The Uses of Aid.* U.S. economic and military aid are major instruments for achieving the long-term goals discussed above.

They can also render significant short-run support to urgent requirements of national security policy of the United States. Economic and military assistance can be (and have been) used to maintain indigenous armed forces beyond the economic capacity of the country concerned. Although local forces cannot be directly equated with U.S. forces—either with respect to their capabilities or their mobility—it remains the case that without such forces equipped and trained by U.S. military assistance, larger and more expensive U.S. forces would be required to fulfill the security requirements of the free community. U.S. military aid is also used to secure base rights and facilities, to obtain a favorable political or psychological impact, to offset Communist economic penetration, etc. In many instances these considerations will—as is quite proper—influence decisions with respect to the allocation of available U.S. resources.

However, aid given for these short-term purposes may—and frequently does—have undesirable side effects which contravene the longer-term and more important goals set forth above. Recipient governments may use aid to postpone or avoid essential economic reforms, or may distribute it so as to favor influential but nonconstructive groups supporting the government. External aid is a powerful consideration in a weak government; the terms on which it can be acquired and the kinds of men who are judged likely to negotiate successfully for it profoundly affect the contours and policies of such governments. Further, some countries have vigorously resisted joint or international controls over the uses to which aid might be put, and some have threatened to turn, or have turned, to the Communist Bloc when aid was not forthcoming in the types or on the terms they desired. The problem of minimizing conflicts and, where possible, creating a conver-

gence between short-run and long-run U.S. interests in the granting of aid makes it essential that we develop clear aid criteria.

17. *The Need for Criteria.* It is essential, therefore, that we adopt broad criteria for assistance and move within the free community toward a consensus concerning these criteria—a consensus which should include not merely other donors of aid but also significant elements in the leadership of the underdeveloped areas themselves. Once adopted, the United States must hold firmly to these criteria, recognizing that diversions in one instance may quickly become precedents in another. The application of these criteria is likely to require—especially in the early stages of the new policy—a searching re-examination by aid bilateral recipients of their domestic economic policies and both persuasive exposition and firmness by U.S. representatives.

18. *Military Aid.* With respect to military aid, our policy, guided by the over-all requirements of U.S. military strategy, must take account of three factors, in addition to the military requirement of U.S. strategy in the nations or areas involved:

a. The character of the military threat these nations actually and foreseeably confront, and the degree to which their defense is, in fact, contingent on U.S. and allied forces, rather than their own. In areas (e.g., Viet-Nam) where there is a significant guerrilla warfare problem and where U.S. forces in the general area are relatively strong and able to intervene in a timely fashion, first priority in the development of indigenous forces should go to counter-insurgency tasks. Where there is an actual or incipient guerrilla warfare problem, it will not be sufficient to make counter-guerrilla policy an ancillary objective, to be pursued only insofar as it does not interfere with more conventional objectives. In countries which border the Communist Bloc, which face both external and internal local threats, and from which U.S. power is remote (e.g., Iran), conventional as well as counter-insurgency capabilities should be maintained, taking into account political, economic, and military considerations—including the remoteness or closeness to U.S. power. These conventional forces should be designed to cope with incursions, probes, and limited aggressions; to retain their combat integrity in the face of major Communist assault until U.S. and allied forces can be brought to bear; and to operate effectively in close conjunction with such U.S. forces, since their deterrent capability against substantial overt Communist aggression will hinge on an unambiguous link to U.S. military capabilities. Military aid to enhance the ability of less developed countries to undertake general war missions should, with the exception of Greece and Turkey and certain countries which have ASW missions in the Western Hemisphere, have very low priority. This very low priority should be reflected in the nature of our MAP programs. Sophisticated weapons should only be provided where the local country needs them in meeting likely local war threats and is capable of using them effectively to supplement our own plans and concepts in meeting such threats.

b. The potentiality for constructive action by military elements within these societies. Since the vast majority of our military aid goes to less developed

areas, it is essential that military aid programs and U.S. influence with the local military be geared to the maximum possible to our broad objectives relating to modernization. This is particularly true in countries where the major threat comes from within. Consistent with military requirements, emphasis should be placed on training and other programs which ensure that the military assist, rather than hinder, the process of modernization.

c. The appropriate allocation of resources (local and U.S.) as between military and civil purposes. Since there is generally competition for scarce budgetary and other resources in these countries, we should try, where we are in a position to affect decisions by the level of our military aid and the substitutes that we can offer therefor, to ensure that local military programs are not prosecuted on a scale that would threaten the success of economic development needed to ensure the independence, progress, and stability of the country.

The application of the complex criteria suggested under (a)–(c) above, must be worked out on a country-by-country basis, taking into account regional circumstances, the relevant political and psychological factors, and the area requirements of our military plans and concepts. These factors, systematically applied case by case, will in some instances bring about military aid policies more austere in quantity and more directed to civil purposes than in the past. In applying these criteria the political and psychological consequences, favorable and unfavorable, of altering the present scale and structure of local military establishments and US military assistance, should be taken into account. When a higher level of MAP than can be justified on the basis of the above criteria must be temporarily maintained, we should seek to ensure that it contributes to sound modernization.

19. Economic Aid. The appropriate general political standard with respect to aid is the extent to which, by and large, the granting of such aid will tend to encourage, over a period of time, the will of the people and the government concerned to maintain their effective independence in the face of Communist blandishments and pressures, both from without and from within. Aid should not, as a normal practice, be increased or withheld in an attempt to earn more short-term political gains, e.g., to secure “good will” or specific favors.

The appropriate general economic standard is that aid should be granted so as to encourage and reward progress toward modernization—with all that this involves in the way of economic development and social and political progress. There will be times, therefore, when U.S. interests can be more effectively promoted by denying than by providing aid. Wherever possible, an expansion in aid should be related to a demonstration of increased capacity and will to mobilize local resources and to organize effective development programs.

Nevertheless, some aid must be granted defensively: to buy time for nations to weather crises and to keep open the possibility of their development as independent nations. When aid is granted on a basis other than self-help we should seek to ensure that it contributes to longer-term U.S. objectives.

*Thus even economic assistance for political purposes can be designed to promote economic development or to bring meaningful benefits to those groups among whom the Communist appeal is greatest.*

20. *Levels of Economic Aid.* The forces at work in the underdeveloped areas making for more effective mobilization of local resources and increased attention to development problems are gathering strength; and it seems reasonable to expect that the pursuit of our basic objectives and policies in the underdeveloped areas will require rising levels of capital assistance during the 1960's. The U.S. should be prepared to join other developed countries in meeting this need for rising levels of assistance. Until we have achieved and maintained an overall equilibrium in the US balance of payments, it should do this in ways which minimize pressure on the U.S. balance of payments, e.g. by emphasizing the procurement of US goods and services in our assistance programs.

#### G. Differing Stages of Under-Development: The Relativity of Self-Help

21. *Wide Variations.* In applying the criteria outlined above it should be borne in mind that what we call underdeveloped nations range over a wide spectrum; and that the standard of self-help performance that can legitimately be expected will vary with the degree of underdevelopment, as well as with unique local factors.

22. *Broad Categories.* Broadly speaking, it is possible to array the underdeveloped nations in four categories:

a. *In nations touched by the modern world but still close to the stage of traditional society, our aid programs should generally aim, on a project basis, to help provide the basic preconditions for sustained growth: resource surveys; training and education programs; technical assistance; help in creating needed institutions; and fundamental capital in such basic fields as transport, electric power, and agriculture. Nations in this category have a peculiarly high requirement for the development of their human resources, although this requirement remains throughout all stages of underdevelopment. They also require encouragement to focus their new or heightened national ambitions on the concrete tasks of development. Where appropriate, the long term commitment features of our aid legislation should be used for this purpose. Many of the nations of Africa, Afghanistan, Yemen, Laos, Haiti, and Honduras illustrate this category.*

b. *In countries which have broken in many directions with their traditional way of life and have absorbed many of the techniques and institutional forms of modern life, but which either lack the technical capacity to mobilize effectively their assets (e.g., Bolivia), or which have not yet fully committed their political and institutional capacity to the practical tasks of modernization (e.g., Iran), our object should be to encourage—in all the ways open to us—an increased concentration of effort on the process of modernization and an enhanced ability to carry out the process. While many tools of aid policy may be relevant in*

such countries—including, notably, assistance in the design of projects, in administration and in planning itself—a special effort should be made to use U.S. political influence in all its dimensions to focus the attention of the political leadership and elite groups on the concrete business of modernization, as opposed to other objectives. In this process of persuasion, we should be prepared to put forward the possibility of substantial and sustained U.S. economic assistance geared to an effective national development program as an important incentive.

c. Third, in nations which are substantially committed to the process of modernization and prepared to mobilize systematically their assets—human, material, and institutional—to this objective, we should be prepared to organize from our own resources and those of the more advanced nations, systematic long-term assistance programs, controlled by relatively strict criteria. India, Colombia, and Nigeria fall in this small but relatively more advanced group.

d. In nations which have experienced an initial sustained surge of growth, but have developed severe problems of structural imbalance—often coming to rest upon their external payments situation, we should be prepared to provide substantial guidance and assistance in order to permit the growth process to be resumed in more stable balance, but our policy should assume that they will soon be capable of mounting serious development programs financed, over the long term, from their own resources and from external aid granted on a conventional bankable basis, and should seek to hasten this circumstance. Argentina, Venezuela, and the Philippines fall in this category.

#### H. The Residual Problem of Colonialism

23. *The Issue.* A high proportion of the crises in the underdeveloped areas has been related directly or indirectly to the ending of the colonial era. While that era is substantially closed out, this very fact is likely to heighten the pressure for the final removal of colonial enclaves and lead to extreme impatience in the underdeveloped areas where colonialism remains an important unifying issue in domestic politics. Our task is to deal with this problem in ways which will be consistent with our efforts to fashion a free community of interdependent countries, including both developed and less developed nations.

The task is complicated by the fact that we must deal with three widely-differing situations:

—Those in which the metropole is willing to grant independence and is preparing to do so, as in the case with the British in East Africa.

—Those in which the metropole is determined to preserve its colonial domain or protectorate, as are the Portuguese and the South Africans.

—Those where the colonial areas are so small or so fragmented that it is virtually impossible to foresee the development of viable



independent entities. This is the case with many small areas such as the Carolines, the Marquesas, Curacao, Gambia, Basutoland, etc.

24. *U.S. Policy. In these circumstances United States policy should provide for:*

*a. Intimate private consultation with the remaining colonial powers, designed to help them perceive that an orderly transition from the historic colonial relationship to a status acceptable to the local people involved is the only realistic course consistent with their long-run interest and the interest of the free community, combined with assurance of our assistance—and, if possible, the assistance of other allies—in engineering this transition.*

*b. Accelerated efforts, through all available means, to increase the capacity of the peoples within those colonial areas which are potentially viable to rule responsibly when independence is granted.*

*c. Attempts to devise formulae which will permit non-viable areas (including those under U.S. control or trusteeship) greater internal autonomy and a satisfactory form of association with the metropole or with neighboring countries.*

*d. Increased endeavors to use the UN as an instrument for the transfer or sharing of sovereignty and as a tutor in the process of political development.*

*e. Efforts to persuade the more moderate and responsible nations in the underdeveloped world that they should not press for premature granting of independence, but should work constructively with the international community to assure that the independence or autonomy which will inevitably come will not be disruptive of major common interests.*

25. *Taken together, these five elements constitute a policy which underlines the inevitability of the end of colonialism but combines it with patient and affirmative action designed to avoid the kind of chaos which accompanied the Belgian withdrawal from responsibility in the Congo. It requires from us a more forehanded approach with respect to our European allies, our more moderate partners among the underdeveloped nations, and within the colonial areas themselves than we have exhibited in the past. And it means that we ourselves must consider new forms of government for the areas belonging to us or under our trusteeship.*

### III. THE FRAMEWORK OF ORGANIZATION

#### A. Introduction

1. *The goal.* The vitality of the free community will rest substantially, over the foreseeable future, on the inner strength and capacity for progress of the individual nations which comprise it; and the success of our policy will continue to depend significantly on what nations do for themselves and on what we do with them on a bilateral basis. Nevertheless, for reasons set out in Part One, the forces at work on the world scene will increasingly require cooperative international

actions if the security, economic, and political requirements of the free community are to be successfully met.

Chapter II, of Part One, in outlining this concept, indicated the role within it of the several regions of the free community, including the special status in US policy of Western Europe and Latin America, as well as the priority perspective to be applied, on various issues, with respect to the more developed and less developed nations of the free community. This chapter, within those policy injunctions, addresses itself to certain key problems of organization.

The evolutionary process of organization envisaged will meet powerful and stubborn resistance in the form of national pre-occupations, regional disputes, and Communist obstruction.

Nevertheless, in moving towards the organization of a free community of nations, we are pursuing an objective which already has a high measure of *de facto* acceptance rooted in the hard facts of interdependence and are building on an extraordinary range of existing institutions. Although the problems of communal organization and institution-building are world-wide and interrelated, they will, for convenience be examined under six headings which embrace the bulk of the existing international organizations, and which also follow the main lines of the argument of this paper.

—Organizing and protecting the Northern “hard core.”

—Extra-European regional military organizations, designed to hold the balance of power outside Europe.

—North-South economic organizations.

—Indigenous regional economic organizations.

—Worldwide economic organizations.

—The United Nations.

#### B. *Organizing and Protecting the Northern “Hard Core”*

2. *The “Hard Core.”* The first and highest priority mission in creating an organizational framework for the free community is to bind the United States into effective partnership with Europe and in some degree Canada and Japan in the major tasks of defense and modernization within the community of free nations. The balance of power cannot be securely held, in either its military or ideological dimensions, unless the strength and the policies of the more advanced nations, which happen to be mostly in the Northern Hemisphere, are effectively aligned and geared to the essential common enterprises of the free community. Although bilateral negotiations and consultations remain important, this can best be done by building upon existing or developing organizations which bring these nations together.

3. *The European Community.* The United States should support the movement towards European unity for two basic reasons:



*First, as a means of ensuring Western European security in the face of Communist pressures and enticements and, thereby, holding firmly the balance of power in Western Eurasia.* A more united Europe should generate greater force to withstand Communist threats and pressures; greater confidence to withstand Communist enticements; greater progress to withstand Communist attempts at subversion and takeover; greater powers of attraction to the East; and a political and psychological framework for the firm attachment of West Germany to the West, even though a significant portion of Germany is in the hands of the Communists.

*Second, to bring an end to the internecine rivalries among European states that have so long bred weakness and conflict, and to supplant parochial nationalism by political allegiance to a strong united European commonwealth, capable of joining the United States in effectively defending and building the community of free nations.* Such a commonwealth would provide a framework within which European resources and energies might be organized in ways which would permit Europe to share the world-wide responsibilities which have fallen disproportionately on the United States since the Second World War.

4. *The Transatlantic Link.* In the face of the world environment which confronts Europe and the United States, none of these functions can be effectively performed unless Western Europe increases its degree of unity; but none of them is likely to be effectively performed unless Western Europe is also linked in increasing intimacy with the United States and, in some measure, Canada. *The guiding rule of our European policy, therefore, should be not merely to enhance the strength and cohesion of the European community but to do so within the framework of a close and vigorous Atlantic partnership. This requires an intensification of our efforts to strengthen NATO and the OECD.*

5. *Political Integration.* *We should be prepared to encourage, within this Atlantic framework, the tendency in Europe to extend its integration into political affairs. Such integration should take place through the enlarged European Community (including the UK).* The danger that a united Europe linked to the Atlantic Community will emerge as a third force deliberately prepared, for example, to play the United States and the USSR off against each other is relatively slight, so long as vital European interests are protected within the Atlantic Partnership. The essential and difficult task of the United States is to act so that the European countries will believe that their vital interests are so protected. That risk is outweighed by the advantages to us of a more united and purposeful Europe; and these advantages would be intensified if Western Europe moved toward integration politically as well as economically. Since Europe is not likely within the foreseeable future to form a single unified government, the United States must for the time concen-

trate upon promoting closer intra-European associations and fostering those European organizations which seem most likely to form the nuclei of a united Europe.

6. *The Position of the Non-NATO Countries.* A united Europe requires increasingly concerted policy in political, economic, and military affairs. Movement in this direction is complicated by the fact that several of the European states (Finland, Sweden, Ireland, Switzerland, and Austria) are not in NATO, and that Spain, with which we have important bilateral military arrangements, is, for the time being, not politically acceptable to some of our allies as a NATO member. The neutrals will resist political and economic arrangements which appear to infringe on their neutrality. On the other hand, the political life of these nations is crucially dependent on economic relations of the greatest possible freedom and intimacy with the Common Market; and the United States has a stake in the stability of their political life and their being oriented towards the Common Market. *In the short run—while the British negotiations for entry into the Common Market proceed—the dilemma posed by the position of non-NATO countries requires the intensive use of the OECD as a general instrument for economic co-ordination within the Atlantic community. The longer run problem of non-NATO countries' relations with the EEC will have to be faced in the light of the outcome of the UK-EEC negotiation and should be the subject of urgent United States planning and examination of alternatives.*

7. *The U.K. Role.* We should encourage the United Kingdom to participate fully in the movement toward European integration, both to strengthen that movement in all its dimensions and to balance the present Franco-German relationship on which the movement towards European unity has hitherto largely depended. We should encourage the British to view the development of a united Europe within an invigorated Atlantic Partnership as a framework within which the historic natural ties between the United States and Britain are most likely to be effective and constructive. We should look to a reduction in formal arrangements that embody the “special” United States bilateral relation with the United Kingdom, notably those in the field of nuclear weapons. These arrangements serve as a psychological and technical brake on Britain's full integration within the European community and diminish the sense of partnership between Continental Europe and the United States. *The change in the US-UK special political relation should be carefully developed and evolutionary, and should avoid the appearance of an abrupt turn-around. It should be balanced by bringing our relation with the entire European Community as close as possible to that which we currently enjoy with the UK. Until this occurs, some continuing intimate consultation with the UK will be useful and inevitable.*

8. *The German Role.* We should encourage German leaders and political groups to the view that it is through a deep commitment to the European

*community, with its trans-Atlantic ties, that German interests will be best satisfied and Germany will be able to assume an expanding role of responsibility and influence on the world scene. Increasing German absorption in the affairs of that community is the best safeguard against a recrudescence of exaggerated nationalism in German life and policy, and against the remote possibility that the West Germans may seek reunification through a deal with the USSR.*

*It follows, however, that Germany must be treated within the European and Atlantic communities as a full-fledged major partner; and that the West must not abandon its long-run commitment to the reunification of Germany. We should represent to German opinion that the most effective way—and perhaps the sole peaceful way—to move toward reunification lies in enhancing the strength, stability, and attractive power of the European community into which East Germany might eventually be absorbed. The credibility of this posture is dependent upon a firm defense of the freedom of West Berlin, and the maintenance of its viability as a city of international significance, since West Berlin remains a symbol of unification to German opinion.*

9. France. Our objective *vis-à-vis* France is the same as toward the UK and Germany: To encourage that nation to participate fully in the movement toward European integration and Atlantic partnership as a basis for building and defending the free community.

*This objective is most likely to be fulfilled not by direct suasion of the French Government but by the creation of circumstances which make it appear that such a course would serve France's national interest. These circumstances can best be promoted if we hold to our present policy of encouraging and assisting the forces—in France as well as other European countries—that wish to create a European Community and Atlantic partnership, in which France can play a large and leading role, and of using our influence to help deny the possibility of an alternative solution: A loose European grouping which is neither integrated nor tightly linked to the US. In particular, we must give a convincing demonstration that the US intends, in fact, to deal with France and Continental Europe on the same basis as we deal with Great Britain and to subsume the special relation to Britain in the larger transatlantic linkage. In the degree that the forces making for European integration and Atlantic partnership grow in strength, the French Government is likely—either during or after DeGaulle's term of office—to conclude that it can play a larger role in creating a strong Europe by working with than by opposing the trends which these forces have set in motion. Indeed, support for this course is plainly growing in French opinion, as reflected in the MRP resignations, the Assembly walk-out, and increasing press discussion of the advantages of some kind of multilateral nuclear enterprise.*

*It follows that it would be contra-productive to deviate from the policy outlined above, by supporting approaches to political or nuclear problems*

*which are not consistent with our basic goals of European integration and Atlantic partnership, in an attempt to elicit greater support from France. This would merely weaken and discourage the forces favoring these goals, on whose success our long-term policy depends.* The gifted statesman who now heads the French Government might be moved by the unfolding of history but he would not be swayed by concessional changes in US policy, which he would view as a sign of irresolution, any more than he would be swayed by pressures. He respects in others the quality on which he sets most store in his own policy: consistent dedication to long-term objectives and a refusal to be driven off course by the shifting winds of the moment. We will be most likely to secure and maintain his respect, and eventually gain his cooperation, by evidencing this quality in consistent pursuit of the European policy laid down above. He has shown when necessary, that he can accommodate to trends he cannot alter, once he is convinced that this is in his interest and that opportunities are open for him to do so in a way which is consistent with the dignity and prestige of the great country he leads.

*On a basis of mutual respect and within the context of our underlying policy, we should seek as good relations with the French Government as it is prepared to entertain, and we should consult and cooperate with that government as intimately as is feasible. We should make clear, by word and deed, our desire to join France in meeting outstanding problems on an agreed basis, in the framework of the European integration and Atlantic partnership which we, the other continental countries, and much of French opinion supports.* In the long run, this posture is likely to make for sounder US-French relations than one which seeks to influence de Gaulle either by publicly isolating him or by agreeing to courses of action which he and other Europeans would consider an abandonment of our stated basic goals.

10. *The Agenda of the Atlantic Community.* The persuasiveness of our European policy depends on effective movement forward on the major items which are the agenda of the Atlantic partnership—not only the defense of Europe but intensified US-European cooperation in the defense and building of the free community, with all this involves in the way of the political and military policies in non-European areas and intensive consultation in the fields of trade, balance of payments, fiscal and monetary policies, and policy towards economic assistance to the underdeveloped areas. These elements of the US-European partnership are discussed below.

11. *Military.* The countries of Europe will be more inclined to address the larger problems of the free community in major partnership with the United States if they can develop solid assurance that their homeland—which they see threatened by both preponderant Soviet ground forces and missiles—is as secure from Soviet threats and military pressures as the facts of military life now and foreseeably permit.

12. *Basic strategy.* Over a long term future characterized by increasing Soviet nuclear capabilities, this assurance and security can best be maintained by a posture which convinces the Europeans that (i) NATO can deter or deal with non-nuclear hostilities short of all-out attack without initial resort to nuclear weapons; (ii) nuclear weapons will be available to the alliance, as needed, to deter or to deal with an expansion or debilitating prolongation of these hostilities. Each of these requirements is discussed below.

13. *NATO Non-Nuclear Forces.* Despite the resources and manpower advantages NATO has over the Soviet Union and its satellites, and despite its present sizeable resources allocation to military purposes, NATO forces in Europe are, on the whole, inferior in strength to those of the Bloc.

An urgent objective of NATO policy is the strengthening of these non-nuclear forces. NATO requires such strengthened forces to deal with recurring limited crises (e.g., over Berlin) where an immediate resort to nuclear weapons would be judged neither politically nor militarily rational. If those non-nuclear capabilities are not available, the Soviets will be encouraged to a more aggressive policy and allied agreement to a firm response will prove more difficult to obtain when Communist pressures materialize.

In particular, the forces in the Central Region should be strengthened. The immediate objective should be to develop a capability to stop Soviet attack short of a major mobilization of Communist forces, rather than to defeat in non-nuclear action every conceivable element of Soviet non-nuclear strength that might come into play. The urgent goal, therefore, is to create forces in the Central Region of the order of magnitude of MC 26/4. Supporting air will be an important requirement; special attention should be devoted to ensuring that NATO aircraft are so protected, dispersed, and armed as to be ready to discharge their non-nuclear missions instantly and effectively, in the face of non-nuclear attack. It is equally urgent that allied forces be raised to high quality standards. There are many specific deficiencies of a magnitude that not only leave NATO's non-nuclear posture dangerously weak, but also reduce the effectiveness of measures currently being undertaken.

The US should be forthcoming and unremitting in setting forth the factual basis for its judgment of the need for non-nuclear force improvements suggested above. We should, accordingly, provide our NATO allies with more information on nuclear and non-nuclear forces and strategies than we have in the past; and we should do so on a continuing basis. Our presentation should emphasize in a positive manner the benefits which NATO would derive from having adequate non-nuclear strength and should show why alternative policies are less suitable. Our allies cannot be expected to behave as responsible partners unless they are treated as such, within a framework of candid discussion of NATO forces and strategy. The program of discussions should include full treatment of not only the probable effect of non-

*nuclear improvements but also (i) US strategic striking forces, stressing the great strength and operational effectiveness of these forces, and the fact that the plans for their use cover European as well as North American interests; (ii) the role and probable effect of using tactical (interdiction and battlefield) nuclear forces in Europe, conveying our present understanding of the dynamics of nuclear warfare, which suggest that a local nuclear engagement would probably do grave damage to Europe, might be militarily ineffective, and would more likely than not expand very rapidly into general nuclear war. It is essential that our allies understand the limited advantages to them of tactical nuclear warfare if they are to give needed support to the non-nuclear build-up. It is also essential that this discussion be properly balanced by a full exposition of superior US strategic nuclear strength, so that it will not cause our allies to question their security in the period before non-nuclear improvements are achieved.*

The US must evidence its dedication to non-nuclear improvements by deeds, as well as words. We should maintain substantial ground and tactical air forces in Europe. We should be prepared to provide modest military aid to the NATO non-nuclear build-up; with the exception of Portugal, Greece, and Turkey, such aid should not be provided unless it would result in increased allied efforts. We should consider contributing to a multilateral NATO stockpile of non-nuclear military equipment, providing that our allies are willing to make proportionate contributions, and if it seems that this would result in allied force increases that would not otherwise take place.

14. *NATO Nuclear Forces.* Even with a non-nuclear build-up, nuclear weapons will remain central to the security of Europe. If our allies are to feel secure, therefore, their major concerns in the nuclear field must be met in some degree. The US should seek to respond to the allied nuclear concerns set forth below in a way which (i) discourages national nuclear capabilities, since their divisive political effects work against achievement of cohesive European and Atlantic Communities; and (ii) gives maximum assurance, consistent with the foregoing of continuing US participation in the planning and control of non-US nuclear forces and centralized nuclear command in the military field:

(a) In response to allied fears that the US will “de-nuclearize” NATO Europe, by withdrawing all tactical nuclear weapons: We should be prepared to fulfill the substantial programs for development of tactical nuclear weapons in Europe to which we are already specifically committed, if our allies desire to complete these programs. These programs will largely meet present European expectations (except regarding MRBM’s, which are treated later); they will link the conventional defense of Europe to strategic nuclear forces outside the continent; they will help to deter any rational Soviet initiation of tactical nuclear warfare; and they will leave the Soviets sufficiently uncertain about our use of tactical weapons to make massive ground concentrations unattractive. We should stimulate and join periodic allied review of



*these programs to determine (i) whether they are still needed in the light of the strategy outlined above and a changing military environment; (ii) how execution of such programs can be geared to the goal of ensuring that nuclear weapons remain under firm control before and during non-nuclear and nuclear hostilities. We should not assume the costs and risks of expanding these programs in the absence of new and compelling considerations—notably clear evidence that such an expansion is needed to fulfill the above purposes. We should be sensitive to the political implications of discrimination between US and allied forces in the possession of battlefield tactical nuclear weapons and we should make clear that there will be no major withdrawal of such weapons from Europe without full allied consultation.*

(b) In response to allied desires for more information about US strategic nuclear forces and for more participation in the planning and political control of these forces: *We should share information about the nature and intended use of US strategic forces to the maximum extent consistent with US security requirements. We should join in establishing procedures which would afford our allies an opportunity to provide the President with informed political advice concerning the application of agreed guidelines to specific cases and to participate in planning regarding these forces to the extent feasible and consistent with US security.*

(c) In response to allied desires that specific US external forces be available to NATO in wartime, and that targets of direct interest to Europe be adequately covered: *We should maintain the commitment of Polaris submarines to NATO, announced at Athens. The possible commitment to NATO of additional US external strategic forces, including forces earmarked for use against targets which directly threaten Europe, should be the subject of continuing study.*

(d) In response to rising desires for a larger European role in the ownership, control, and manning of major nuclear forces and for greater independence in nuclear matters: *The US should be prepared, if its allies desire to add MRBM's to alliance forces and to participate in their deployment, to assist in creating a multilaterally owned, controlled, and manned sea-borne MRBM force, although it should make clear that it does not believe that an urgent military need for MRBM's exists. The use of such a force would be determined on the basis of guidelines and procedures agreed between ourselves and our allies. Planning for the use of such a multilateral MRBM Force should assume that it would be employed within the NATO framework, in integral association with other alliance nuclear forces. Construction of a force along these lines should not imply, therefore, that the separate defense of Europe was its military purpose or likely effect from a military standpoint.*

*This course may, if our allies believe that control over the multilateral force can be settled in a way which meets their concerns, contribute incentives which would help to postpone or avert the creation of further national nuclear capabilities, notably in Germany, and it might establish a precedent which*

would increase the likelihood of the present UK and French national programs eventually being merged into some kind of multi-national program. This is the more likely to come about if our posture, in the meantime, makes clear that the US is not prepared to assist national nuclear programs, as an alternative means of satisfying allied desires for a greater nuclear role. While responding to allied desires for a multilateral controlled force, therefore, we should continue to oppose and discourage any movement toward a strengthening of national nuclear capabilities in Europe:

- a. By opposing the initiation of additional national programs.
- b. By refusing assistance for the French national nuclear program.
- c. By encouraging the United Kingdom to phase out its independent strategic program in favor of participation in the multilateral program referred to above, and refusing any new commitments for aid to the United Kingdom in maintaining national nuclear and nuclear delivery capabilities.
- d. By refusing to deploy additional MRBM's to the forces of individual European countries, since the deployment would be politically divisive and could tend to evolve into de facto national nuclear capabilities, whether or not the resulting forces were committed to SACEUR.

The creation of a multilateral force may stem pressures for national forces for a time, but the long-term future is more difficult to predict as between (1) the proliferation of national nuclear capabilities including the possibility of Franco-German collaboration; (2) the creation of a European Community nuclear force of modest size; (3) the posture outlined above, with possibly a NATO multilateral force helping to deflect pressures away from both national nuclear forces and a solely European nuclear force. Our objectives, if a choice between these three alternatives emerges, should be governed by the broad policy objectives laid down in the third sentence of paragraph 14.

15. *Partnership in the Free Community.* With a greater sense of confidence in its military security—and of participation in its own defense—Europe should be prepared to enter systematically into an expanded partnership with the US and Canada in meeting the problems of the rest of the free community. To this end, the consultative processes and machinery of the OECD—and, more specifically, NATO which has lagged behind the OECD in this respect—should be strengthened so that the Atlantic nations may come increasingly to have a sense of participation in the making of policy in political, economic, and defense matters, and so that there may emerge the outlines of a broad common policy. The difficulties of identifying and agreeing upon the common interests underlying such a policy will be very great, and should not be under-estimated. Ad hoc meetings among responsible policy-making officials at the ministerial or sub-ministerial level should be encouraged, to permit small groups informally to discuss well-prepared subjects which are really relevant to the problems they are coping with in their capitals. The US should be prepared, in this connection, to consult early and



*in depth with its major NATO partners on major foreign policy matters which we see arising in the immediate future; and we should make our senior officials available for NATO, no less than OECD committees. The US should also study the possibility of changes in the existing NATO international structure, in order to create a mechanism for expressing the common interests of the Atlantic Alliance as a whole. The existing NATO planning group (APAG) can make a major contribution to this end, and the US should work actively to strengthen it.*

16. *Policy Toward Third Areas.* This process of consultation should aim, in particular, at the gradual development of a common perspective on the problems of the free world community in extra-European regions. The European nations tend still to look at Asia, Africa, and the Middle East in the light of certain historic national interests and commitments just as the US, for historic reasons, looks on Latin America and the Western Pacific in special perspectives.

At the present time there are wide and dangerous discrepancies of view among the major Western allies with respect to Southeast Asia. These could split the alliance if in that area we faced an acute showdown with Communist China. Similarly there are awkward cross purposes in alliance policy toward the Middle East, Africa, and Latin America which reduce the over-all effectiveness of the free community's policy in those regions and open up unnecessary opportunities for Communist exploitation.

*A concerted effort must, therefore, be made to align somewhat more closely the perspective of the Atlantic Community on Asia, the Middle East, Africa, and Latin America, if common strategic, political and economic policies are to be executed.*

17. *The Goal.* We should aim to create, out of a protracted effort at consultation and consensus-building, a relationship between the Atlantic Community and the less developed areas of the world which will transcend and encompass the ties between the former metropolises and their erstwhile colonies or areas of special interest. On the basis of that relationship—which would still permit areas of special national interest and involvement—an authentic partnership between the more developed and less developed portions of the free community might gradually emerge.

18. *Economic Relationships.* Joint action in the economic field is needed both to accelerate growth in the Atlantic countries and to achieve a new relationship between the industrialized and the less-developed countries of the free community. The OECD provides a framework for consultation and joint action in the economic field to this end, which must be exploited if the Atlantic nations are to use their full potential in building that community. The OECD should, therefore, be used to promote economic growth, financial stability, and external payments equilibrium and to encourage greater freedom of movement

*of people, goods, services, and means of payment. The net result will be more effective allocation of effort and higher rates of growth, which are needed to fulfill the defensive and constructive tasks outlined in Chapters I and II. To these ends the OECD should be used:*

*a. To expand trade, in concert with GATT, on a multilateral non-discriminatory basis by drastic across-the-board reductions in tariffs and by the elimination of non-tariff obstacles to trade, and to concert on steps regarding production, trade and pricing of surplus agricultural commodities. Progress along these lines will create an atmosphere in which it will be easier to agree on reductions in restrictions on imports from less developed areas. In addition, as has been suggested, the strengthening of economic policy coordination in the OECD, with special regard to trade, will help to convince non-EEC countries that the OECD provides an acceptable alternative to EEC association, at least in the short-term.*

*b. To increase efforts to reduce restrictions on the movement of capital.*

*c. To coordinate monetary and fiscal policies, so that countries can pursue expansionist domestic economic progress without undue fear of generating imbalances in international payments, and to help correct inequities in the burdens borne in common enterprises of the free community as they come to rest on the balance of payments position of particular nations.*

*d. To increase the magnitude and improve the quality of aid to the less-developed countries, to concert on criteria for aid and on the allocation of that aid as between major needs, and to agree on an equitable sharing of the burdens by a variety of means—including the formation of coordinating groups for receiving aid requests of specific countries or regions.*

*e. A particular effort should be made in the fields of (i) exchange of persons; (ii) two-way contacts between civic, business, labor, and professional groups in the Atlantic and less-developed nations; (iii) educational activities of assistance to less-developed countries; (iv) programming assistance to these countries; (v) research on key problems which are important to the development process; and (vi) technical assistance. The projected OECD Development Center should be made a vigorous center for this sort of multilateral work.*

*Action to these ends in the OECD should be accompanied by effective steps toward the same objectives in such other forums as the IBRD, IMF, the GATT, and the UN. A useful division of labor between the OECD and these four wider forums is emerging and this should be encouraged.*

19. *Japan.* The role of Japan in Asia is in many ways similar to the critical role of West Germany in Europe. Although Japan lacks the domestic political base for contributing as much to the defense of the free community as can West Germany, and the trend of voting has been steadily shifting to the left, its denial to the Communist Bloc and its association with the West is a critically important element in US policy. Our concern with Japan is, however, based only in part on our

desire to preserve within the free community a country critical to the maintenance of the balance of power in Asia and on the importance of US bases in Japan and Okinawa. It is also necessary to engage Japanese energies and resources on a systematic basis so that this powerful nation, moving forward at an extraordinary rate, might contribute substantially to the constructive enterprises of the free community—and thus find a role of dignified world responsibility.

*The process of engaging Japan effectively within the free community should advance on several fronts simultaneously:*

- in Asia itself, where we should seek to involve Japan constructively in the development problems of the whole area from Karachi to Seoul;*
- in intimate bilateral relations with the US; and,*
- as rapidly as European resistance can be overcome, in the common enterprises of the north which fall within the work of the OECD, beginning with the coordination of monetary and fiscal policies related to the international balance of payments.*

*Although Japan should develop a special role with respect to aid for the underdeveloped areas of Asia, its participation in assistance to the development process in the Middle East, Africa, and Latin America should also be encouraged.*

#### C. Extra-European Regional Military and Security Organizations and Relationships

20. OAS. In Latin America the OAS provides us with an important regional instrument, with security as well as political and economic functions. Its development should be given a priority which accords with the special importance of Latin America outlined in Part I, Para. 7. *Within the OAS framework we should aim to strengthen a sense of common mission both to accelerate economic and social progress in the Hemisphere and to defend this region from Communist intrusion. The former task requires increased consultation with our Latin American neighbors, greater use of the OAS as a forum to determine policies, and closer attention to its potentialities as an instrument of economic and social development, along the lines already established by the formation of the Committee of Nine. The latter task involves not merely the isolation of Castro but also the development of a pervasive understanding of Communist techniques of infiltration, subversion, and guerilla warfare and the mounting of national, bilateral, and collective techniques to deal with them at an early stage of their germination, a process requiring a more intimate cooperation among the civil and military arms of US policy, on a country basis, than we normally achieve. After a long period of complacency and neglect, the building of the OAS in terms of these constructive and security missions must enjoy a very high and sustained priority in national policy.*

21. Other Areas. Around the whole periphery of the Communist Bloc from Iran to Korea (excepting Afghanistan, Nepal, India and Burma)

the US is now formerly committed to hold the balance of power and to defend the frontiers of freedom. These commitments are incorporated in a series of bilateral arrangements, as well as in CENTO, SEATO, and ANZUS. The problem of effectively sustaining and maintaining these commitments is a difficult one, since it is impossible for indigenous countries, even with considerable US assistance, to match the non-nuclear forces of the Communist powers or to exert any meaningful defense against the nuclear capabilities of the Soviet Union. This places upon the US prime responsibility not only for deterring major aggression but also for supporting indigenous forces against local incursions—a task which, in the case of exposed countries like Iran, places severe demands upon available US forces.

22. *CENTO, SEATO, and ANZUS.* The efforts of the United States to pool the military resources of the area and to provide a feeling of security through regional alliances have not been wholly satisfactory. The opposition of India to CENTO, the failure of the US formally to join the alliance, the defection of Iraq, and the inherent problems of Iranian defense, have left it relatively weak. SEATO has only one member on the mainland of Southeast Asia; and its Asian members regard the presence of Britain and France in the organization as a dilution rather than strengthening of their security, as well as a presence which inhibits ties with other Asian nations.

Evidently fresh attempts to work out the optimum method for defending the free community beyond the reach of NATO—and for providing a sense of security to the peoples concerned—are required not merely in the light of the unsatisfactory status of CENTO and SEATO but also in the light of the shifting nature of the Communist threat; the changing role of US forces in the defense of these areas; changing military technology; and the changing economic and political requirements of the frontier nations.

*Specifically the US should: (i) strengthen the sense of security of Thailand and Iran, on a bilateral basis with respect to overt Communist aggression; (ii) encourage the development of local capabilities in Thailand and Iran to deal with Communist subversion and insurrection; and (iii) while maintaining fully the Manila Pact as the foundation for the US commitment in Southeast Asia and our bilateral ties to Iran, encourage the members of SEATO and CENTO to engage in wider regional relationships and groupings with respect to non-defense matters.*

*With these shifts in stance, the US should continue, when necessary, to support up-dated efforts through CENTO and SEATO, and should seek other more varied and less exclusively defense-oriented channels of communication—bilateral and multilateral—which may serve to increase the concern of the peoples and leaders of this part of the world for their own safety and progress. Although ANZUS has not played an active role in recent Asian*

*crises, it should be supported as an important political-military link; and we should be prepared to respond to Australian and New Zealand initiatives to move closer to the United States in military planning, equipment of their armed forces, intelligence, etc.*

#### D. North-South Economic Relations

23. *Bilateral Ties.* The bilateral arrangements linking the more advanced to the less-developed nations of the free community are the most powerful north-south economic ties now in existence and are likely to remain so for some time. *We should make a deliberate effort when feasible, to convert these bilateral ties with a particular nation—centered on its development program—into a longer range consortium effort, a technique which may prove increasingly fruitful as a means of mobilizing needed resources and of bringing developed and less developed members of the free community into common enterprises.*

24. *Multilateral Institutions.* *In addition, we should seek to strengthen significant multilateral institutions concerned with the north-south economic relationship:*

*a. Particular attention should be paid to commodity stabilization agreements and other measures which link the industrialized and the less-developed nations in efforts to preserve fair and reasonably stable terms of trade.*

*b. A high priority effort should be made to give the Alliance for Progress the working methods and substance it needs as quickly as possible.*

*c. In the OECD Development Assistance Committee unrelenting US pressure must be exerted to expand the participation of European nations in development planning, to expand their membership in regional or international development organizations, and to bring into equitable alignment the contributions to economic development of the more advanced nations, including the smaller countries of the north, in the form of grants, long-term low interest loans, and technical and educational assistance. Its work should increasingly focus on individual country development programs and be linked to the IBRD, particularly in organizing consortium arrangements.*

*d. We should encourage the more highly developed countries of the British Commonwealth to aid those members making the transition from colonialism and to provide technical, educational and administrative assistance to the newly-independent areas.*

*e. Until alternative solid links are created, the US should back the Colombo Plan Organization, and help it develop as a more substantial instrument.*

*f. We should encourage the French to continue their role of providing resources for economic development through the French Community. However, trends in Africa are likely to open the French Community to non-French aid relationships. The sooner the French can find an alternative world role, relating themselves to the underdeveloped areas on a wider basis, the easier it will be for them to accept gracefully the progressive dilution of*

*the French Community—although it is not US policy to press for this dilution. We should also seek to persuade France that a US aid presence in countries with which they maintain preferential relations is, in fact, in their interest since it tends to counter the charges that France is seeking to perpetuate a monopoly position in those countries, a charge which is dangerous to the political future of the moderate African leadership devoted to cooperation with France. We should press the French to widen the range of their relationships with the underdeveloped areas—as they did by their participation in the Indian consortium. With respect to the special trading relations of the French Community to the Common Market, it is a major objective of US trade policy that the Common Market move toward non-discriminatory relations with the underdeveloped areas as a whole. Any alternative to present preferential arrangements should provide at least equal equivalent benefits to the African countries associated with the EEC, if a dangerous set-back to their development efforts and attendant major opportunities for the Bloc are to be avoided.*

#### E. Regional Economic Organizations

25. *The ECE.* The UN Economic Commission in Europe is a holding operation designed to maintain East-West European contacts at a time when Europe is deeply split on military and ideological lines. *The Free World countries in the ECE should intensify their efforts to expand contacts with the Eastern European countries in line with the policy of diluting satellite ties to Moscow outlined in Chapter V, below; and the US should use every opportunity to promote economic contacts and associations, which, on balance, further this purpose.*

26. *ECLA.* In Latin America the further development of ECLA should be encouraged as a counterpart to the north-south relation on which the Alliance for Progress is based. As development proceeds, an expanding range of opportunities for useful self-help functions should emerge. In any case ECLA remains an important source of indigenous stimulus to the Latin American nations in the field of economic development and development planning. Care should be taken that the Castro regime does not succeed in using its position in ECLA as a substitute means for maintaining and establishing contacts in Latin America following its exclusion from OAS activities.

27. *African Institutions.* The UN Economic Commission for Africa is one instrument for encouraging functional regional development transcending the present Balkanized political structure of that Continent, and it should be used to this end. Organizations designed for sub-regional economic cooperation, such as the Afro-Malagasy Union (and its economic subsidiary, the OAMCE), deserve our discreet support. Although progress is likely to be slow, we should encourage the Africans, through their Economic Commission and by other means, to isolate concrete economic enterprises which transcend present national boundaries. We should be prepared, in principle, to support such efforts.



28. *Asia.* In *Asia—with the revival of Japan and the increased vitality of other Asian countries—we should systematically encourage a network of increased mutual involvement and cooperation. In addition, a purposeful policy of increasing de facto bilateral cooperation with and between the countries of the region should be pursued in the whole area from India to Japan. When this movement acquires a certain momentum we may wish to look to the creation of a Pacific Community for which the US, Canada, Japan, Australia, and New Zealand could provide a nucleus of developed states and around which other states of the area could be usefully grouped for constructive purposes.* Such a grouping might, conceivably, absorb the Colombo Plan organization at some future date. ECAFE, in which India holds a strong position, and which exhibits increasing cohesion and practical possibilities, also deserves our support.

29. *The Middle East.* In the Middle East no UN regional organization now exists, principally because of the Israeli problem, on the one hand, and the deep schisms in the Arab states, on the other. *The chronic Iraqi pressure on Kuwait underlines the urgency of trying to move the Arab states toward some form of collective enterprise in the field of economic development, which might permit a portion of the oil revenues of the area to be used for the development of states which lack oil resources. The US should push this and other regional arrangements which promise a constructive solution to some of the economic and political problems of the Middle East.*

#### F. Worldwide Economic Organizations

30. A wide range of economic organizations exist embracing, in principle, virtually the whole of the world; although, in fact, Communist participation is limited in many of them. Four are of major importance to American purposes: the IBRD, IMF, GATT and the UN. In the context of the problems of the 1960's they are likely to take on an increased rather than a diminished importance.

31. *IBRD.* US policy should seek to expand the special role which the IBRD, supplemented by IDA, has to play in the development of north-south relations within the free community. The IBRD's high standards of technical competence and integrity should be used to exert a degree of pressure for effective measures of self-help in the underdeveloped areas, which it is often difficult for the US to exert bilaterally. Moreover, as the IBRD has moved from a project to a country basis in its view of economic development, it should be used increasingly as a major ally of American policy in the mobilization of additional funds for purposes of long-term aid, through multilateral consortia and through IDA. We should encourage the expansion of IDA, partly as a major instrument for increasing the contribution of the relatively smaller nations of the north to development. American policy toward the IBRD should aim at having that organization assume an expanded role of active leadership in mobilizing resources for national development programs over the coming

*decade. To this end we should encourage close cooperation between the IBRD and DAC.*

32. *IMF.* The IMF has acquired an enhanced importance as the expansion of trade within the free community has exerted pressure to economize and to use more rationally the monetary reserves available. Moreover, since our balance of payments has come under chronic pressure, the IMF has become an institution of the most direct interest to the US. *The creation of the IMF special standby resources of \$6 billion and the undertaking that the decisions on the use of the resources will be taken within the framework of the OECD necessitate the maintenance of close working relations between the IMF and the OECD.* Finally, the IMF is likely to play a critical role in guiding the underdeveloped areas in their monetary and balance of payments problems. In the process of economic development these nations are virtually certain to confront, from time to time, periods of structural imbalance which will be reflected in their domestic and international monetary accounts; and the dispassionate guidance of the IMF, in combination with its powers to lend on short term, is an essential instrument of the free community.

In some instances the activities and recommendations of the IMF in the underdeveloped areas have not been related systematically to those of the IBRD and other agencies for development. Recommendations for monetary and balance of payments reform—without closely related measures to increase the momentum of the economy—may produce political crises, the consequences of which fall back not on the IMF, but upon the US and the free community as a whole. *Accordingly, the US should use its position in, and its influence with, the IMF and the IBRD to encourage those organizations to work more closely together and with the underdeveloped areas in meeting monetary crises in ways which minimize decelerating effects on economic growth.* The exercise of such US influence requires a clarification of doctrine and policy within the government on the relation between monetary stabilization and economic growth.

33. *GATT.* The General Agreement on Tariffs and Trade (GATT) is the principal international instrument which the US and other major trading nations use to negotiate reciprocal reductions of tariffs, to minimize other barriers to trade, and to further the conduct of trade on a multilateral, non-discriminatory basis. The number of countries which have become contracting parties to the resulting international trade agreement has grown from 23 to 40, and includes virtually all the major trading nations of the world. *In continuing toward the US goal of expanding international trade through the GATT, the US should engage in negotiations for broad scale tariff reductions on the basis of such authority as the President may secure in the Trade Expansion Act.*

34. *Other Agencies.* With respect to the various United Nations economic and specialized agencies—mainly devoted to forms of technical assistance and



*pre-investment activity—American policy should be pragmatic, supporting an expansion of activities where competence and need have been demonstrated and effecting a concentration of effort on major enterprises, such as the UN Special Fund. The UN Decade of Development provides a context in which these efforts can be accelerated and organized more effectively. The US now contributes about \$220 million annually to the specialized agencies of the UN. AID policy, both in Washington and in the field, should take more systematically into account the manner in which these agencies might contribute more effectively to US objectives as incorporated in our country programs.*

#### G. United Nations

35. *Introduction.* The United Nations is a complex of instruments through which the United States can channel a significant part of its efforts to build a free community. This fact, and the further consideration that the United Nations Assembly and its related activities have evidently moved into a new phase with the sharp expansion in the number of its African members, justifies a fundamental review to determine how we can continue to exercise leadership in the UN in the interests of US foreign policy. In undertaking this review we should bear in mind that:

a. The UN is a point of double confrontation. Here the northern more advanced nations of the free community confront, at once, the southern nations and the Communist Bloc.

b. The range of issues on which the UN has some impact through its debates and decisions is broad. For many of these, the UN can provide not only a place of discussion but also a useful instrument for prosecuting more concretely the policies outlined in this paper—playing in some cases a central, in others an ancillary, role.

c. Most issues brought before the UN are relatively intractable or already require emergency security action, since bilateral or other multilateral peaceful solutions have often been tried and proved unavailing before the issue is brought to the UN.

d. United Nations debates and decisions have an impact in varying ways and differing degrees on major issues of security, colonialism, and economic development; the tone of its deliberations and resolutions is a political fact on the world scene of some weight.

e. The temper of these discussions is determined mainly by actions which take place outside the United Nations itself; they reflect the total relative effectiveness of the free community's policy in both its north-south and east-west dimensions. At the same time, United Nations discussions and decisions, because they have an impact on the problems we face, are one of the factors determining the total effectiveness of the free community's policy. The American ability to continue to lead the United Nations—and to bring it to bear on occasions when it is in

our interest to do so—is thus a function of our total national security policy rather than of United Nations policy narrowly defined; at the same time the existence of the United Nations, the uses to which it can be put by us (and others), and especially our ability to obtain United Nations decisions in our national interest are factors which must be considered in establishing that total policy.

36. *Policy.* In the light of these general considerations, the following appear to be the main implications for United States policy towards the United Nations of the broad strategy proposed in this paper:

a. *Political Stance:* We should attempt to dramatize systematically the three elements in our national policy which tend to bind us to the southern half of the free community: our authentic support for national independence; our willingness to assist serious efforts at economic and social development; our eagerness to press forward with serious efforts at the control of disarmament and other pacific enterprises of substance.

b. *UN Effectiveness.* In keeping with goals (e) and (f), below, we should seek to develop the effectiveness of the United Nations as an institution and thus increase international reliance on multilateral institutions as an alternative to the use of force. To this end, we should continue our efforts to maintain the Office of the Secretary General and the independence of the Secretariat, so that United Nations activities can be competently discharged.

c. *Modernization.* In the context of the Decade of Development we should use the United Nations, where feasible, to promote development objectives in less developed areas, e.g., through United Nations aid to African education, United Nations food surplus disposal, the Special Fund, etc. Such initiative will give a measure of United Nations context to our total efforts to assist the modernization process.

d. *Decolonization:* The United Nations has a varying but significant role to play in each of the three dimensions of the decolonization process detailed in Chapter II. The countries more recently emerged from colonial status, almost without exception, consider the United Nations to be a principal arena in which to speed up the process of decolonization, and to assist new countries in their early stages of independence, and they use it as such. *To moderate the process of decolonization we must act effectively in the United Nations both in terms of policy and in employing United Nations machinery to help preempt the filling of any vacuum which decolonization may leave and which the USSR might otherwise seek to exploit. Because of the impact of decolonization on our basic national interests, we should also encourage our allies from the Atlantic Community to participate in UN activities affecting decolonization and, where necessary, to abandon outdated policies.*

e. *The Dampening of Latent Crises.* In conformity with the precepts of the UN Charter, we should seek by forehanded action to temper conflicts within the free community, whether bilaterally, through the Secretary General,

or otherwise, and to minimize the number of disruptive issues capable of Communist exploitation when publicly debated. Every success of this sort would not only strengthen the free community but also lessen the strain placed on the UN and other institutions. While in the circumstances we were fortunate to have the UN as an instrument through which to deal with the Congo crisis, the fact that the UN had to undertake so complex and precarious an operation reflects a prior failure in the policy of the free community as a whole—notably its northern component.

*f. Peace-keeping Machinery.* We should work to strengthen the UN peace-keeping role by improving its procedures for peaceful settlement of disputes and by making more effective its stand-by arrangements for sending UN observers, patrol forces, and political “presences” to meet emergency needs. In national security planning to deal with existing or potential free community peripheral area problems we should seek to determine where (as in West New Guinea) a UN presence or peace-keeping role could be helpful in achieving our objectives in one or another stage of the problem. Such efforts both reduce intra-free community conflicts and provide a buffer against direct East-West confrontation. We should encourage the tendency on the part of countries in Middle Eastern and African areas, in particular, to seek United Nations assistance in developing regional arrangements for keeping the peace and/or controlling arms competition.

*g. Direct East-West Confrontation.* While the United Nations has an essentially ancillary role on major security issues in conflict between East and West, (e.g., Berlin, Laos, Viet-Nam, and so forth) it can, nevertheless, serve as a safety valve, a buffer (as in the cases of Iran, Greece, and at one point in Laos), and a means of communication. It can serve as a court of world opinion and a convenient point of diplomatic contact and a locus of negotiation to resolve an issue (as in Berlin in 1948–49) when desired by both sides.

United Nations inspection or administration of agreed and limited public order or transit services (such as might be considered for West Berlin) remains a general possibility. Given any kind of overall or regional disarmament agreement, United Nations inspection or administration might assume substantial proportions.

Commitments to the Charter can provide a framework, as in Korea, through which action can be taken to repel a direct aggression. While the technology of modern war has telescoped the time-span within which such action would need to be taken, the United States would undoubtedly again wish to mobilize through the United Nations major diplomatic and possibly military resistance in case of conventional overt Communist aggression and, possibly, even in the case of well-documented covert aggression. The United Nations can also be a place through which cooperation for mutual interests across ideological barriers can be carried forward—as in the Scientific Committee on Radia-

tion, the Committee on Outer Space, and in some of the Specialized Agencies.

*U.S. policy should seek to exploit the potentialities of the UN in the areas of East-West confrontation indicated above.*

*h. Maintaining Positions of Principle in the United Nations. We should be prepared to underline our commitment to policies which are essential to building and protecting the free community, even at the risk of running against current moods and habits in the United Nations. We should stress our unshakeable commitment to provide for the security of our own people and the peoples of the free community by means consonant with the UN Charter; and to reject disarmament proposals that do not provide for effective mutual inspection or other forms of secure assurance. We must press upon the UN the need to avoid a double standard in applying the principle of peaceful change to the strongly felt interests of the north and of the south. If we were ever to adopt a position which did not reflect these essential interests, northern support for the UN—including US support—would be quickly reduced and the life of the UN itself be endangered.*

*i. Means of Exerting U.S. Influence. We should examine carefully present voting patterns, the balance of forces in the Assembly and the Security Council, and the present operations of the Secretariat to determine the best ways of exercising maximum US influence or control over UN decisions and actions; for example, to determine whether our very great influence in the Secretariat now exercised chiefly through informal procedures will continue or whether we will need to seek more formal means to increase our influence; whether Assembly procedures can be improved to our benefit; whether we should now shift more powers back to the Security Council; what steps we can take to insure stable financial support from other countries, etc.*

#### IV. Relations With Communist Regimes

##### A. Introduction

1. *Purpose.* One basic purpose of the national strategy outlined in this paper is to shift the emphasis—both within the government and in the consciousness of our people—from the problem of frustrating attempted Communist incursions to the problem of how to exploit opportunities open to us in building and extending a community of free nations. This strategy rests on the intimate relationship between these two problems and, in particular, on the judgment that a positive and constructive policy towards the free community will diminish the opportunity for Communist action or incursion.

But the positive thrust of this strategy extends to our relations with the Communist nations themselves. For policy towards Communist regimes seeks not only to maintain the frontiers of freedom and build a community of free nations but also peacefully to extend this community beyond the present frontiers of the Cold War. The succeeding sections

consider the implications of this policy for our relations with (i) the USSR, (ii) the European satellites (iii) Communist China, and (iv) Communist ideology. In carrying out this policy, we should bear in mind that the success or failure of Soviet foreign policy is a critical determinant of Soviet evolution and that the defense of the free community is thus perhaps the most important way of inducing changes in Soviet society.

2. *The Situation.* In so doing, US policy towards Communist regimes (and the peoples they rule) must take account of two differing trends, which significantly affect the nature of the confrontation.

On the one hand Communist foreign policy (and particularly that of the Soviet Union) is marked by an assertiveness which derives in part from a consciousness of growing Soviet military and economic power and in part from the continued desire of the Communist leaders to remake the world in their own image. This power-consciousness and assertiveness has manifested itself in continuing political pressures upon the West (notably over Berlin); in demands for recognition of “equality” with the United States; in an extension of Soviet activities as a world power in diplomatic, economic, scientific, and cultural dimensions; as well as in subversive enterprises.

On the other hand, there have been certain changes in Soviet domestic and foreign policy during the post-Stalin period. This trend finds expression in a more realistic appreciation of the consequences of nuclear war and of actions which could escalate into nuclear war; in greater ostensible flexibility in dealing with non-Communist forces; and in sporadic movements towards superficial *détente* with the United States and the West, albeit without any discernible change in underlying Soviet purpose. These limited changes, coupled with a gathering historical trend toward fragmentation within the Bloc and some modest relaxation of internal controls in the USSR and (in differing degree) within the Eastern European regimes, open the way for somewhat wider interaction between the Communist and the non-Communist worlds.

3. *Implications for US Policy.* These trends and developments tend to shape the different (and sometimes necessarily conflicting) directions of US policy.

(a) As long as the Communists and their partisans continue to exert unrelenting pressure upon—and increasingly inside—the frontiers of the free community we must devote a high proportion of our resources and our attention to defending these frontiers. For a sense of security within the free community—and a demonstrated capacity to defend its vital interests—is a minimum condition for its creative development. These requirements for defense, and the political and psychological attitudes they generate, tend to limit the scope for US initiatives

designed to exploit possibilities for diluting the unity and aggressiveness of the Communist Bloc. A consciousness of the two-track policy we should pursue might widen these limits; but they are inherent in the complex character of the confrontation.

(b) On the other hand, the trend toward change within the Bloc may, with the passage of time, open somewhat increased opportunities to try to deal with Communist regimes and the peoples they rule in terms of limited areas in which our national interests overlap with theirs, rather than merely in terms of reaction to their aggressive enterprises. It would be dangerous to assume this trend will automatically work to our advantage; it would be equally unrealistic to ignore its power and its long-run potential for our cause.

## B. *The USSR*

4. *Crisis Avoidance.* Soviet policy remains systematically geared to create and to exploit openings for the extension of Soviet power and influence offered by political unrest, economic sluggishness, diplomatic disarray, and military weakness within the free community. In addition to developing a full spectrum of military capabilities which will make the Communists hesitate to employ force at any level (including guerilla warfare and urban insurrection), we must seek to minimize the emergence of circumstances and situations which permit such Communist pressures and intervention.

As noted in Chapter III, the modernization process in the underdeveloped areas, including the process of disengagement from colonialism, has offered the richest field for Communist exploitation of crises within the free community over the past decade. *A high premium attaches, therefore, in the context of US-Soviet relations not merely to the constructive policy toward the less-developed areas outlined in Section III but also to the timely identification of points of crises and forehanded action to resolve such crises before they lend themselves to Communist exploitation. A systematic effort should be mounted to this end.*

5. *Crises and Pre-Crisis Communication.* To avoid or minimize crises promoted or exploited by the Soviet Union we should seek continuing communications, informal as well as formal, direct as well as indirect, designed to convey to Moscow, when it is in our interest to do so, a clearer understanding of our intentions. Such communications, if they are judged in Moscow to be backed by both military resources and the will to use them, may move the Communist leadership to judge it unprofitable to press as hard as they otherwise would in certain areas and situations.

6. *Ground Rules.* Against the background of such measures and methods, we should exploit any opportunity to work over the longer run toward such tacit understandings with the Soviets regarding the ground rules governing our competition as may be consistent with our national interests. If they are



convinced of our capacity and will to deal with their efforts to extend power into the free community, it may become increasingly possible to make the Soviets feel that they share a common interest with us in the exercise of restraint and in encouraging policies of restraint on nations associated with them.

7. *Crisis Management. When crises with Communist involvement do erupt, our purpose should generally be to:*

(a) *Avoid any net loss for our interests and use the crises, if this can be done within the limitations outlined under (b) and (c), below, for modestly increasing our power position vis-à-vis the Communists;*

(b) *Close out the crises as quickly and with as little violence as consistent with avoiding any net loss for our interests;*

(c) *Avoid being moved either by rising tensions or by the importunities of our allies or of our own public to prolong and expand the crises in an effort to inflict dramatic humiliation on the Communists.*

*Since we must expect a series of crises which the Communists will systematically seek to exploit, it is essential that we not reward this Communist technique by diverting our attention and energies from the long-term policies and enterprises on which, ultimately, the success of the free community and its invulnerability to Communist probes depends. We must, therefore, try to meet immediate threats in ways which, if possible, reinforce the long-term direction of our policy and minimize the diversionary consequences of our reactions to these threats. Thus, the Berlin crisis may be used to help resolve the debate on the role of conventional and nuclear forces in NATO; and the Vietnamese crisis may be used to increase the degree of mutual involvement and support among non-Communist nations in Asia.*

It should be noted that we have generally been at a disadvantage in crises, since the Communists command a more flexible set of tools for imposing strain on the Free World—and greater freedom to use them—than we normally do. We are often caught in circumstances where our only available *riposte* is so disproportionate to the immediate provocation that its use risks unwanted escalation or serious political costs to the free community. This asymmetry makes it attractive for Communists to apply limited debilitating pressures upon us in situations where we find it difficult to impose on them an equivalent price for their intrusions. *We must seek, therefore, to expand our arsenal of limited overt and covert countermeasures if we are in fact to make crisis-mongering, deeply built into Communist ideology and working habits, an unprofitable occupation.*

8. *The Diffusion of Power and US-Soviet Relations.* One of the historical trends which may in time lead to widened areas of US-USSR understanding and common action warrants special policy attention, i.e.,

the diffusion of power and authority away from Moscow, within the Communist Bloc, and away from the US, within the free community. This process presents to both sides the possibility of situations arising in which either a Soviet or an American ally may try to inflame a given situation and thus engage to its own benefit the prestige of the two major powers. *To prevent any such situation from arising and leading to an unsought dangerous direct confrontation should be one of the specific and priority purposes of meaningful US-USSR communication.*

The form of diffusion of power potentially most serious to both the Soviet Union and the US is the spread of nuclear weapons. We have thus far failed to achieve a Soviet-US understanding on the test ban treaty which might have damped the pressure for the extension of nuclear weapons; and evident Soviet interest in further weapons development, together with the attitudes of Communist China and France, make an effective test ban problematic. *Nevertheless, the US-Soviet interest in control over nuclear capabilities of third parties remains a potential area for understanding and agreement in the long run; we should continue to seek a test ban; and other approaches to agreements which would limit the possibility of diffusion of nuclear weapons should be explored.*

9. *The Possibility of a Partial Detente.* For a long time to come it is improbable that mutual awareness of common interests will lead to a cessation of conflict between the US and the USSR. Nevertheless, there may be (and it is in our interest that there should be) agreements on specific issues and, in certain circumstances perhaps, periods in which Communist pressures abate.

We should try to use such periods to build up the habit of meaningful US-Soviet communication, dampen outstanding crises, work toward safeguarded arms control agreements, and move forward with the long-term policies mentioned in paragraph 11, below. While we should welcome temporary and partial accommodations or *détentes* with the USSR, we should not be diverted by them from our long-term strategy. We must seek to indoctrinate our own peoples and the peoples of the free community with a deeper understanding of the issues at stake, emphasizing that while the existence of a Communist regime in the USSR (or China) is not, in itself, an appropriate cause of war, we must be prepared to struggle for a very long time against the attempts of those regimes to impose their systems on other countries. At the same time, we should take account of the playback effects of our statements and actions and seek to avoid unnecessary increases in tensions between the two sides, which will render more difficult the process of communication in crises and non-crisis situations and project to the free community an erratic image of US purposes.

10. *Negotiation.* We must not allow an excessive preoccupation with East-West negotiations, any more than partial *détentes*, to shift the main focus of our policy from the building and defense of the free community. We should, therefore, (i) avoid over-dramatizing either the likelihood that negotiations



*will succeed or the consequences of their failure; (ii) maintain a posture in negotiations which suggests that they are a businesslike attempt to reduce the risk of war, avoiding meaningless camaraderie and gestures which imply a more radical change in basic attitude than the realities of the East-West relationship would justify; and (iii) resist pressures for inflating the level of negotiation beyond what is substantively useful.*

*To maintain this balance, we should seek to avoid formal Summit negotiations of the 1955 variety, except where needed business cannot otherwise be transacted. One such case may be where the full authority of the heads of government is needed to halt a chain of military action and counteraction leading straight to war. And there may be instances in which a willingness to proceed to negotiations at the Summit would help consummate a useful agreement. We should seek to develop more informal contacts and exchanges between the President and the top Soviet leadership which would—unlike Summit meetings—be viewed more as a forum for communication than negotiation.*

11. *Exploitation of Long-Term Trends.* Our long-term purpose toward the Soviet Union is to increase the chance of constructive evolution within that society which might eventually move it to participate in the community of free nations. The natural forces of fragmentation within the Communist Bloc, combined with certain trends within Soviet society itself, make this long-run hope not wholly illusory. On the other hand, the commitment to expansion and the habits and institutions geared to Communist expansion are deeply ingrained; and, therefore, we cannot permit these long-run hopes to lower the level of alertness of our defenses, nor should we work along these lines with any hope of early, dramatic success.

Nevertheless, these historical forces are real enough for us to move in the directions indicated below.

None of this may be productive. Clearly we do not have such a good chance of success through such efforts that we can relax our efforts in other directions. We cannot expect Soviet society, which is also Russian society, to lose quickly the hostile and dangerous features that stem from the Communist philosophy and Russian history. But our effort to build a community of free nations would be incomplete if it did not include some steady, patient efforts towards this long-term goal:

a. *We should maintain continuing pressure on the USSR to expand exchanges of persons on equitable terms and to reduce restrictions on the flow of information, and we should exploit to the maximum opportunities in this field which are open to us. It may be somewhat difficult for Soviet leaders to maintain a stable repressive system in the face of widening exposure to outside influence.*

b. *We should press for cooperative ventures in such fields as outer space, Antarctica, public health, and peaceful uses of atomic energy. Such ventures*

might give the Soviets an expanding vested interest in respectability and perhaps even induce some of their officials to think increasingly in terms of business-like dealings with the West on matters of mutual national advantage.

c. To the extent consistent with our national interests, we should grant to the USSR the position its status as a great power warrants. We should also hold out, by word and deed, the prospect that if the Soviet leaders ever show a genuine interest and will for constructive participation in the community of free nations, this possibility is not automatically precluded. This will not change the basic policy of Soviet leaders now in power, but it may have some moderating effects on their conduct, or that of their successors. It may also make it that much more difficult for the Soviet leadership to persuade its people that any change in the Soviet external posture is precluded by relentless Western hostility.

### C. The Eastern European Countries

12. *The Ultimate Aim.* The basic fact about Eastern Europe is that, beneath the surface of Communist domination, the Communists have failed to win over any substantial proportion of the people to their side. The underlying dissidence of the area and its potential instability constitute a constraint on Soviet aggressiveness and a basis for long run hope that the free community might be extended beyond its present European limits. *We wish to see these nations of Eastern Europe eventually become members of the free community of nations by a process of peaceful evolution.* Leaving aside the possibility of chaotic disruption of the Communist Bloc, generated out of its own dynamics or a major war, the likelihood of their doing so will hinge largely on the emergence of a Soviet policy which would make acceptable to Moscow a protection of Russian security interests by means other than intimate Moscow domination of the inner political life of the presently Communist states. In turn, this result depends on: a conviction in Moscow that the West will remain strong and unified; a continued failure of Communism in Eastern Europe to attract the loyalty of its citizens; a persistence of the historic attraction of Western Europe in the East; and an evolution of Soviet society towards a policy at once less imperialistic and more concentrated on problems of Russian welfare. At best, all of this will, evidently, require time; and the outcome is not pre-ordained. Nevertheless, it is in the U.S. interest to encourage this historical process; and the balance of this section discusses certain limited means for its promotion.

13. *The Policy of Penetration.* *We should try to widen contacts between the peoples of Eastern Europe and the West at every level.* Such contacts will bring home in some way, however muted, the message that history does not inevitably decree that Moscow will forever dominate their lives. That message may encourage those peoples to press their governments, insofar as they safely can, for gradual internal liberation and for steps toward greater national independence.

14. *Relations with the Eastern European Regimes.* Contacts between the West and peoples under Communist rule will generally depend on the consent of their governments. That consent will hinge, in part, on the nature and apparent intent of the contacts which are being proposed. *Our contacts with Eastern Europe should not, therefore, appear to these governments to reflect an intent to create dramatic political changes in Eastern Europe.*

*When occasions arise on which our silence might be misinterpreted, however, we should make clear that the community of free nations is intended, in the long run, to include the peoples of Eastern Europe, and we should not hesitate to articulate our faith that history is on the side of national self-determination in that region as elsewhere.*

*Our contacts with Eastern Europe may also depend, in part, on how strongly the U.S. is criticizing the regime in question. Our experience with Hungary has shown the difficulty, at least in this case, of expanding our cultural, information and economic penetration into a satellite country while simultaneously strongly castigating its government. While we cannot be expected to endorse or applaud these governments, there may be certain occasions when it will be in our long-run interest somewhat to mute official attacks at least temporarily. This balance of interests is a delicate one, but it must be made; its results may well vary from case to case.*

*Moreover, the nature of the contacts themselves must be carefully assessed. In some cases, the interests of the U.S. and the Communist regime clearly converge; e.g., in programs for training young government officials in the West. In other cases, the Communist regimes clearly intend to acquire information while insulating the officials involved from corrupting Western contacts; e.g., in certain scientific and technical contacts. Here again a careful calculus of the net advantage to the U.S. must be made.*

15. *Relations Between Eastern and Western Europe.* Western Europe has a special role to play in this process. As its integration and economic progress proceeds, Western Europe's pull will increasingly be felt in Eastern Europe. *We should encourage and assist the Western European nations to exploit any tendencies toward closer relations with the West among the Eastern Europeans and should, so far as practicable, endeavor to develop mutually supporting programs for peaceful penetration.*

16. *Special Cases Among Communist Regimes.* Within this general framework, our policies toward East European countries should be modulated individually to meet variations in the opportunities to achieve our aims.

a. Poland and Yugoslavia offer special opportunities. *It is our interest that Poland maintain as much freedom from Soviet control as possible; that Yugoslavia preserve at least its present independence; and that both evolve domestic politics and institutions which give enlarged freedom of individual*

*choice to their citizens. We should be prepared to furnish limited economic aid to these ends, and we should increasingly encourage Western European nations to do the same, bearing in mind, however, that both economies are now beyond the stage where substantial aid—except possibly for foodstuffs—is justified.*

b. Albania is a special case, although it reflects a deeper more fundamental situation: the progressive assertion of differing—not to say divergent—interests by the national Communist parties within the Bloc. *It is in our interest that the breach between Albania and the USSR continue. Ultimately, we should hope that Albania would return to the community of free nations. For the time being, however, our interests would be best served by Albania's remaining a bone of contention between Communist China and the USSR, while stabilizing a position of independence in Europe and improving its relations with Italy, Greece, and Yugoslavia.*

c. East Germany is a problem of particular importance. To indicate that we regard the division of Germany as permanent would be to shake West German confidence in the West and thus jeopardize effective German participation in the European and Atlantic Communities. On the other hand, it will probably not be possible to insulate ourselves from dealings with the East German regime over the long term. Such dealings need not preclude ultimate reunification, and might, if effectively conducted, accelerate the process.

*In line with this assessment, we should not grant official recognition to East Germany, nor expect the West Germans to do so. We should be prepared to do business with the East German regime, as the need arises, on a technical level—much as the West Germans do. We should encourage the West Germans to take a more forthcoming and confident view of such relationships between the U.S. and East Germany, and to expand rather than contract their own contacts with the East Germans. We should make clear our dedication to German unity, our expectation that it will come about, and our belief that it can best be achieved by peaceful processes based on the growing attractiveness of association with the free community.*

17. *Uprisings in Eastern Europe.* If revolts break out in East Germany or any other satellite, we should bear in mind that our grand design is to build a community of free nations which will expand by its inner strength and attractive power when combined with the assertion of increasingly nationalist trends within the Communist Bloc. We do not wish to jeopardize this design by causing Eastern Europe to become a battlefield between ourselves and the USSR, unless we are attacked. Accordingly:

(a) *We should refrain from encouraging or supporting armed uprisings, as distinct from peaceful demonstrations, strikes, and similar means of exerting public pressures against Communist regimes.*

(b) *If turbulence erupts in the area, we should maintain a posture of restraint, and urge our allies to do the same, meanwhile exerting all the*

*influence we can muster during such crises to yield less repressive and more nationalist regimes as the outcome.*

*(c) Should a non-Communist or national Communist regime be established we should make a maximum effort short of military action to assist its survival.*

*While these guidelines should govern our actions toward Eastern Europe, we require capabilities which would permit us to choose whether to adopt a more active policy in the event either: (i) Bloc aggression has created circumstances in which we had decided to apply counterpressure in order to halt Communist aggressive armed initiatives in Europe or possibly elsewhere: (ii) forces beyond our control had created such widespread and prolonged chaos in Eastern Europe that an active U.S. role seemed likely to involve less risk of general nuclear war than a passive one.*

#### **D. Cuba**

*18. Basic Considerations. It is our interest that the control of international Communism over Cuba be eliminated and an independent Cuba returned to the OAS.*

Cuba represents a special case of Communist penetration of the community of free nations through the capture of an indigenous and popularly accepted revolution. For the first time, the Sino-Soviet Bloc is openly in a league with a Communist government thousands of miles from its perimeter. While distance and the personality of Fidel Castro present some problems for the Sino-Soviet Bloc, Cuba is a useful and willing instrument of Bloc foreign policy and as such poses a series of potential and active threats to the peace and security of the hemisphere:

*(i) a potential threat as a Communist offensive nuclear base against the U.S.;*

*(ii) a potential threat as a Communist offensive base for limited non-nuclear aggression against Latin American nations;*

*(iii) a current threat as a base for indirect aggression against Latin American nations;*

*(iv) a current threat as an example of the possibility of creating and holding a nation under Communist rule in this Hemisphere, enflaming and strengthening the Communist forces and their allies in Latin American nations.*

*19. Action. Contingency plans should exist against (i) and (ii). Existing efforts to counter (iii) should be pursued at high priority and with great urgency, and contingency plans should exist for action on the basis of OAS resolutions if firm evidence of Cuban involvement in indirect aggression is established. The threat of (iv) increases the urgency of the Alliance for Progress program and of the effort to detach the political movement for progress and reform in Latin America from Communist influence.*

### E. Communist China

20. *The Situation.* The situation of Communist China can be characterized essentially as follows:

a. The Chinese Communists have pursued an internal policy designed to give them, in the shortest possible period of time, the domestic resources required for great power status on the world scene. That effort, which was marked by numerous management shortcomings and which systematically neglected the human incentives and technical requirements for Chinese agriculture, yielded in 1961–62 a major crisis damaging to the industrial and foreign exchange position of Communist China and its military potential, as well as to its food supplies.

b. In the face of this crisis the Chinese Communists are, at the moment, seeking to maintain a position of fully independent authority and leadership within the Communist Bloc. They are in conflict with Moscow on military policy, economic policy, control over other Communist parties, and on basic ideological issues as well.

c. While thus weakened at home and engaged in a deadly serious political struggle with Moscow, they are maintaining their aggressive stance toward the U.S. and supporting pressure on the free community at a number of points in South and Southeast Asia, as well as less directly through their influence on other Communist parties. On the other hand, they have increased substantially their trade agreements with other parts of the free community.

d. In general, they have made clear that in the face of their present difficulties they do not intend to surrender any of their essential policy positions with respect to either Moscow or Washington. They have not been prepared to make any significant sacrifice of major political and strategic objectives to increase their chances of entering the UN or to acquire food supplies from the U.S. or the West.

21. *The Stick.* It is not clear whether a Chinese Communist state will ever evolve which is willing to live in reasonable harmony within the free community; if that evolution should take place, it will be a slow and uncertain process. *We may be able to enhance the chances of such evolution by making clear to Peiping, Moscow, and friendly countries that our objectives in the Far East are the same as elsewhere: We will use force to deter or deal with the Chinese Communists' military or indirect aggression wherever it occurs; we will not otherwise ourselves initiate aggression against Communist China; but we may not be content to meet Chinese Communist harassments of the free community, if these harassments expand, wholly within the borders of that community. The programs suggested elsewhere in this paper will give us a capability for directly harassing Communist China if Chinese Communist aggression should expand; any proposals for specific*



*enterprises should be carefully judged, however, in the event of such expanded Chinese Communist aggression, with respect to risk and to their net consequences for the national interest.*

22. *The Carrot. Concurrently, we should leave ajar possibilities for expanding commercial, cultural and other contacts with Communist China, by making clear that the bar to the entrance of Communist China into more normal relations with the U.S. is its basic unwillingness to modify its present aggressive policies. The specific kinds of modification that we would require as the price of more normal relations should be geared to our national interests in the Far East.*

*Thus, within the framework of current policy, and as part of our effort to build a community of free nations we should, as opportunity affords, move towards a posture vis-à-vis Communist China which will place the onus for continued hostility squarely on Peiping and keep open the possibility that, at some future time, Chinese Communist authorities might opt for a policy of less hostility and greater relative dependence on the West.*

Since the present Chinese Communist leadership has a vested interest in having the U.S. appear to the world at large and to its own populace as implacably hostile, we cannot now expect it to cooperate with U.S. efforts towards the ends outlined above. That being so, we must place primary reliance on U.S. actions which are unilateral, in the sense that they would advance U.S. interests in the absence of a ChiCom response. *For example:*

a. *Avoiding provocations, which do not increase the strength of the U.S. and the community of free nations relative to Communist China.*

b. *Pursuing informal negotiations with Communist China on specific matters of mutual concern, as in the Geneva and Warsaw talks from 1955 on, if needs emerge and opportunity affords.*

c. *Opposing Communist China's entrance into the UN in ways which make Communist China's non-inclusion appear to be the result of Peiping's unwillingness to accept reasonable conditions, rather than U.S. intransigence.*

The stance suggested by these actions should have the short-term effect of making clear where responsibility for the impasse with Communist China lies. Over the long run it is barely possible—no more—that it might contribute to the emergence of more moderate policies if a deepening of Communist China's difficulties in feeding its populace and building the industrial base for world power should result in a leadership split or change of regime. In this context it should be borne in mind that the present leadership is aging; that the pressures of the Sino-Soviet dispute are severe; and in the 1960's, the passing from the scene of Mao and the first generation of Chinese Communist leadership may conceivably signal a period of re-orientation in Chinese political and international life—for good or ill.

23. *Taiwan and Communist China.* To gain support for U.S. policy in an area where it is now somewhat unilateral, as well as to advance long run U.S. interests:

a. *We should use our influence and aid to promote the emergence on Taiwan of a political process increasingly based on popular consent, and to support economic development on an effective long-term basis.*

b. *We should work, within the limits which a useful relationship with the GRC will allow, for a dampening-down of the GRC-Chinese Communist civil war. It remains an objective of U.S. policy: (i) to disengage U.S. and GRC prestige from the defense of the offshore islands, if and when this can be done without damage to our position in the Far East; (ii) to persuade the GRC through means which include aid and support for its position on Taiwan; either to withdraw its forces from the islands or to regard the islands as outposts, to be garrisoned in accordance with the requirements of outpost positions, again if and when this can be done without damage to our position in the Far East. We should periodically review the situation to determine whether action to these ends would on balance, serve the national interest—taking into account both the continuing costs and risks of our present position concerning the offshore islands and the psychological effects of a change in that position on the Western Pacific area. We should not disengage in circumstances which would make of this action a signal of U.S. weakness, which would encourage the Communists to further aggression and discourage Asian resistance to such aggression. If there is to be a disengagement from the offshore islands, there might be some advantage in completing it before Communist China detonates a nuclear device (possibly 1963, but more likely 1964), since thereafter it might appear to be a response to Peiping's nuclear progress. The considerations involved here are so delicate, and so difficult to judge in advance, that the issue remains, as it has been for seven years, one which the President must judge in the light of circumstances as they evolve.*

c. *We should make plain our enduring commitment to sustain and defend a free government on Taiwan. We should make clear how, in our view, that government can most effectively influence the Overseas Chinese, and how it can best present itself on the world scene as an attractive counter to the Chinese Communist regime over the long term; and we should actively encourage, from the present forward, intensification of constructive ties between Taiwan and other nations, notably in Asia.*

24. *The Sino-Soviet Split.* These measures may enhance free world cohesion, but it is unlikely that they will prevent Communist China from continuing over the long term to grow in power and from acquiring, perhaps in the relatively near future, a nuclear capability.

This growth of Chinese Communist power may be slowed if the Sino-Soviet split persists at its present level of intensity, since the USSR has apparently reduced sharply its economic and technical assistance



to Communist China, refused to provide nuclear weapons or modern, long-range delivery vehicles, and curbed the release of information on nuclear technology and weapons production. Both directly and indirectly (in terms of assurance of Soviet support), the split may, at least in the short run, decrease Communist Chinese expansionist capabilities—even as it inclines the Chinese to argue within the Communist world the advantages of a more aggressive ideological and foreign policy stance.

The long-run implications of a Sino-Soviet split are even more important. It could give rise to increased factionalism in national Communist parties, weaken the overall thrust of world Communism, and facilitate the emergence of more independent and nationalistic Communist states, especially in Eastern Europe. Although the USSR might be driven by these trends to adopt a somewhat intransigent foreign policy, it is likely that it will at least experiment with a more accommodating policy toward the West, thereby opening up new opportunities for Western initiatives. Thus a Sino-Soviet split—despite the possibilities of competition in aggressiveness as between Moscow and Peiping—is definitely in the U.S. interest and in the interest of the free community.

25. *U.S. Exploitation of the Split. Although there is little that the U.S. can do to promote that split, we should at least avoid measures which might have the effect of healing it. We should, thus, not so openly favor Khrushchev's point of view vis-a-vis the Chinese Communists as to make it difficult for him to justify it within the Communist camp. We should—in the context of the Sino-Soviet dispute as well as for larger reasons—be prepared to encourage Khrushchev's stated preference for negotiation and peaceful settlements over war—but only when, indeed, Khrushchev acts in terms of that enunciated preference. And we should make clear, by deeds as well as words, that any contrary Chinese view is likely to prove unrewarding and self-defeating—recognizing that the character of the Sino-Soviet debate over "Wars of National Liberation" makes it critically important that South Viet-Nam maintain its independence and that the present North Viet-Nam offensive be frustrated.*

We should not become so fascinated with the Sino-Soviet split, however, as to lose sight of the larger prospect: that both states, whether closely knit or not, will continue to wax in strength, and that both will be basically hostile to us though perhaps in different degrees and in different ways. The only effective means of offsetting this prospect will be a continuing build-up of free world strength and cohesion, combined with efforts, when this is in the national interest, to isolate and consolidate any particular areas of overlapping interest between Communist states and the free community which may emerge. That is, in essence, the course proposed in this paper.

#### *E. Economic Policy Towards the Communist Bloc*

26. *General.* U.S. economic policy towards the Communist Bloc should be a function of the general policy objectives outlined in this

Chapter: frustrating Sino-Soviet expansionism, intensifying peaceful penetration of the Bloc countries, and attracting those countries into closer association with a strong and closely-knit free community. *Thus, the U.S. should, so far as is practicable and consistent with the U.S. national interest, encourage expanded economic contacts between East and West, and Bloc participation in international economic organizations in any cases where there is evidence that this participation would be constructive. At the present time—and notably in the light of the actively aggressive Chinese Communist posture towards South and Southeast Asia and Taiwan—this policy is evidently not applicable with respect to Peiping, and it is not applicable to Cuba.*

27. *Policy on Bloc Trade and Aid. Within this context:*

a. *We should oppose economic relations between the Communist Bloc and the free community which directly increase the net military strength of the Bloc, narrowly defined. We should seek a coordinated allied or NATO program for utilization of economic sanctions in cases involving overt or covert aggression by Communist nations.*

b. *We should take steps to avoid excessive dependence of particular nations of the free community on Bloc aid, trade, or services (e.g. shipping and airlines); and where such dependence develops beyond our control we should prepare contingency arrangements which would prevent Communist exaction of a political price by threatening to reduce the flow of Bloc trade, aid or service.*

c. *We should oppose, and where practicable preclude, Bloc technical assistance which would influence particularly susceptible groups in the underdeveloped countries (such as students, educators, labor unions, and so forth) or which would give the Bloc control or major influence over particularly sensitive sectors of the national life, such as communications, transportation, public administration, education, etc.*

d. *We should maintain a regular watch for occasions where Soviet commercial policy, by dumping or other means, threatens to disrupt essential Free World economic arrangements and be prepared to design and mount appropriate countermeasures. We should seek coordinated NATO programs for the accomplishment of tasks (b), (c), and (d)—and thus for preventing countering, checking, or limiting economic penetration and subversion of the less developed countries.*

e. *Within these four important limits, we should be prepared to encourage normal trade between the Bloc and the free community as part of the process of national involvement of Communist nations in the life of the free community. The present and foreseeable proportions of Bloc to non-Bloc trade and aid within the free community suggests that over-all this policy offers—with the exceptions noted above—more potentially significant advantages than dangers.*

F. *Communism as a Revolutionary Force*

28. *The International Aspects of Communism.* Aside from the threat of Soviet or Chinese Communist expansionism, and its nationalist

appeal on the issue of colonialism, there are two other aspects of Communism which merit attention: its ideological appeal, and its potentiality as a revolutionary force.

(a) *Ideology*: To some individuals and groups: Communism certainly carries intrinsic, if deceptive, appeals: an all-encompassing ideology, a concept—however hypocritical—of professed service to humanity, a system of organization and a strategy for attaining political power, a coherence and unity which may serve to prevent social fragmentation, an apparent example and a method of economic progress, and an authoritarianism which the Communists portray as the best way of making that progress. Communism may thus appeal to such groups and individuals because it provides a structured philosophy of life and action within which they can feel at home, because it may appear to them to be the best and swiftest way to organize and guide underdeveloped countries in the process of modernization, and because it purports to represent, in power terms, the “wave of the future” to which it is wise for men and governments to accommodate.

(b) *Revolutionary Force*: These appeals not only facilitate the extension of Sino-Soviet influence but enable indigenous Communists, with or without the support of the USSR or Communist China, to build up revolutionary organizations inside the countries of the free world.

Both these aspects of Communism must be dealt with, but in quite different ways.

29. *The Suppression of International Communism as a Revolutionary Force*. The efforts of the Communists to build up local parties, to infiltrate and weaken local governments, and to organize for internal political or paramilitary action can be checked in part, if the governments concerned employ effective intelligence and police methods, make use of countersubversive techniques, issue counterpropaganda, and adopt measures to expose the extra-national ties of the indigenous Communist parties. The U.S. should assist discreetly in these efforts by making available information about international Communism; by providing training in essential counter-intelligence, counter-subversive and police techniques; and by aiding in the development of effective information programs, overt and covert. It should also endeavor to guide indigenous police activities so that they bear upon the international Communist movement, and not upon bona fide opposition elements which are authentically national in their origins and orientation.

30. *Ideology*: However, the fundamental way to diminish the importance of Communism as a revolutionary force must be to sap its ideological sources of strength by strengthening and improving the performance of the free community in its defensive and constructive tasks. There is no doubt that the goal of the pluralistic community, based upon consent in relationship within and as among nations, commends itself, on balance, more than monolithic conformity to most of mankind.

Communist methods violate the personality of men and of nations; and perception of this fact grows with the passage of time. Despite its appeals, Communism encounters deep human and cultural resistances. Moreover, the institutions of Western democracy have been grafted upon many non-Western societies, and in some cases they have begun slowly to take hold. If we fail of support among free peoples, it will not be because we are moving in what most men consider to be the wrong direction. The ideas and ideals of democracy have wide popular appeal—even among peoples in Communist countries, and even in societies where democratic practice does not effectively match democratic aspiration. If, in fact, we succeed in binding up the northern nations of the world in an effective military and economic coalition; if we prove capable of dealing with various forms of Communist aggression on the frontiers of the Free World; if we make significant and self-evident progress in tasks of construction in the underdeveloped southern half of the Free World, the power of these Communist appeals will wane—notably if the process of fragmentation of the Communist Bloc proceeds and the Communists persist in agricultural policies in underdeveloped areas under their control which slow economic growth, and which leave men hungry as well as trapped within police-state systems.

*In addition, purposeful efforts should be made to project effectively the following specific themes:*

a. *The U.S. and its associates command the resources and the will to deal with any foreseeable Communist military aggression.*

b. *The techniques, resources and policies of the free community offer the opportunity for effective modernization while preserving the independence of nations and a continuity with their historic past and unique ambitions.*

c. *Communism is, in both its techniques and its historical vision, an old-fashioned and reactionary doctrine unsuited to the conditions of the second half of the twentieth century, and the abiding lesson of history is that an international community is most solidly built by the consent of sovereign governments representing a diversity of creeds and systems, just as a stable national society must rest on the consent of individuals judged and treated as dignified, responsible, and unique.*

d. *The underlying humane cultural heritage of nations now under Communist sway still exists and has vitality; and we are confident that, with the passage of time, it will grow in strength and yield changes in Communist societies which will draw them towards the free community.*

## V. THE DOMESTIC BASE

### A. Introduction

1. *Purpose.* The fundamental purpose of our policy is to provide a world environment which will permit our own society to continue to

develop in continuity with its past; but the creation, maintenance, and development of this environment demands much of our economy, our political process, and of the American people themselves. The success of the strategy developed in this paper thus depends on the capacity of the U.S. to sustain a performance at home which reaches deeply into our domestic arrangements and which requires widespread understanding and assumption of responsibility and sacrifice for public purposes by our people.

*B. The Economic Base*

*2. The strength of the American economy is fundamental to the policy incorporated in this paper. The task over the foreseeable future is to reconcile the following basic national objectives in ways which minimize direct government intervention in the economy:*

- (a) Relatively full and well-sustained levels of employment;*
- (b) A growth rate sufficient to meet the domestic and security requirements of our people;*
- (c) A balance of payments position adequate to support the overseas expenditures necessary for national security;*
- (d) A stable price level.*

*3. The Growth Rate. A high rate of economic growth is required of the American economy in the foreseeable future, not because rapid growth itself has inherent virtue but for three quite particular reasons:*

- (a) The U.S. must command a flow of resources which will permit it to deal with its military and other responsibilities on the world scene;*
- (b) The flow of increasing resources must, if at all compatible with national security, provide for an improvement in the standard of life and the quality of our domestic arrangements;*
- (c) An environment of rapid growth and relatively full employment is necessary if the U.S. is to generate rates of investment and plant modernization required for the maintenance of our competitive position and to play our part in adjusting to the trading requirements of the evolving free community: specifically, to permit an acceptance of trade on a liberal basis among the industrialized countries of the north and the absorption of an increasing flow of both raw materials and manufactures from the developing countries of the south. It is difficult to make the needed allocation of resources to international purposes or liberal trade adjustments in an environment of slow growth and chronic unemployment.*

*4. Allocation of Resources. Within the framework of a high rate of growth and of sustained low levels of unemployment the U.S. must be prepared to allocate, for purposes of defense and construction within the free community, an enlarging flow of resources. Unless the arms race is brought under early control the cost of effective deterrence systems and of their development is likely to increase; and over the decade of the 1960's legitimate requirements for assistance to underdeveloped areas will expand if our policies—which aim to increase their capacity to mobilize their*

own resources and to absorb productively resources from abroad—are successful.

5. *Full Employment.* Sustained and significant unemployment will not only make it difficult, as indicated, to make the resource allocations needed to carry out this strategy; it may also sap political morale and cohesion in a degree that would hinder its execution. This will be particularly true if the burden of that unemployment is concentrated in specific individuals, groups, or areas over long periods of time. *In addition to the broader programs for stimulating growth referred to above, specific measures should be devised and pressed as a matter of high priority in order to alleviate this burden—both on the country as a whole and on the specific groups and persons who have borne it longest. Retraining, relocation, counseling, education—all these should be promoted with the special procedures, talent, and resources that we reserve for matters of the greatest importance to the future security of our country.*

6. *Balance of Payments.* The ability of the United States to maintain the policy of leadership in the free community laid down in this paper requires that we continue to generate a large and regular balance of payments surplus in our commercial accounts. The expansion and appropriate allocation of American resources—at home and overseas—cannot be achieved unless the U.S. surmounts the chronic pressure which now operates on our balance of payments position. This in turn requires:

(a) *An increase in the productivity of the American economy in the major export fields and in certain older domestic industries which absorb large amounts of national resources but which have not acquired a satisfactory capacity to generate and to absorb the fruits of modern research and development—e.g., transport, construction, steel, and so forth.*

(b) *Wage policies which are accommodated (with appropriate flexibility in individual industries) to the average national increase in productivity.*

(c) *Price policies which are geared to both domestic and international competition.*

(d) *Systematic efforts to increase American foreign exchange earnings via tourism and exports.*

(e) *International measures designed to economize the free community's gold and currency reserves in the face of the radical expansion in the world trade and to ensure against short-term disruptive movements of U.S. gold and foreign holdings.*

(f) *Execution of overseas responsibilities in ways that minimize their cost to the U.S. balance of payments, and insofar as feasible, do not penalize the individual Americans involved in our operations abroad.*

(g) *Use of sustained diplomatic pressure to induce more industrialized nations of the free community enjoying surplus positions to cooperate in reducing pressure on the U.S. balance of payments.*

### C. The Political Base

7. *Knowledge, Poise, and Confidence.* But more than a full and discriminating use of the nation's human and material resources and a large,



stable export surplus are required. For Americans to live with poise in a world of continuing danger, amidst an inevitable series of crises, under circumstances where progress is bound to be slow and unsensational, requires that a purposeful and sustained effort be made better to acquaint the Congress and people with the contours of the world in which we live, of the positive objectives we intend to pursue, and of progress—even limited progress—towards those objectives.

*Specifically, we should within the minimum limits of national security, attempt to explain with candor the nature of the arms race and the problem of arms control; the inevitability of multiple crises in a world of new nations disengaging or newly disengaged from colonialism, experiencing simultaneously the vicissitudes of modernizing their social and political arrangements as well as their economies, and subjected to systematic Communist efforts to exploit this environment; and the inadequacy of traditional approaches to the solution of international problems. Finally we must project a sense that in this sea of danger and of trouble we have our own positive purposes and operational sense of direction.* This exposition should not be merely in general terms, but in forms sufficiently precise so that step-by-step practical movement forward is recognized and understood. We must generate a national perspective such that we confront the 1960's with a posture of national poise and confidence, and with a sense of forward movement towards well-understood objectives.

*The systematic exposition of the main lines of policy laid down in this paper, in forms appropriate for public presentation, is one means to this end.*

8. *The Projection Abroad of U.S. Purposes.* It is also essential to project abroad a more clear and vivid concept of our aims and of the measures we are taking to move towards them. *The understandable difficulties within a pluralistic society of developing and presenting such a concept make it all the more important that the government act consistently and with vigor to protect a positive image of U.S. intentions, as developed in this paper, and to dissipate the corrosive conception that our policy is defensive, negative, and reactive. The fundamental purpose of information policy abroad should be to dramatize the extent to which U.S. purposes and policies on the world scene overlap and harmonize with those of other peoples and governments. To this end, we should set forth to other peoples the broad goal laid out in this paper; that of creating an evolving community of free nations, in which these nations can fulfill their aspirations for progress, independence, and security more effectively than otherwise. If we can explain our varied and manifold actions in terms of this goal, other peoples may come to see the relation of these U.S. actions to each other and to their own interests; the confidence in U.S. leadership, sense of movement, and basic consensus on broad policy directives which are indispensable within the free community will be strengthened. In general, the purpose of U.S. information policy should be to define and to dramatize the limited but real*

areas of overlapping interest between the United States and other governments and peoples.

#### D. Other Elements of the National Base

9. *Reference to Other Policy Papers.* Many other elements enter into the development of a domestic base which can support U.S. national security policy: the scope and quality of education, the rate of growth of scientific knowledge and applied technology, the modernization and readiness of industrial facilities, etc.

*Pending re-examination of policies with respect to these matters (some of which are already under way<sup>3</sup>), the following paragraphs of NSC 5906/1, Basic National Security Policy, remain in force, pending the review referred to below:*

Para	Subject	Agencies Having Cognizance
57	Internal Security	Justice
59	Mobilization Base	OEP
60	Stockpiling	OEP
61	Intelligence	CIA
62	Peaceful Uses of Atomic Energy	AEC
63	Outer Space	NASC
64	Manpower	Labor and HEW
65	Research and Development	Special Assistant to the President for Science and Technology

*Where these policies are outdated or inconsistent with the thrust of this paper, and are not under review, the cognizant agency or agencies will initiate such a review, for consideration by the National Security Council.*

#### VI. A CONCLUSION

The policy set out here is, in its essence, quite simple. Our goal is to create an international community in which nations can cooperate to achieve their common purposes in freedom—and thus to help shape the world order that emerges from a half-century of war and revolution along lines that will be consistent with our national values and interests. To this end we aim to bind up in closer partnership the industrialized nations of Western Europe and the Pacific and to work with them to create a wider community of free nations, embracing Latin America,

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<sup>3</sup> For example, the President has directed that an investigation be made of the program for the stockpiling of strategic materials (OEP Press Release, 12 Feb. 1962) and has ordered a review of emergency planning on the continuity of government (NSC Action Memo 127, 14 February 1962.)



Africa, Asia, and the Middle East. We aim to help create in this community an environment of material progress, peaceful reconciliation of differences, increasing social justice, and movement towards the norms of political democracy. We intend to defend this community against Communist aggression and to do so, if possible, in ways which will minimize the possibility that a nuclear war will come about; and we intend to draw the nations now under Communist regimes towards this community as opportunity may offer.

This policy will be pursued in a setting of hazard, tension, and crisis—the irreducible consequences of the weapons men now command; the fact of Communist ambition and power; and the revolutionary forces for change at work in the underdeveloped areas. It will be pursued under circumstances where the nation's will and ability to defend the vital interests of this community in a nuclear age will be chronically tested; and the nation's capacity to deal with swiftly changing circumstances—scientific and human—will be strained to the limit.

It is a policy which requires of us all a sustained combination of courage and circumspection; of initiative and patience; of resolute struggle against Communism and ability to work subtly with processes of change within the Communist bloc.

This policy promises no quick or cheap victory. It requires that we overcome powerful forces of resistance and inertia, if it is to move forward. But it intends that the principles of national independence and freedom shall, in time, peacefully triumph.

This is a policy we can pursue with deep inner confidence. It is consistent with powerful historical forces at work on the world scene; its demands fall well within the material resources available to us and the free community as a whole; and it is rooted in the oldest and most fundamental values and commitments of our society.

Time is on the side of the things our nation stands for, if we use time well.

**272. Memorandum from Gen. Taylor to President Kennedy,  
June 22<sup>1</sup>**

June 22, 1962

**SUBJECT**

Military Force Levels and Nuclear Planning

A current review of the military aid program in Korea (the Cary Report) is being circulated through the agencies for comment. It appears to please no one since it does not come up with an easy solution to the problem of reducing force levels. The Joint Chiefs of Staff have also recently reviewed the matter and have come out strongly for the maintenance of present levels.

I have two observations to make on the matter. The first is that it is highly unlikely that responsible U.S. military authorities will ever recommend a reduction in Korean force levels unless assured of the availability of atomic weapons in case of the intervention in Korea of ChiCom forces in significant strength. With such an assurance, they would be justified in limiting the mission of South Korean forces to off-setting the North Korean establishment. Without that assurance and in the current atmosphere of growing reluctance to consider the use of any nuclears ever, there is no military ground to support a substantial cut in Korean conventional forces.

This thought leads to another, namely, that we should think through the questions of using atomic weapons outside of the NATO area. In connection with Berlin contingency planning, we have made considerable progress in establishing a role for nuclear weapons in the defense of Europe. However, we have not made a parallel study of the conditions for their possible use in the defense of non-European areas. Until some guidelines for these parts of the world are established, it will be difficult to arrive at realistic conventional force levels for either US or MAP-supported forces. Until we have such guidelines, we may anticipate a very conservative reaction to proposals to reduce MAP-supported forces, particularly in countries within reach of Chi-Com military manpower.

I suggest that Secretaries Rusk and McNamara be asked to develop for your approval policy guidelines for the contingent use of nuclear weapons in non-European areas which, after approval, can assist the development of the FY 64 aid programs and the military budget.

**Maxwell D. Taylor**

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<sup>1</sup> "Military Force Levels and Nuclear Planning" Secret. 2 pp. Kennedy Library, National Security Files, Meetings and Memoranda Series, Taylor 6/62-8/62.

**273. Memorandum from Gen. Taylor to President Kennedy,  
June 22<sup>1</sup>**

June 22, 1962

In response to your recent request, attached is a memorandum which the Secretary of Defense, with the assistance of the Central Intelligence Agency, the Defense Intelligence Agency, and the Director of the Joint Staff, has written on the relative US and Soviet military buildups since January 1961, and on the probable effect of these relative buildups on Soviet attitudes toward the Berlin situation during the months ahead.

Secretary McNamara's covering memorandum concludes, on balance, that the relative improvement has been in our favor. It also concludes that, for reasons which include the US military buildup, the Soviets during the months ahead, although maintaining a rigid position in negotiations on Berlin, will not make any serious move to break them off.

There is only one point which I would call to your attention. When we complete the release of the reserve units later this summer, our overall military strength figure will fall by about 150,000—from the 2,825,000 which is shown on the last line of Secretary McNamara's first page to around 2,680,000. This will represent the loss, among other things, of two Army divisions, some tactical air fighters, and some naval units. Whether these reductions are to be permanent presumably will be considered in Secretary McNamara's current study on general purpose forces.

You may wish to refer this paper to State for comment.

**Maxwell D. Taylor**

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<sup>1</sup> Conveys comments on the attached McNamara memorandum "US and Soviet Military Buildup and Probable Effects on Berlin Situation." Top Secret. 4 pp. Kennedy Library, National Security Files, Departments and Agencies Series, DOD IV.

## Attachment

### SUBJECT

US and Soviet Military Buildup and Probable Effects on Berlin Situation

### REFERENCE

General Taylor's Memorandum of 14 June to the Secretary of Defense,  
Chairman, Joint Chiefs of Staff and Acting Director Central Intelligence

General Taylor's memorandum asked for a comparison of the military buildup of Soviet forces with that of United States forces over the past eighteen months and for our views of the probable effect of the current relative strengths on Soviet attitudes toward the Berlin situation in the coming months. I shall treat these as two separate but related subjects in this report which has been prepared with the assistance of the Central Intelligence Agency, the Joint Staff and Defense Intelligence Agency and has the concurrence of the Director of Central Intelligence and the Director, Joint Staff.

### *Forces Buildup*

The size and composition of the USSR's military forces have been influenced importantly by Soviet policy decisions of the past year and a half, in which the Berlin crisis has been an important factor. A programmed reduction in military manpower and in older air and naval equipment was underway in 1960 and had cut total military strength to 3,000,000 men in the first part of 1961. In response to our reaction to the Berlin pressures, the process was reversed in the summer of 1961 by calling some key reserves and delaying the discharge of conscripts in the Fall of 1961. We believe that the force level now stands at about 3.25 to 3.5 million men. The increase in personnel strength seems to have been used to bring existing units up to strength and provide needed combat and service support units rather than to raise the number of divisions. We believe Soviet Army strength is now approximately 145 divisions, of which 79 are at 70% or higher strength and have an immediate combat capability. The remaining 66 vary in strength and training status but are essentially cadre units of 40% or less strength.

During the same period the United States armed forces have been increased by 325,000 to 2,825,000. More significant than the number is the form which our buildup has taken. We have made a major increase in operational missiles, both tactical and strategic. We have filled out skeleton combat units, relieved tactical forces of basic training missions, added needed support units, reequipped with modern weapons, increased mobility, improved the alert status of both strategic and tactical forces, eliminated critical shortages of equipment, and raised

forward stockage levels—in sum, we have put our forces on an increased war readiness basis.

It is difficult to be precise in cataloging specific measures taken by the Soviets and particularly in determining the timing of their moves. However, the Soviets have made important qualitative improvements, notably in mechanizing their ground forces, adding to their formidable submarine fleet, and in expanding their strategic nuclear capabilities. Soviet missile capabilities for nuclear delivery and air defense have continued to increase in the past 18 months, and the tempo of the ICBM program has quickened. At present, the USSR possesses a ballistic missile force capable of delivering massive nuclear attacks against targets in the European area, and a much more limited force of missiles and bombers suitable for attacking the United States.

In sum, we believe that the measures it has adopted since 1 January 1961 mean that the USSR is now retaining ground, air, and naval forces at levels higher than originally planned, while at the same time proceeding with an expansion of capabilities with advanced weapon systems. But, on balance, we believe there is no question that the relative improvement has been in our favor and that the Soviet leadership knows it. I have attached to this report two annexes, one showing, for both sides, strengths and changes in personnel and in key organizations and weapons and another describing measures taken to improve combat readiness in critical categories.

#### *Implications for Berlin*

With reference to Berlin, I feel certain that our improved military position and our firm response to provocation have had a major influence on Soviet attitudes. From the beginning Khrushchev has sought to develop his campaign against Berlin in such a way as to avoid serious risk of general war. At the same time, he evidently believed that Allied concern over a military confrontation would lead the West to compromise its position in Berlin.

While the Soviet leadership has received a firmer reaction than expected from the West, it has been beset with mounting than to resort to major unilateral action, such as a separate treaty. Most likely of all is a continuation for the present of the same rigidity in negotiations without at the same time any serious move to break them off. While this judgment in the NIE is derived from an interpretation of recent Soviet behavior, rather than from any significant body of intelligence data, we feel that it is the best evaluation which can be made at the present time. The chances are good that there will be a new round of Berlin harassments, intended primarily to keep pressure on West Berlin morale and on Western negotiators.

**Robert S. McNamara**

July 1962

274. Memorandum from Gen. Taylor to President Kennedy,  
July 2<sup>1</sup>

July 2, 1962

In connection with considerations of NATO MRBMs, Berlin contingency planning and similar matters, many questions have arisen with regard to the transfer, release and use of U.S. nuclear weapons. For my own guidance, I asked a member of my staff, Major William Y. Smith, to research these matters and give me a paper setting forth the authority of the President and SACEUR/CINCEUR with respect to them. The resulting paper reaches the following conclusions:

*I. The President*

1. The President has authority to transfer U.S. nuclear weapons to allies in the event of hostilities, for release and use under such procedures as the President "deems necessary in the interest of national defense."

2. Although the language of the Atomic Energy Act is not definitive on the point, the Executive Branch has agreed that the legislative history makes clear the view of Congress that the President does not have authority to transfer nuclear weapons to allies in peacetime, except by treaty, or an Executive agreement approved by a majority vote of each house of Congress.

3. The President may define in advance of the event certain contingencies under which he will delegate to a U.S. military commander authority to release nuclear weapons for use by U.S. forces.

4. The President, in time of peace, may make nuclear weapons available for use by a U.S. military commander while withholding the actual decision to use them.

5. *a.* For U.S. forces assigned to NATO, the President will release nuclear weapons to CINCEUR for use as directed by SACEUR on the authority of NAC or NATO member governments.

*b.* For non-U.S. NATO forces to which SACEUR has allocated U.S. nuclear weapons under NATO war plans, the President, in releasing nuclear weapons to CINCEUR, in effect authorizes CINCEUR to trans-

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<sup>1</sup> Delegation of authority in the transfer, release and use of U.S. nuclear weapons. Secret. 3 pp. Kennedy Library, National Security Files, Meetings and Memoranda Series, Taylor 6/62-8/62.

fer the weapons to NATO members for use as directed by SACEUR on the authority of NAC or NATO member governments.

c. Exact procedures to be followed under *a* and *b* above in reaching a NAC decision to use nuclear weapons have never been officially defined.

## II. SACEUR/CINCEUR

1. In any war in which NATO is engaged, CINCEUR, upon receiving authority from the President, will transfer certain nuclear weapons in U.S. custody to non-U.S. NATO forces, and will release others to U.S. forces. Both categories of weapons would be used as directed by SACEUR.

2. In time of war, SACEUR receives from the North Atlantic Alliance the authority to engage in military operations, and from the U.S. President, via CINCEUR, the transfer of all or part of the weapons allocated for SACEUR use.

3. Thus, if a selective use of nuclear weapons were necessary in support of Berlin contingency planning, the President would release nuclear weapons to CINCEUR for employment by SACEUR as directed by NAC or by NATO member governments.

## III. *Multilateral NATO Nuclear Force, or a European Nuclear Force*

1. Without legislative changes or an international arrangement (as defined in the Atomic Energy Act), the maximum support the U.S. presently could give to a multilateral NATO nuclear force under the law would seem to be agreement beforehand to transfer to NATO, under certain contingencies in the event of hostilities, U.S. nuclear weapons allocated for NATO use. The decision to use the weapons then would be in the hands of the NAC or NATO member governments, and the U.S. President would have only the same degree of participation in that decision as the other heads of government.

2. Without legislative changes or an international arrangement, the maximum support the U.S. could presently give an independent European deterrent force would be agreement to transfer to the force, under specified contingencies in the event of hostilities, some U.S. nuclear weapons, and to abstain from any attempt to control the use of the transferred weapons.

The author of this study has done a conscientious job in arriving at the conclusions enumerated above but, by its nature, the study has no official validity. If you feel that it is important to establish these points in a more formal manner, I suggest that the Smith study be referred to Secretaries Rusk and McNamara for formal processing.

Maxwell D. Taylor

**275. Memorandum from Gen. Taylor to President Kennedy,  
July 12<sup>1</sup>**

July 12, 1962

By a memorandum of January 22, 1962, you asked Secretary McNamara how it would be possible to effect an early return of Army reservists to an inactive status while maintaining the current Army strength in Europe and a strong deployable Strategic Army Force in the United States, both within an end strength for Fiscal Year 1963 of 960,000. By the attached memorandum, he replies in effect that these four desiderata cannot be met simultaneously and that most of the impact of the discharge of the reservists next month will be absorbed by the Strategic Army Force in the United States.

Specifically, Mr. McNamara states that it is possible at this time to return only about 10,000 men from Europe so that, instead of a Strategic Army Force of 245,000 in the United States as planned, its strength will be 213,000—a shortage of 32,000. He indicates that in an emergency, support units might be taken out of Europe if it became necessary to deploy Strategic Army Force divisions into possible combat elsewhere in the world.

*(Comment: At this late date, there is no solution to the discharge of the reservists other than to accept this weakness in the Strategic Army Force. However, it is not a satisfactory situation for a prolonged period. There are only three ways out of this situation: (a) to increase the end strength of the Army to around a million men; (b) to bring home additional troops from Europe or Korea; or (c) to reduce the number of Army divisions from 16 to about 14. The first alternative would require additional funds for the Defense budget; the second and third pose complex political problems at home and abroad.)*

Secretary McNamara also replies to your questions with regard to the possibility of maintaining the combat readiness of the two National Guard division forces after their return to an inactive status. The problem of maintenance of readiness is largely one of keeping the divisions filled with personnel who have had a year or more of Federal service. Plans have been drawn to effect this continuity of experience. However, this will be difficult as the percentage of men who have received the year's active duty training will be down to 50–55% of the full strength of these divisions when they return to Guard status.

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<sup>1</sup> Taylor's comments on McNamara's memorandum to Kennedy on the readiness of the Strategic Army Force. No classification marking. 2 pp. Kennedy Library, President's Office Files, Def 7/62–12/62.



In order to understand more clearly the status of readiness of the Strategic Army Force during the coming months, I suggest the dispatch of the attached letter to Secretary McNamara.

**Maxwell D. Taylor**

## August 1962

### 276. Memorandum from McNamara to President Kennedy, August 11<sup>1</sup>

August 11, 1962

In response to your inquiry of 12 July, there follows additional information on the status of the Strategic Army Force in the United States.

The proposed distribution of Army strength as of the end of Fiscal Year 1963 is set forth in the annexed table. You will note that the STRAF forces consist of eight combat-ready divisions and a pool of support forces broken down as follows:

STRAF combat divisions:

8 at an average of 14,250	114,000
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STRAF support personnel:

In the United States	106,000	
In Europe and SVN	<u>15,000</u>	<u>121,000</u>
Total		235,000

The pool of support forces permits the creation of division forces tailored to meet the requirements of the geographical area in which the division force will be deployed. For example, one type of division force would be used in Europe, and another type of division force used in Southeast Asia. These varying requirements will be met by drawing upon the support pool.

I also wish to point out that we are currently reviewing our use of personnel to see how we can use them more effectively. For example, one of the items on the annexed table is 30,000 personnel in non-deployable units. These units support schools, experimental activities, are in predeployment training, or have missions not directly associated with division forces. We are studying the possible reorganization of these units so that they, or at least a substantial portion thereof, could be used as a part of our STRAF division forces.

In summary, the whole matter of Army strength is under study at the present time in the Department of the Army. We are seeking to make the most efficient use of manpower within the Army's authorized

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<sup>1</sup> Provides information on the status of the "Strategic Army Force in the United States" and a summary table of "Army Strength Planned as of June 30, 1963." Secret. 3 pp. Kennedy Library, National Security Files, Departments and Agencies Series, DOD, 7/62-8/62.

strength and to develop the most effective support possible for the 16 divisions which the Army now has. I will have the results of this analysis ready to present to you in connection with our discussion of the Fiscal Year 1964 budget.

**Robert S. McNamara**  
Secretary of Defense

**Attachment**

Summary of Army Strength Planned as of 30 June 1963

USAREUR: 5 divs. and support- ing forces	245,000	
STRAF units on TD	<u>12,500</u>	257,500
USARPAC: 3 divs. and support- ing forces		86,700
STRAF units on TD in SVN		2,500
Panama		8,200
Alaska		12,800
STRAF in U.S.—8 divisions and supporting forces		220,000
MAAGs, Army Security Agency and Misc. Foreign		28,400
Air Defense Command		22,400
CONUS Base (Continental Army Hqs, depots, schools, posts, camps and stations)	174,000	(probably can reduce by 12,000)
Department of Army—Admin. (principally Pentagon)	20,000	
Trainees	54,500	(possibly can reduce by 10,000 reducing trainees)
Students and cadets	24,300	
Combat troops assigned to schools and predeployment training, etc.	30,000	(possibly could have an alterna- tive assignment to STRAF)
Transients	15,500	(use of air may cut by 5,000)

Patients	<u>3,200</u> <u>960,000</u>
National Guard and Reserve personnel on 6 month active duty for training, not included above.	55,000 (in certain types of emergencies may be able to)

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**277. Memorandum of Discussion, August 17<sup>1</sup>**

August 17, 1962

MEMORANDUM OF DISCUSSIONS CONCERNING THE  
APPOINTMENT OF CHAIRMAN OF SPECIAL GROUP (C-1),  
AUGUST 16, 1962

General Taylor reported he had exhausted the list of available candidates. The only man available who seemed eligible was Mr. Byroade. McCone endorsed Byroade, as did Alexis Johnson. Gilpatric was agreeable but noncommittal. Taylor and Robert Kennedy questioned his stature and the fact that he was not "near" the President. It was then proposed that the Attorney General accept the Chairmanship; Byroade to be Deputy Chairman or Executive Director. This seemed to be agreed by everyone. McCone expressed himself as perfectly satisfied with the Attorney General as Chairman from the standpoint of his ability, his interest and his enthusiasm. However he stated that in his opinion the American public would look upon the Attorney General as one of the most important posts in Government and there existed considerable concern in the mind of the public, and most particularly the business community, of the Attorney General's ability to devote himself to the tasks of his office if diluted by outside activities. He therefore felt that the image of the Executive Branch of the Government would be damaged once it became publicly known, and it would, that Robert Kennedy had, in addition to his tasks of Attorney General, accepted the responsibility for the Chairmanship of an important committee wholly unrelated to his office. Kennedy agreed and decision was postponed for further consideration.

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<sup>1</sup> McCone's personal notes of the August 16 discussion of the appointment of a chairman for the Special Group. Secret; Eyes Only. 1 p. CIA Files, Job 80B01285A, DCI Memos for Record 4/7/62-8/21/62.

General Taylor and Bundy were very upset over McCone's position, and in a subsequent telephone conversation (overheard by McCone), Bundy stated to the Attorney General that he felt "McCone was completely wrong." This however was not persuasive with the AG.

NOTE: No circulation of this memorandum. Dictated just for my personal file.

**John A. McCone**  
*Director*

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**278. Letter from McCone to Gen. LeMay, August 22<sup>1</sup>**

August 22, 1962

Dear Curt:

I agree completely with the statement in your letter of August 16, that we should leave no stone unturned to ensure that we understand the threat facing us today and tomorrow, and that our forces are shaped to this appraisal. It is for this reason that USIB spent more time on NIE 11–8 than any recent estimate, and they reached their conclusions after a most exhaustive, impartial, and deep study of every scintilla of intelligence available to the Community. During this process the evidence was also carefully reviewed by the Hyland Panel (the names of the members of which are attached) and this panel in a written report came to conclusions concerning this evidence supporting those reached by the Board of National Estimates and by a majority of USIB.

In view of this, I was obviously seriously shaken by your statement to me that after discussion with General Power, and a review of SAC's estimate, you were reaching a conclusion that the Air Force position, as reported as a footnote in NIE 11–8, although nearly double the agreed position, was low and that you personally were tending towards the SAC estimate. I saw no dissent from this position by either Secretary Zuckert or General McKee.

I was further shaken to have Secretary Zuckert quote numbers of identified ICBM launching sites which exceeded the number of such sites identified by any other member of the Intelligence Community.

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<sup>1</sup> Ideas on resolving the differences in SAC and USIB estimates of the threat facing America. Secret. 3 pp. CIA Files, Job 80B01285A, ER Files–DCI Chron, 1/1–12/31/62.

The thrust of my report to USIB was to explain your position, to question whether acceptable intelligence existed upon which SAC might base its conclusions, and finally, to propose that another attempt be made to adjudicate this difference. In the ensuing discussion it was pointed out by several members of the Board that such an exercise would probably be futile, that all such attempts at adjudication had failed in the past (USIB examined and unanimously rejected the SAC position twice last year) and that the Hyland Panel, after hearing the SAC presentation during a detailed examination of the evidence over two full days, had been unable to accept the SAC conclusions.

Nevertheless, Curt, I propose that SAC appear before the United States Intelligence Board at an early date to present their estimate and the facts upon which they base their conclusions, and in doing so be prepared to discuss the subject in depth with representatives of the Board of National Estimates and other estimators of the Intelligence Community. If you so desire, the Joint Chiefs of Staff might also be present. I should point out that this procedure is not something that can be done in an hour, but will in all probability take the better part of a day as was the case in January of this year when General Maxwell Taylor and I went through this exercise in Omaha with General Power.

Sincerely,

**John A. McCone**  
*Director*

### Enclosure

#### HYLAND PANEL

Dr. Lawrence A. Hyland, Chairman	Vice President & General Manager Hughes Aircraft Company
Dr. Hendrik W. Bode, Member	Vice President Bell Telephone Laboratories
Lt. General Howell M. Estes, Member	Deputy Commander Aerospace Systems
Dr. George B. Kistiakowsky, Member	Professor Chemistry Harvard University
Dr. William J. Perry, Member	Engineering Manager Sylvania Electronics Defense Lab.
Mr. Arthur E. Raymond, Member	Vice President and Director of Research, Rand Corporation
Rear Admiral Levering Smith, Member	Director, Technical Division, Special Projects Office Bureau of Naval Weapons

September 1962

**279. Paper Prepared by the Department of State,  
September 1962<sup>1</sup>**

September 1962

U.S. OVERSEAS INTERNAL DEFENSE POLICY

*I. Purpose and Scope*

A. A most pressing U.S. national security problem now, and for the foreseeable future, is the continuing threat presented by communist inspired, supported, or directed insurgency, defined as subversive insurgency. Many years of experience with the techniques of subversion and insurgency have provided the communists with a comprehensive, tested doctrine for conquest from within. Our task is to fashion on an urgent basis an effective plan of action to combat this critical communist threat.

B. It is the purpose of this document to provide the responsible executive agencies of the U.S. Government (State, DOD, AID, USIA and CIA) with policy guidance for the employment of U.S. resources to prevent or defeat subversive insurgency and to assist in the development of balanced capabilities for the total defense of free world societies against the threat of internal attack.

C. This document is concerned with the prevention and defeat of (1) communist inspired, supported, or directed subversion or insurgency and (2) other types of subversion and insurgency which are inimical to U.S. national security interests in all countries of the free world, primarily those that are underdeveloped, whether they are pro-Western, or basically neutral.

The scope of this document embraces the range of U.S. measures to assist vulnerable regimes in preventing and defeating subversion and insurgency described in (1) and (2) above. The tactical employment of U.S. Armed Forces in combat operations in direct support of governments under insurgent military attack is outside the scope of this document.

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<sup>1</sup> "United States Overseas Internal Defense Policy." Printed in part in the print volume as Document 106. Secret. 40 pp. Department of State, S/S-NSC Files: Lot 72 D 316, NSAM 182.

## II. BACKGROUND

### A. *The Pattern*

In one generation the Chinese communists conquered the world's most populous state from within. Lessons learned in this long and complex struggle have been subsequently applied by various political movements in different parts of the world.

Insurgents used Chinese communist techniques against the French in Indo-China during the period 1945–1954. Using the same techniques, Castro with an initial dozen followers took to the hills of Cuba in December, 1956. Twenty-five months later he was able to take over the government.

Operating with a different political motivation, the Algerian nationalists gained their independence from the French through the protracted Algerian War of 1954–1962. In each case, a political movement employing subversive/guerrilla techniques and initially inferior, outnumbered forces, eventually succeeded against regular forces of the established authority which were supported by superior material resources.

There is little question that individuals and groups from various countries of Asia, Africa and Latin America are receiving support and training for subversion, from the USSR and Red China. Whereas in some countries the threat may not be apparent, the evidence is clear that we face a continuing and growing problem.

Although recent history illustrates the successful application of subversion and organized violence, the post-war examples of Greece, Malaya, and the Philippines demonstrate that such movements are not invariably successful. Success in preventing or defeating these movements depends on identifying and understanding the nature of the threat and combatting it with properly balanced action.

### B. *The Factors*

1. The employment of indirect aggression through the use of subversion and insurgency against Free World institutions is related directly to the fact that the world is dominated by two over-whelmingly strong centers of power. These power centers tend to become involved directly or indirectly in most of the critical situations that occur throughout the world. They tend at the same time to muffle any violent confrontation so as to avoid escalation to the nuclear level. On the part of the communists, this has resulted in an increased effort to seek their objectives by subversive insurgency rather than overt aggression.

2. These power centers also confront each other ideologically. Each has a means of reaching into other societies and influencing favorably disposed groups. Conflicting groups in third countries are thus able



to enlist the support of one or the other of these powers. One of the major tenets of communist ideology is the use of revolution and violent action. The ideological confrontation thus favors and intensifies internal conflict in third nations.

3. Social patterns and institutions in most underdeveloped nations are extremely malleable. They are often a legacy of shapeless, frequently illogical political units which are derived, in part, from a colonial past. The disturbance of man's mind and environment caused by the last World War still lingers on in the Cold War. Concurrently a concept is spreading that society is manipulable. These characteristics act to diminish respect for public order, and encourage initiatives which easily cross the line into disorder and violence.

4. Intensifying and exaggerating these factors, and sweeping on with a momentum of its own, a social and economic revolution of great force has been spreading throughout much of the world. Purposefully or otherwise societies are gearing themselves to higher levels of economic and social activity. The necessary substructures inevitably cut into traditions and habits fostered by rural isolation. Rural people crowd into the strange environment of cities that lack for them a satisfactory pattern of living. Social action, like land reform, manifestly alters accustomed social and often political relationships. These are but examples of the manifold ways in which the revolution of modernization can disturb, uproot, and daze a traditional society. While the institutions required for modernization are in process of being created, this revolution contributes to arousing pressures, anxieties, and hopes which seem to justify violent action.

### *C. Classic Models*

It is within this framework that communists have utilized internal subversion and violence during the post-war period. They have failed conspicuously several times, and have entered into numerous skirmishes without marked success, as in Indonesia, India, and Iran. Where they have met with success they have used four different models:

1. Subverted internal institutions or governments (Czechoslovakia),
2. Incited internal rebellion (China),
3. Dominated nationalist revolutions (North Vietnam), or
4. Captured revolutions of popular antidictatorial character (Cuba).

Each of the above represents a breakdown of internal security and demonstrates how vulnerabilities of free societies are exploited by communists.

### *D. Lessons*

The susceptibility of developing societies to dissidence and violence which can be exploited by the communists requires the development

of indigenous capabilities to cope with the threat to internal security in each of its forms. Reasonable stability is necessary for healthy economic growth, and the evolution of human liberties and representative government.

Sheer repression of political unrest seldom does more than buy time. Unless used to political advantage, this time may favor the subversives or their communist mentors. Rebels of today may be the governments of tomorrow unless their grievances where legitimate are redressed by needed reform. Legitimate nationalistic protests for social improvement which can deteriorate into organized violence or be exploited by the communists need not reach this stage if the local government accompanies its internal security measures with appropriate political and other reform action.

There are several lessons to be drawn:

1. An adequate internal defense will require the mobilization of a government's resources and their effective employment through political, social, economic, security and psychological measures. The problem is basically political but requires the full support of the local security forces.

2. It is essential to the U.S. interest that unrest or active dissidence be appraised in terms of causes to achieve a peaceful solution.

3. Friendly governments must be persuaded to take the proper remedial action without relying solely on repression.

4. In addition to attempting to penetrate all levels of a society, communists often infiltrate nationalist and reform movements. They can be prevented from taking over these movements if the government demonstrates political wisdom and maintains internal security.

5. The primary purpose of internal defense programs is to deal with and eliminate the causes of dissidence and violence. Once the internal security of a country deteriorates to the point where violence is sustained and continuing, the government must either defeat the insurgency or face civil war.

### III. *Nature of the Threat*

#### A. *The Environment*

The principal forces at work throughout the undeveloped world are: (1) the stresses and strains of the developmental process brought about by the revolutionary break with the traditional past and uneven progress toward new and more modern forms of political, social, and economic organization; and (2) the contest between communism and the Free World for primary influence over the direction and outcome of the developmental process.

Another factor influencing the internal stability of certain lesser developed countries is the circumstance of their geographic location. Because of the political, military, and economic relationships which stem from this circumstance of nature, traditional international animos-

ities or friendships, as the case may be, present many exploitable opportunities for the communists. The disequilibrium and unrest, the usual concomitants of a social progress, may be compounded by geopolitical and traditional regional relationships.

### *B. The Causes of Insurgency*

To succeed, insurgency must have an active indigenous base and some form of political direction and structure. Advanced stages of insurgency must have both an active domestic base of popular support and a political-military structure, i.e., a proto-government, in opposition to and competing with the central government.

Insurgency is grounded in the allegiances and attitudes of the people. Its origins are domestic, and its support must remain so. The causes of insurgency therefore stem from the inadequacies of the local government to requite or remove popular or group dissatisfactions.

It is during the interim, between the shattering of the old mold and its consolidation into a viable modern state of popularly accepted and supported institutional strength, that a modernizing state is vulnerable to subversion and insurgency.

*Politically and socially*, a transitional society may exhibit many of the following symptoms:

Deep rifts between various sectors of the population, complicated by lack of communication between the government and the countryside; lack of social cohesion stemming from inequalities in the old class structure, often exacerbated by racial and social discrimination and religious differences; aspirations of the under-privileged for a better life and greater participation in the life of the society; an inadequate educational system; weak governmental institutions lacking administrative capacity; corrupt political leadership; a government unresponsive to the aspirations of the people; a political system in which the military establishment is the ultimate arbiter of power, often in league with the traditional oligarchs; numerous political parties which complicate the formation of stable governments and the functioning of representative institutions; a frustrated but articulate segment of the youth and intelligentsia (often foreign-educated) which advocates radical solutions to speed modernization; a developing middle class which cannot yet control political processes; and extremes of Right and Left which contest the middle class rise to political and economic power.

*Economically*, a transitional society may exhibit these symptoms:

Widespread poverty and a grossly inequitable distribution of wealth and income; inadequate agricultural production and lack of diversification with little progress toward land reform or the development of an independent peasantry; an inadequate and unbalanced industrial structure with no coherent concept for economic growth

which will confer increased social benefits; inadequate economic infrastructure; inability to mobilize domestic resources or to marshal and reinvest savings; overdependence on exports of primary products; dissatisfaction with foreign private investment yet dependence on foreign capital assistance; inadequate low-cost housing; an inadequate tax and tax collection system; an unhealthy concentration of wealth and economic power in one class or in a few individuals or families; large-scale underemployment, including the impatient youth segment of the educated unemployed.

*Militarily*, developing states may be vulnerable in these respects:

They may have underestimated the internal threat and overestimated the external threat; they may have created "prestige" armed forces, organized along traditional lines; they may have failed to achieve an effective balance between military and police components; the military may be estranged from the people, and constitute a hindrance rather than a help in promoting nation-building and social cohesion.

*Psychologically*, few of the developing states comprehend how to battle the blandishments and false hopes aroused by communism among students, educated youth, intelligentsia, the rural dispossessed and the urban under-privileged. Except in a few of the modernizing states with articulate and social-minded leaders there is a psychological gap between the government and the people—students, labor groups and others who feel estranged from the government and the society as a whole.

Too rapid a tempo of development can be as dangerous as too little. Failure to move rapidly enough encourages opposition movements which often seize power through revolution. Forward movement generates future crises as the underprivileged seek to extend their gains.

### *C. The Critical Sectors*

The vital sectors within modernizing societies include the rural sector; the labor front; students and youth organizations; the intelligentsia; the educational systems; internal communications and informational media; the military and police; religious groups; the civil bureaucracy; the various middle-class elites; ethnic minorities; and the political parties, sometimes including a legal communist party but invariably an illegal communist apparatus operating underground or through various fronts.

Subversion and insurgency must be guarded against in both the cities and the countryside. In loosely constructed countries where the government has not gained the support of the peasantry, an apathetic rural population is a vulnerable target for communist political activity. In these situations, the battle must be joined in the villages which

normally represent the critical social and political organizational level. Discontented urban populations may also be a fertile ground for communist activities if the country is in the early stages of industrialization and urbanization or is recovering from the evils of dictatorship.

The U.S. must always keep in mind that the *ultimate and decisive target is the people*. Society itself is at war and the resources, motives and targets of the struggle are found almost wholly within the local population.

*D. The Threat: Communist Doctrine and Tactics*

Communist revolutionary strategy, both Soviet and Chinese, envisages the seizure of power by stages.

*Stage I* is the building of a power base. In Soviet thinking a power base in the urban proletariat is indispensable for further forward movement of the revolutionary process, though it need not involve violence. The rural population (peasants), in the Soviet view, plays a necessary but secondary and subordinate role in the total power base. Stage I, in Soviet thinking, may be gradually extended and deepened ("national front" with other political parties, increased parliamentary representation, acquisition of high government offices, infiltration of armed forces, propaganda media, etc.) until it is possible to take power without resorting to armed violence. The reverse is held to be true for Stage I in Chinese communist thinking. The latter believe that the control and/or support of the rural population is an indispensable primary step toward the seizure of power, and that this doctrine is particularly applicable to underdeveloped areas.

*Stage II* is the initiation and conduct of armed action at a tactical level in rural or urban areas, or both. It is the Soviet contention that Stage II is not inevitable but may be forced upon the communist party and its allies if resistance is sufficiently strong. The Chinese Communists, on the other hand, maintain that the seizure of power by peaceful means (i.e., the prolongation of Stage I) is not possible and that Stage II is therefore a requisite.

*Stage III* is reached when the insurgents have grown strong enough to engage the government forces in a war of movement. It represents an escalation of Stage II. As in the latter, there is a difference between Soviet and Chinese thinking regarding Stage III. The Soviets hold that the prolonged execution of Stages I and II may generate such opposition that a civil war will ensue. In the Chinese Communist concept, escalation to Stage III is unavoidable, because the non-communist holders of power will never relinquish it unless forced to do so through armed struggle.

It is also possible to retreat from Stage III back to Stage II and under more adverse circumstances, even from Stage II back to Stage

I. Hence, by doctrine and practice the communists are equipped to press their objectives across the whole spectrum of subversive action with great flexibility. In doing so, they study and exploit the vulnerabilities of societies; they are expert in political maneuver from indigenous footholds, and they understand and practice the various forms of internal war.

The communists have refined subversive insurgency into an instrument of political warfare that can be destructively applied to underdeveloped countries at almost all their points of vulnerability. The threat is formidable and all-pervasive, but its weakness lies in the same region as does its implicit strength; *it cannot succeed without the support of people.*

#### IV. *Framework of U.S. Overseas Internal Defense Policy*

##### A. *U.S. Internal Defense Objective*

The U.S. Overseas Internal Defense objective (hereinafter, internal defense objective) is to safeguard and assist less developed societies in fulfilling their aspirations to remain free and to fashion ways of life independent from communism or other totalitarian domination or control.

##### B. *U.S. Interests*

The broad U.S. interests in the underdeveloped world are as follows:

1. A political and ideological interest in assuring that developing nations evolve in a way that affords a congenial world environment for international cooperation and the growth of free institutions.
2. A military interest in assuring that strategic areas and the manpower and natural resources of developing nations do not fall under communist control; that these nations remain able to maintain effectively their internal security and to preserve independence from communist control.
3. An economic interest in assuring that the resources and markets of the less developed world remain available to us and to other Free World countries.
4. A humanitarian interest in assuring the achievement of the social, economic, and educational aspirations of developing nations.

##### C. *U.S. Internal Defense Role*

The overall U.S. purpose in the field of internal defense is to encourage and assist vulnerable nations to develop balanced capabilities for the internal defense of their societies.

To this end, the U.S. role is:

1. To assist in the immunization of vulnerable societies not yet seriously threatened by communist subversion or insurgency.

2. To assist countries where subversive insurgency is latent or incipient to defeat the threat by removing its causes before the stage of insurgency is reached.

3. To assist in the establishment or strengthening of intelligence and internal security organizations so that they are capable of dealing with the threat of subversion and insurgency.

4. To defeat subversive insurgency in countries actively threatened by assisting the government under attack with military as well as non-military means.

5. To minimize the likelihood of direct U.S. military involvement in internal war by maximizing indigenous capabilities of countering and defeating subversive insurgency and by drawing on, as appropriate, the assistance of third countries and international organizations.

6. To minimize the risk of escalation (without deferring to this risk) from subversive insurgency to civil, conventional, or nuclear war.

#### V. *The U.S. Strategy*

*It is vital that U.S. Country Teams continually assess, on the basis of sound intelligence, developments within a society to allow ample opportunity for the U.S. Government to determine what position it should take. When insurgency can be anticipated, the U.S. should induce local government leaders to take remedial action before a real crisis limits the alternatives and makes the use of force imperative.*

To persuade these leaders to act in the interests of their society is often a complex and subtle task. Any U.S. action may fail unless its representatives present and gain acceptance of certain facts that the local government may otherwise wish to disregard. It is therefore essential that U.S. Country Teams know where the points of strength and vulnerability lie. This done, they can determine how to strengthen those elements which most effectively support U.S. objectives.

#### A. *Non-Communist Insurgency*

The U.S. does not wish to assume a stance against revolution, *per se*, as an historical means of change. The right of peoples to change their governments, economic systems and social structures by revolution is recognized in international law. Moreover, the use of force to overthrow certain types of government is not always contrary to U.S. interests. A change brought about through force by non-communist elements may be preferable to prolonged deterioration of governmental effectiveness or to a continuation of a situation where increasing discontent and repression interact, thus building toward a more dangerous climax. Each case of latent, incipient, or active non-communist insurgency must therefore be examined on its merits in the light of U.S. interests.



## B. *Subversive Insurgency*

### 1. *General*

Where subversive insurgency is latent or incipient, U.S. strategy will be directed toward its elimination, lest it provide a communist foothold and escalate into active insurgency. The scale of U.S. involvement at the level of force should be as limited as the achievement of its objectives permit and only ancillary to the indigenous effort. It is important for the U.S. to remain in the background, and where possible, to limit its support to training, advice and materiel, lest it prejudice the local government effort and expose the U.S. unnecessarily to charges of intervention and colonialism.

In insurgency situations indigenous military action will be required. U.S. operational assistance may be a necessary adjunct to the local effort. In these situations, U.S. programs should be designed to make the indigenous military response as rapid and incisive as possible while parallel reforms are directed at ameliorating the conditions contributing to the insurgent outbreak.

The Philippine campaign against the Huks, led by Ramon Magsaysay, is a model of countering insurgency, and winning back the allegiance of the domestic popular base, thus destroying the foundations of guerrilla support. Magsaysay's strategy of combining the use of force with reform measures demonstrates what can be done. It is a pattern of action which may be applicable, with local modifications as necessary, to other vulnerable less-developed countries facing the reality or threat of communist-directed insurgency.

Anticipating, preventing and defeating communist-directed insurgency requires a blend of civil and military capabilities and actions to which each U.S. agency at the Country Team level must contribute. The safeguarding of the developmental process requires carefully evaluated intelligence, the ability to penetrate the enemy's organizations, and the training of adequate and balanced military and police forces. These, as well as bilateral and multilateral developmental assistance, advice, and information programs designed to ameliorate and bring understanding to local problems, are all indispensable components of an effective internal defense program.

Preventing and defeating subversive insurgency is therefore a total program for the local government and for U.S. agencies in support thereof. Success will depend on accurate information, a careful evaluation thereof and on a unified concept of operations based on a comprehensive plan tailored to the local situation in which civil and military measures interact and reinforce each other.

#### a. *The Local Problem*

In countering insurgency, *the major effort must be indigenous since insurgency is a uniquely local problem involving the aspirations and*



allegiance of local people. Only the local government can remove its causes, win back the support of the insurgents, and strengthen the society's cohesiveness.

Overly prominent participation of U.S. personnel in counter-insurgency operations can be counter-productive in that it may (1) dilute the nationalist appeal, and hence the acceptability, of the local government, (2) make the U.S. a target for anticolonialism, and (3) permit the communists to associate themselves with the forces of nationalism and anti-Westernism. Nevertheless, a clear demonstration of U.S. willingness to help may be an important factor in strengthening morale and local will to resist.

The U.S. task is to involve itself constructively and acceptably in the local situation. Its representatives must stay in the background to the maximum extent and conduct themselves unobtrusively. Any credit for success should accrue in the fullest possible measure to the local government. This requires the development and refinement of the Country Team's capability to:

(1) Acquaint itself thoroughly with the totality of the local situation through all its distinctive phases.

(2) Assist the local government, together with the society's constructive non-communist leaders, to see the relation of insurgency to socio-economic development, and the blend of political and military measures required for an adequate internal defense.

(3) Mobilize, coordinate, and effectively apply U.S. and, as appropriate, other Free World resources to develop techniques adapted to the local situation and to strengthen the local internal defense capability with minimal damage to the society and the momentum of development.

*b. Methods of Support*

*(1) Land Reform*

The underdeveloped world is predominantly agricultural with the majority of its people often living under primitive forms of tenancy and in oppressive conditions. For this reason, we should emphasize sound land reform, expanded communications and transportation facilities, and community development programs.

*(2) Civic Action*

Civic action is the use of military forces on projects useful to the populace at all levels in such fields as training, public works, agriculture, transportation, communications, health, sanitation, and others helpful to economic development.

The extent of participation of indigenous forces in civic action programs will vary. In countries fighting active campaigns against internal subversion, local forces should be encouraged to undertake

civic action projects to strengthen the society's economic base, and establish a link between the military and the populace. In countries threatened by external aggression, local forces should participate in civic action projects which do not materially impair performance of the primary military mission. In countries where subversion or attack is less imminent, selected military forces can contribute substantially to economic and social development. Such a contribution should be a major function of these forces.

(3) *Community Development*

Community development is a vital adjunct to the political and social modernization of a loosely structured country since it takes government to the countryside and establishes two-way channels of communication between the rural sector and the government. It is thus a potential mechanism for making government responsive to the peoples' needs.

(4) *Social Projects*

With respect to the critical sectors, the U.S. must emphasize programs that ameliorate mass discontent, i.e. low-cost housing, better sanitation, potable water, new schools and low-cost utilities.

(5) *Education*

The U.S. must also devote more attention to the educational systems of the new states, to assist them in extending education to more people and improving the quality of their curricula and teachers, to supply them with textbooks that will prepare students for the modern democratic world.

(6) *Labor and Youth*

Within societies, labor and youth will continue to have problems leading to dissatisfaction and disaffection. U.S. programs and resources should be directed to education, vocational training, creating more job opportunities and the development of healthy labor and youth organizations.

(7) *Leader Groups*

To deal more effectively with the critical sectors, the U.S. must build on those local assets which are favorable to U.S. objectives. Such groups may be the political leadership, the intelligentsia, the military and police, the civil bureaucracy, religious and educational elements, and the middle class generally.

When training foreign officers, the U.S. should seek to create in them an awareness of the political process of nation-building, bearing in mind that national leadership often emerges from the military ele-

ment of underdeveloped countries. It is U.S. policy, when it is in the U.S. interest, to make the local military and police advocates of democracy and agents for carrying forward the developmental process. Similarly, the U.S. should devote more attention and resources to training the civil bureaucracy in the administrative practices and problems of newly emerging societies.

(8) *Police*

To maintain internal order, most governments depend primarily on police which normally constitute the first line of defense against subversion and insurgency. They are the ones on whom the internal security burden falls in the pre-insurrectionary stage. Police are normally trained and equipped to deal with conspiracy, subversion, and the minor forms of violence. They are also a sensitive point of contact between the government and its citizenry, close to focal points of unrest, and acceptable as keepers of order over a long period of time.

Where feasible and politically desirable, the U.S. will therefore provide equipment, training, and technical assistance to the police forces of friendly foreign countries, particularly those threatened with subversion and insurgency. Such support shall be effected through the medium most appropriate and effective for the task—normally AID but also through the Department of Defense or CIA—depending on the nature of the threat, the type of force assisted, and the preferences of the country concerned.

(9) *Diplomatic*

Friendly governments cannot be expected to measure their interest in coping with internal tensions and upheavals as we do. Some will be less fearful of communist influence; others will place more reliance on repression. In some countries, the military establishments will be slow to relinquish the traditional forms of military organization in favor of modern methods of internal defense. Few governments will understand the *political* component of internal defense and its relationship to the development cycle.

Reluctance of governments to recognize and act upon the requirement for internal reform creates situations such as exist in many Asian and Latin American countries where the economic, social and political frustrations of underprivileged groups encourage subversive attitudes capable of hostile external exploitation. In their desire to assure smooth short-run relations with traditional oligarchies, U.S. representatives often tend to forget that in some cases local leaders may have no practical alternative to accepting the U.S. recommendations, particularly if specific reforms become prerequisites to the continuance of U.S. aid.

The U.S. must recognize, however, the existence of deep-seated emotional, cultural, and proprietary resistance to any change that diminishes power and privilege, regardless of how unrealistic and short-sighted this stubbornness may seem objectively. In bringing its influence to bear, the U.S. has three avenues open to it:

(a) Regular inter-governmental collaboration can facilitate the various forms of cooperative action required. U.S. representatives must establish and maintain sympathetic personal rapport with the leaders of the country. This rapport should be grounded on a deep understanding of the country's problems and traditions, but it should not be attained at the expense of realistic objectivity toward the current historical processes at work in the society. If there is sufficient mutual personal regard, U.S. representatives will be better able to speak persuasively about reform needs and to win acceptance for constructive proposals. *For such efforts to be successful, it is important that all levels of all elements of a mission thoroughly understand and support the agreed objectives.*

(b) In some countries, the leadership may be responsive to suggestions for reform and amenable to outside assistance, but other powerful domestic forces may resist them. Some leaders may fear branding as "imperialist stooges" by virtue of accepting U.S. help. In such cases, a nation's developmental efforts may be supported at least in part by more discreet means of assistance.

Where leaders are willing but not able to institute reforms, it may be necessary to strengthen other elements of the society which are willing and able to contribute to sound development. This applies specifically to the non-communist personalities, organizations, and media which have potential popular appeal but, for lack of resources and know-how, do not compete adequately with the communist instrumentalities.

(c) Finally, there are some cases where, despite the local suggestions for reform through normal U.S. diplomatic channels, the government and its leaders refuse to act. Experience has amply shown, in such cases, that through other means it is often possible with minimal risk to increase significantly the effectiveness of opposition leaders, political parties, institutional groups, and information media.

Through such means, or through enlisting where appropriate the assistance of other governments or international organizations, it may be possible to bring organized and broadly-based political pressures on a reluctant local government. Through the same means it is also possible, by strengthening the noncommunist voices and their organizational bases in such institutional groups, to wrest communist control from local labor movements, peasants' associations, and youth and student organizations.

## *2. Role of Multilateral Organizations and Allies*

Where appropriate, multilateral actions to prevent or defeat subversive insurgency may be preferable to unilateral U.S. action, even if there is some immediate sacrifice of operational efficiency.

It is the policy of the U.S. whenever it is in the national interest to:

(a) Take such action in and through the United Nations, NATO, the OAS, SEATO, CENTO and other multilateral and regional organizations as appropriate.

(b) Encourage, as appropriate, other nations to give diplomatic, political, economic, and where necessary, military support to threatened countries.

(c) Encourage, where feasible and desirable, the former metropolises, to assume major responsibility for assisting their former wards in developing an adequate internal defense.

(d) In countries contiguous to those under attack, encourage the maintenance of effective border security to prevent use of their territory as a sanctuary by insurgent forces.

## *VI. Application of U.S. Strategy*

### *A. Concept of Operations*

Apart from the normal day-to-day political actions by the United States in foreign countries, particular problems of coordination are found in those nations where potential or actual insurgency exists. This will require the major attention of both the threatened government as well as those governments seeking to assist it. In assisting a country to strengthen its internal defense system, the U.S. must be prepared to present a closely coordinated and integrated approach in which each operational arm of U.S. policy represented on the Country Team plays a unique and indispensable part in the attainment of U.S. objectives.

### *1. Intelligence*

An adequate effort in support of U.S. policy and action decisions is vital to the successful achievement of U.S. internal defense objectives.

Such an intelligence effort must:

a. Identify those free world countries where the threat of subversion or insurgency is potential, latent, or incipient.

b. Appraise the nature and scope of the threat, the underlying causes, and the significant factors related thereto.

c. Provide intelligence estimates and appraisals upon which U.S. courses of action can be planned.

d. Provide operational intelligence required to execute U.S. plans.

e. Provide the intelligence needed to appraise the extent to which U.S. internal defense objectives are being achieved.

f. Strengthen the intelligence capabilities of vulnerable countries.

Agencies having action responsibilities for overseas internal defense operations will contribute to the U.S. intelligence effort in accordance with their respective roles as set forth in the several National Security Council Directives. Abroad, the Chiefs of Mission and Principal Officers are responsible for the coordination of all U.S. activities within their respective areas of assignment. However, acting as the designated representative of the Director of Central Intelligence, the CIA Station Chief is assigned the specific task of coordinating clandestine intelligence collection.

## *2. Levels of Intensity*

The level of intensity of subversive insurgency at any time may be portrayed in terms of three general phases:

PHASE I. This phase ranges from circumstances in which subversive activity is only a potential threat, latent or already incipient, to situations in which subversive incidents and activities occur with frequency in an organized pattern. It involves no major outbreak of violence or periods of uncontrolled insurgent activity.

PHASE II. This phase is reached when the subversive movement, having gained sufficient local or external support, initiates organized guerrilla warfare or related forms of violence against the established authority.

PHASE III. The situation moves from PHASE II to PHASE III when the insurgency becomes primarily a war of movement between organized forces of the insurgents and those of the established authority.

The U.S. should seek to create situations of strength within the local society so that subversive activity can be dealt with at the lowest possible level. Plans and programs must, however, provide for an integrated capability to eliminate the root causes of disaffection and dissidence, to expose and counter communist efforts, and to cope with increased levels of violence.

At the lower levels of subversive activity, U.S. operations will consist primarily of training, advice, economic and military assistance and intelligence activities. Should the intensity of insurgency increase, and units of the indigenous armed forces be committed, the U.S. may also have to assist and support counter-insurgency military operations. At even higher levels of insurgency, or where there is a threat of communist takeover, the commitment of U.S. operational forces may be required.

In these situations the commitment of U.S. operational forces will require a decision at the highest level of government. If such a determination is made, a further Presidential decision will be necessary to prescribe the relationship between the U.S. Chief of Mission and the U.S. Military Commander, and their relationship with the Chief of State

in the country concerned. Operational command of U.S. Armed Forces so committed will flow from the President to the Secretary of Defense through military channels to the designated U.S. Military Commander in the field.

It is of the greatest importance that the situation within a threatened country be continually appraised. Therefore programs and operations will be continually reviewed in order that they are precisely responsive to the changing nature of the problem. The emphasis to be accorded and the responsibilities assigned in connection therewith should always reflect the nature and intensity of the threat.

### *3. Washington*

In recognition of the growing subversive threat, the Special Group (CI)<sup>2</sup> has been established to assure unity of effort and use of all available resources with maximum effectiveness in preventing and resisting subversive insurgency and related forms of indirect aggression in friendly countries.

The functions of the Special Group (CI) are to insure: proper recognition of the subversive insurgency threat; reflection of such recognition in training, equipment and doctrine; marshalling of resources to deal with the threat, and development of programs aimed at defeating it. The Special Group (CI) will insure the development of adequate programs aimed at preventing or defeating subversive insurgency and indirect aggression in countries and regions specifically assigned to it by the President, and resolve any interdepartmental problems which might impede their implementation. In performing the above functions, the members of the Special Group (CI) will act on behalf of their respective departments and agencies, and will depend for staff support upon their own staffs, and upon such country or regional interdepartmental Task Forces (normally chaired by a State Department Assistant Secretary) as may be established.

The Department of State will, in accordance with its traditional responsibility in the field of foreign affairs, provide policy guidance and coordination of overseas internal defense programs. Such guidance

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<sup>2</sup> The Special Group (Counter-Insurgency) consists of:  
Military Representative of the President, Chairman  
The Attorney General  
Deputy Under Secretary of State for Political Affairs  
Deputy Secretary of Defense  
Chairman, Joint Chiefs of Staff  
Director of Central Intelligence  
Special Assistant to the President for National Security Affairs  
Administrator, AID  
Director, USIA

and coordination will be effected through the Chiefs of Mission and Principal Officers overseas and the Department of State in Washington.

To assure requisite support for the total effort, and to expedite intra-departmental as well as inter-departmental coordination and action, each agency (State, DOD, AID, USIA, CIA) will designate an element within its organization to be charged with the responsibility for continuing attention to overseas internal defense activities. These designees will:

a. Assure that internal defense problems and progress receive continuing attention and coordination.

b. Provide to responsible regional and country offices general policy and program guidance, together with the expertise gained from other areas on internal defense problems.

In order to achieve an integrated Washington effort, approximating the effort of the Country Team, officers of the department and agencies concerned with countries faced with a subversive threat will meet as required under the chairmanship of the Department of State to assist in the coordination of U.S. activities and programs in that country.

If the affairs of a country or region are in crisis, a Task Force may be established, normally under the chairmanship of the Assistant Secretary of State for the regional area in which the crisis country is located. The Task Force will have at least one senior representative from each of the responsible agencies (State, CIA, DOD, AID, USIA).

#### *4. Abroad*

At the country level, the Chief of Mission<sup>3</sup> is responsible for overall direction of the Country Team and the coordination of all U.S. programs. As the President's personal representative, he will ensure that the U.S. effort is developed and effectively applied through an integrated approach comprising all civilian and military programs employed in attaining U.S. objectives.

The United States will make every effort to determine which countries are likely to be imperiled. Chiefs of Mission in underdeveloped countries will make continuing assessments to insure that incipient insurgency is identified in time to take preventive action. In threatened countries detailed assessments will be made to analyze what basic factors contribute to the threat, the time available for remedial action, and what resources and courses of action are necessary to counter the threat. Such assessments will form the basis upon which integrated

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<sup>3</sup> In those countries where there is no U.S. Ambassador, this responsibility will rest with the Principal U.S. Diplomatic Officer.



plans and programs can be developed—both by the country concerned and the United States.

The Ambassador in some cases may need outside assistance with those tasks of assessment, planning and program formulation. When required, special interdepartmental assessment and planning teams may be temporarily assigned to work under the Ambassador to assist in the task of threat assessment, planning, and program formulation.

Based on the assessment and courses of action required, a Country Internal Defense Plan (See Annex C for draft outline plan) will be developed by the Country Team. After its submission to Washington for consideration and approval by all departments and agencies concerned these plans will become the basis for program proposals. In formulating a Country Plan, the Ambassador should consider the full range of assets, both governmental and non-governmental, as well as possible non-American assets, which it would be useful to bring to bear. These include student exchange, Peace Corps, private business, labor organizations, foundations and international lending institutions.

These plans will serve the following purposes:

- a. To assure continuing attention by the Country Team to details of the local situation.
- b. To sharpen the Country Team's ability to forecast dangerous trends and suggest remedies.
- c. To provide a framework within which to assess programs suggested by the local government.
- d. To persuade the local government to adopt the most promising course of action.
- e. To facilitate planning and program coordination in Washington.

To assure continuing undivided attention to the problem of internal defense in an underdeveloped country, the Ambassador will, where appropriate, designate an officer to assist him in meeting his responsibilities for internal defense. This officer should be of senior rank and should be responsible for keeping the Ambassador and the Country Team fully informed as to the nature of the internal security threat; current internal defense operations, plans, and programs; matters requiring coordination; and developments warranting appropriate reports to Washington. The Ambassador should assure that all members of the Country Team contribute their full capabilities in a cohesive internal defense program.

#### *B. Roles and Missions*

The U.S. has many resources with which it can assist developing countries in preventing and defeating subversive insurgency. These resources can only be mobilized and harnessed by the development

of realistic integrated plans and programs, and the implementation of a unified concept of operations. This section delineates the role of each responsible agency with respect to overseas internal defense:

### *1. The Role of the Special Group (CI)*

The Special Group (CI) assures a coordinated and unified approach to regional or country programs, and verifies progress in implementation thereof. It undertakes promptly to make decisions on interdepartmental issues arising out of such programs.

### *2. The Role of the Department of State*

In its role as chief adviser to the President in the field of foreign affairs and executant of national foreign policy, the Department of State is responsible for providing overall policy guidance and assuring the coordination of internal defense programs. In so doing, it will:

(a) Assure that internal defense problems as they arise receive the continuing attention of our friends and allies.

(b) Provide intelligence on foreign political, economic, and socio-cultural developments.

(c) Assure the development of Country Internal Defense Plans, where required.

(d) Assess in conjunction with other responsible agencies the adequacy of the various U.S. programs which, in the aggregate, constitute the total U.S. internal defense effort in a country.

(e) In collaboration with other United States Intelligence Board agencies keep under constant review the internal security situation of all countries in order to identify those where subversion and insurgency require particular attention.

(f) Participate, with the other agencies involved, in providing training for selected U.S. civilian and military government officials in the field of internal defense and the problems of modernizing societies.

(g) Through the United Nations and other international organizations, increase the Free World's awareness of the threat of communist-bloc indirect aggression and, as appropriate, organize such field operations as would aid in promoting general U.S. objectives.

(h) Encourage foreign diplomatic, political, economic, psychological and military support for countries under indirect attack by the communists.

(i) Encourage U.S. private interests (business firms, foundations, etc.) to take action in support of U.S. policy and programs.

### *3. The Role of the Agency for International Development*

The Administrator of A.I.D. has primary responsibility for the administration of economic aid programs under P.L. 87-195. In addi-

tion, the Secretary of State has responsibility under section 622(c) thereof, for the continuous supervision and general direction of the assistance programs authorized by that Act, including, but not limited to, determining whether there shall be a military assistance program for a country and the value thereof, to the end that such programs are effectively integrated both at home and abroad and the foreign policy of the U.S. served thereby.

To further U.S. policy objectives directed toward the strengthening of internal defense in countries receiving U.S. assistance, A.I.D. will plan and implement programs having as their long-term aim the creation of economic and social conditions of sufficient vitality to eliminate the causes of discontent on which the communist appeal breeds and to sustain responsive, representative government and institutions. It also has the responsibility to plan and implement programs responsive to the degree of urgency of the potential or existing threat of subversive insurgency which will maximize the capability of civil police to deter and/or cope with subversive action, to develop and implement civilian counter-insurgency programs, and to support military civic action as appropriate.

Specifically included is the responsibility to:

(a) Plan, develop and implement civilian programs aimed at strengthening sectors of a society or of geographic areas threatened by subversion or insurgency (e.g., community development, emergency economic assistance, improvement of communications facilities, road construction, irrigation projects, etc.).

(b) Plan, develop and implement programs for technical assistance to help strengthen the vulnerable sectors of a society by increasing technical proficiency, broadening skills, and raising the quality of workmanship.

(c) Assess and evaluate the adequacy of those aspects of Internal Defense programs which are the responsibility of the Administrator to develop and implement in exercise of the responsibility delegated under Section 622(c) of the Foreign Assistance Act of 1961.

(d) Promote measures for self-help, where applicable in coordination with DOD, in such areas as the better utilization of resources, reduction of dependence on external resources, better utilization of manpower (including manpower engaged in internal defense), and effectiveness in public administration.

(e) In the mass communications field, where applicable in collaboration with USIA and/or DOD, assist in developing the host government's capabilities for reaching its citizenry, particularly those segments most vulnerable to subversion, by technical assistance and training and by supporting worthwhile host government information programs.

(f) Encourage as appropriate expansion of internal assistance from other free countries, international organizations, international lending institutions, and private capital sources.

(g) In coordination as appropriate with DOD and/or CIA provide assistance to:

1. Strengthen the capability of police and police paramilitary organizations to enforce the law and maintain public order with the minimum use of force.

2. Strengthen the capability of police and police paramilitary organizations to counter communist inspired or exploited subversion and insurgency.

3. Encourage the development of responsible and humane police administration and judicial procedure to improve the character and image of police forces, and bind them more closely to the community.

(h) Where appropriate in coordination with DOD and/or CIA, plan, develop and implement civilian counter-insurgency programs, such as village alarm systems, village communication systems and remote area aviation liaison.

(i) In collaboration with DOD and where appropriate with USIA, plan, develop and implement military civic action programs on such projects as public works, sanitation, transportation, communications, and education, and assure that such programs are coordinated and properly funded.

#### *4. The Role of the Department of Defense*

The Department of Defense has the major responsibility for assisting selected developing countries to attain and maintain military security. In discharging this responsibility it seeks to achieve in each country a proper balance of the capabilities to meet both external and internal threats. In nations not confronted with a real or credible external threat to their security, the task is primarily one of assisting in the development of an effective internal defense capability.

Where subversive insurgency is virtually non-existent, or incipient (PHASE I), the objective is to support the development of an adequate counter-insurgency capability in indigenous military forces through the Military Assistance Program, and to complement the nation-building programs of AID with military civic action. The same means, in collaboration with AID and CIA, will be employed to develop a similar capability in indigenous para-military forces. In this low intensity situation the task of U.S. Forces is essentially advisory in character.

If this aim is not realized in a particular country, and as a consequence insurgency develops to serious proportions (PHASES II or III), the task of U.S. Forces may become operational. The Department of Defense, when directed by the President, will provide operational

assistance in the form of U.S. Armed Forces units in support of indigenous forces to provide increased land/sea/air mobility, additional communications facilities, training assistance and advice on the conduct of counter-insurgency operations.

In fulfilling its internal defense role, the Department of Defense will:

(a) Develop U.S. military forces trained for employment in unconventional warfare and counter-guerrilla and other military counter-insurgency operations.

(b) Develop, test and maintain transportation, communications and logistic systems to support these forces.

(c) Develop military doctrine for unconventional warfare and counter-insurgency military operations to provide guidance for the employment of U.S. forces and for the training of U.S. and friendly foreign military personnel.

(d) Develop strategy and prepare contingency plans, in accordance with U.S. foreign policy objectives and commitments, to provide operational assistance and/or reinforcement with U.S. tactical units to friendly countries faced with a credible threat of internal and/or external aggression.

(e) Provide research and development activities in support of unconventional warfare and counter-insurgency operations.

(f) Conduct military intelligence operations to provide intelligence on foreign military and paramilitary forces.

(g) Be prepared to execute military operations in support of national objectives as directed.

(h) Plan, develop and implement civilian counter-insurgency programs where appropriate with AID and/or CIA (See Role of AID, paragraph c).

(i) Assess the adequacy of its part of the overall internal defense program in relation to those of other U.S. agencies.

(j) Develop language trained and area oriented U.S. forces for possible employment in training, or providing operational advice or operational support to indigenous security forces.

(k) Provide, in coordination with other interested governmental agencies, training and advisory assistance in all aspects of military intelligence.

(l) Maintain continuous surveillance of all U.S. and foreign military and paramilitary forces available to the Free World, evaluating their state of effectiveness and readiness, and making appropriate recommendations for their support and improvement.

(m) Develop the military sections of Country Internal Defense Plans.

(n) Support the psychological operations of USIA in pre-insurgency or counter-insurgency situations.

Through the Military Assistance Program the Department of Defense will:

(a) Provide, in collaboration with AID, military weapons and material within available resources to friendly indigenous military and paramilitary forces and training in the fields of guerrilla warfare and counterinsurgency.

(b) Encourage and support, in collaboration with AID and USIA where appropriate, the use of indigenous military and paramilitary forces of developing nations in military civic action programs, including such projects as public works, sanitation, transportation, communications, and other activities helpful to economic development.<sup>4</sup>

#### *5. The Role of the Central Intelligence Agency*

CIA is an active participant in the U.S. Internal Defense effort at both the national and country team levels. The role of the Director of Central Intelligence and of the Central Intelligence Agency in Internal Defense activities will be carried out in accordance with the provisions of statutory authority and executive direction.

#### *6. The Role of the U.S. Information Agency*

The U.S. Information Agency will orient its programs toward immunizing the vulnerable sectors of developing societies against communist propaganda and subversive activities, and helping the modernization process to maturity without impairing the progressive enhancement of sovereignty and national values of the recipient country.

Developing societies require professional advice and assistance in their public information services and psychological operations to develop and maintain effective channels of communication.

Accordingly, the United States Information Agency will:

(a) Employ informational techniques, in cooperation with the host government, in support of the latter's social, economic and military efforts, to strengthen the people's feeling of identity with their government and counter the propaganda efforts of hostile subversive or insurgent groups.

(b) Strengthen local understanding of the U.S. policies and objectives, and the U.S. role in assisting nations through the modernization process.

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<sup>4</sup> NOTE: SEE ANNEX A FOR SUPPLEMENTARY ROLE OF THE DEPARTMENT OF DEFENSE.

(c) In coordination with AID and DOD, as appropriate, assist the host government in its psychological operations aimed at preventing or defeating subversive insurgency.

(d) In coordination with AID and DOD, as appropriate, assist the host government in improving its mass communication techniques; promote effective two-way communications between the government and its citizenry.

(e) In cooperation with the host government, work to improve distribution of effective informational and educational materials to all areas; produce in collaboration with the host government, such film, radio, TV and other information materials as will further the joint effort against the insurgency.

(f) Using whatever techniques are feasible, including public opinion research and motivational studies, provide information on political attitudes, the extent and causes of disaffection and dissidence, and other aspects of opinion relevant to potential or actual insurgency.

(g) *[text not declassified]*

(h) In cooperation with AID and DOD as appropriate, provide training to host country personnel in psychological operations and informational activities.

(i) Provide informational materials to the critical sectors (i.e., youth, labor, student, peasant, and intellectual groups) of the indigenous population.

(j) In collaboration with other responsible agencies, encourage U.S. private interests (business firms, foundations, etc.) to take actions in support of the U.S. Government policies and programs.

(k) Develop and maintain a flow of information to the rest of the world exposing communist inspired subversion and insurgency.

## **Annex A**

### *Supplementary Role of the Department of Defense*

TO BE DISTRIBUTED SEPARATELY.

## **Annex B**

### *GLOSSARY OF TERMS*

CLANDESTINE OPERATION—Activities to accomplish intelligence, counter-intelligence, and other similar activities sponsored or conducted by governmental departments or agencies, in such a way as to assure secrecy or concealment.

**COLD WAR**—A state of international tension, wherein political, economic, technological, sociological, psychological, paramilitary, and military measures short of overt armed conflict involving regular military forces are employed to achieve national objectives.

**COUNTERGUERRILLA WARFARE**—Operations and activities conducted by armed forces, paramilitary forces, or non-military agencies of a government against guerrillas.

**COUNTERINSURGENCY**—Those military, paramilitary, political, economic, psychological, and civic actions taken by a government to defeat subversive insurgency.

**COUNTERINTELLIGENCE**—That aspect of intelligence activity which is devoted to destroying the effectiveness of inimical foreign intelligence activities and to the protection of information against espionage, individuals against subversion, and installations or material against sabotage.

**COVERT OPERATIONS**—Operations which are so planned and executed as to conceal the identity of or permit plausible denial by the sponsor. They differ from clandestine operations in that emphasis is placed on concealment of identity of sponsor rather than on concealment of the operation.

**EVASION AND ESCAPE (E&E)**—The procedures and operations whereby military personnel and other selected individuals are enabled to emerge from an enemy-held or hostile area to areas under friendly control.

**GUERRILLA**—A combat participant in guerrilla warfare.

**GUERRILLA WARFARE (GW)**—Military and paramilitary operations conducted in enemy-held or hostile territory by irregular, predominantly indigenous forces.

**INSURGENCY**—A condition resulting from a revolt or insurrection against a constituted government which falls short of civil war. In the current context, *subversive insurgency is primarily communist inspired, supported, or exploited.*

**INTERNAL DEFENSE**—The full range of measures taken by a government to protect its society from subversion, lawlessness, and insurgency.

**INTERNAL SECURITY**—The state of law and order prevailing within a nation.

**MILITARY CIVIC ACTION**—The use of preponderantly indigenous military forces on projects useful to the local population at all levels in such fields as education, training, public works, agriculture, transportation, communications, health, sanitation and others contributing to economic and social development, which would also serve to improve the standing of the military forces with the population. (U.S.



forces may at times advise or engage in military civic actions in over-seas areas.)

**PARAMILITARY FORCES**—Forces or groups which are distinct from the regular armed forces of any country, but resembling them in organization, equipment, training, or mission.

**PARAMILITARY OPERATION**—An operation undertaken by a paramilitary force.

**PROPAGANDA**—Any information, ideas, doctrines, or special appeals in support of national objectives, designed to influence the opinions, emotions, attitudes, or behavior of any specified group in order to benefit the sponsor, either directly or indirectly.

**BLACK**—Propaganda which purports to emanate from a source other than the true one.

**GREY**—Propaganda which does not specifically identify any source.

**WHITE**—Propaganda disseminated and acknowledged by the sponsor or by an accredited agency thereof.

**PSYCHOLOGICAL WARFARE**—The planned use of propaganda and other psychological actions having the primary purpose of influencing the opinions, emotions, attitudes, and behavior of hostile foreign groups in such a way as to support the achievement of national objectives.

**SUBVERSION**—Action designed to undermine the military, economic, psychological, morale, or political strength of a regime.

## **Annex C**

### *MODEL OUTLINE OF COUNTRY INTERNAL DEFENSE PLAN*

#### **I.—BACKGROUND**

- A. Resumé of US-subject country relations.
- B. Strategic importance to U.S.
- C. Economic and social conditions prevailing.
- D. Past, present and future threats to internal stability.
- E. Orientation of foreign policy and relations with neighboring states.
- F. External threats.

#### **II.—DEFINITIVE STATEMENT OF SUBJECT COUNTRY'S VULNERABILITIES**

- A. Political.
- B. Socio-economic.

- C. Security (police, military and paramilitary) and intelligence.
- D. Psychological information.

### III.—POLICY AND OBJECTIVES

A. Statement of overall U.S. policy and objectives for subject country in context of I and II above.

B. Identify and explain any recommended changes to be made to approved objectives.

### IV.—COURSE OF ACTION

List under the following headings, the lines of action required on the part of the subject country, the U.S. and third countries and/or international organization necessary to attain U.S. objectives:

- A. Political.
- B. Socio-economic.
- C. Security (including intelligence).
- D. Psychological information.

### V.—RESOURCE REQUIREMENTS

For FY-63-67 (i.e. 5-year projections) summarize plan and program resource requirements for the subject country, the U.S. and third countries and/or international organizations. Employ the following system of categorization and relate program elements to lines of action contained in Section IV.

A. Socio-economic programs—List program totals and major projects for the following:

1. Long-range development (little immediate impact).
2. Short-range projects such as:

Community development.	Credit.
Housing.	Labor.
Health and sanitation.	Road construction.
Food.	Information.
Education.	

B. Civic action (military, paramilitary and police).

1. Employ same categories as for socio-economic programs.

C. Security programs.

1. Police and paramilitary.

- (a) Equipment
- (b) In-country advisory assistance.
- (c) Participant training.

2. Military (by service).

- (a) Equipment and material.
- (b) In-country advisory assistance.
- (c) Formal training.

3. Other

D. Psychological/information.

- 1. Mass media, including technical assistance.
- 2. Cultural exchange.
- 3. Libraries.

VI.—APPENDICES

A. Listing of U.S. resources available for application in subject—i.e., U.S. Corps of Engineers capabilities, Peace Corps, Ford Foundation-type operations, special forces augmentation teams, etc.

B. Additional non-USG programs and activities.

## November 1962

### 280. Memorandum from President Kennedy to McNamara, November 9<sup>1</sup>

November 9, 1962

In your memorandum of September 24, 1962, you answered several of my questions concerning fighter aircraft—our own and the aircraft of the Soviet bloc. Simultaneously, I had from CIA information concerning the Soviet fighter aircraft production.

Subsequently, on October 3, in a reminder memorandum from Mr. Kaysen, we raised additional questions, and from General Taylor on October 6, I had a brief answer on the state of our fighter aircraft production capability in relation to likely needs in Europe.

From this information, I have deduced the following:

That the Defense Department believes that our F4H—as a fighter-bomber—is superior to anything that will be in the Soviet operational inventory during the same time period as the F4H is operational, as far as we know;

That the Defense Department feels that the present procurement schedule for the Navy and the Air Force from now until 1968, at the anticipated production rates, is sufficient for our needs.

I note by your memorandum that you are conducting a comprehensive review of our tactical forces, which you will report to me this month. In the presentation of this review, it is my hope that these additional questions might be answered:

Based on our best estimate, if we were confronted with a conventional warfare situation in Europe and, at the same time, increased threats to ourselves and our allies by Communist China in the Far East—while we are engaged at the same tempo that exists now in Cuba—would our interceptor capability and our fighter-bomber capability meet these requirements? If not, what would be our best compromise solution?

I realize that I pose the most difficult question first, but let us suppose that the only front in which we were challenged would be East and West Germany: If we were to get into war in Europe, needing both fighter bombers and interceptor aircraft, do we now have an inventory that would enable us to attain air superiority? Approximately

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<sup>1</sup> Questions posed by the President on status of U.S. and Soviet fighter aircraft production. Top Secret; Sensitive. 3 pp. Washington National Records Center, OSD Files: FRC 71 A 6489, 452 Tactical 1962.

what numbers of planes of the various types would make up our capability? Would they be able to hold their own against the Soviet inventory in 1963?

Continuing the above premise, and assuming the production schedule you outlined in your September 24 memorandum, would our requirements vis-à-vis the Soviet bloc be met in 1964 or 1965?

I know that aircraft attrition in warfare is difficult to estimate. From what you know of our production capability of the F4H, would production meet anticipated attrition if we were to go into a conventional war in the next 12 months? If not, should we expedite this orderly production schedule so that we will have the needed number of F4H—and other models—sooner than the schedule you now have set up?

Another concern of mine is our ability to re-deploy our interceptor aircraft and our fighter-bomber aircraft to the European Theater in time to prevent our losing air superiority over the battlefield. Have you any views on this subject?

Finally, knowing that pilot training and other maintenance and operational skills are required for the proper employment of fighter aircraft, if I directed that our fighter procurement be doubled in 1963 and 1964, would the trained pilots and other trained personnel be available to man the aircraft we would produce and deliver?

If your anticipated report does not respond to all of these questions, do not delay its submission. I know that these are not easy questions, and that it might be necessary for you to ask the Joint Chiefs of Staff to expedite a supplementary report that would include consideration of the points I have raised.

**John F. Kennedy**

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**281. Memorandum from Joint Chiefs of Staff to McNamara,  
November 14**

JCSM-868-62

November 14, 1962

[Source: National Archives and Records Administration, RG 218, JCS Records, JMF 3105 (22 Jun 62) Sec 1. Top Secret. 17 pages of source text not declassified.]

**282. Memorandum of Discussion Prepared by McCone,  
November 16<sup>1</sup>**

November 16, 1962

MEMORANDUM OF DISCUSSION WITH PRESIDENT KENNEDY  
ON THE AFTERNOON OF FRIDAY, NOVEMBER 16th  
AT 5:15 P.M.—about one hour

No one in attendance except the President and DCI.

The purpose of the visit was to brief the President on the probable attitudes of General Eisenhower at meeting scheduled for following day. The President read DCI memorandum of October 21st and was informed that Eisenhower's most recently expressed views on the Cuban situation, which were on November 7th, did not deviate materially from those expressed in the memorandum. Secondly DCI reviewed memorandum of November 16th, outlining Eisenhower's views on organization. The President retained this memorandum and stated he would discuss the subject with Bundy. Kennedy seemed inclined to favor some form of organization different from that existing at the present time but questioned going as far as an OCB—Planning Board concept of the latter days of the Eisenhower Administration. In conclusion the President expressed gratification with the functioning of the Executive Committee; thought that perhaps the Executive Committee could be made a permanent organization subsidiary to the NSC and that it could be kept at about the same membership and that it would not be necessary to admit into the councils of the Executive Committee the large number of on-lookers who seem to have the privilege of attending NSC meetings.

If an arrangement was made, then the Executive Committee could meet regularly and be briefed by the DCI, could discuss intelligence findings and conclusions and also discuss problems and also prospective problems in the national field. McCone strongly supported this concept.

McCone pointed out that at the present time the Executive Committee meets, the principals are confronted with a series of unilateral papers prepared for the most part by State and Defense. These papers are not circulated in advance and therefore members of the Executive Committee outside of these two departments could not have the benefit

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<sup>1</sup> Readout of McCone's briefing of President Kennedy for his upcoming meeting with former President Eisenhower. Secret; Eyes Only. 2 pp. CIA Files, Job 80B01285A, Mtgs. w/President, 7/1/62-12/31/62.

of advance study and advice from their respective organizations; therefore it was very difficult to establish a position. McCone pointed out that in the past, Planning Board which was made up of representatives of each of the interested Departments would consider a paper prepared by any one of the departments and then the representatives of the NSC members would brief the principals on the arguments pro and con, and the principals therefore come to the meeting with an informed and thoughtful position.

McCone also furthermore pointed out there was a danger of the staff “taking over” the basic responsibility or the basic thinking on policy positions and this had happened under the prior Administration. However the DCI felt that with the strong leadership such as exercised by McGeorge Bundy this danger could be avoided.

The President seemed inclined to formalize the Executive Committee along the above lines. No decision was made.

McCone then briefly reviewed the Killian Board letter and steps being taken to develop a report and in answer to the President’s question, I stated that in his opinion, our failures in Cuba which were not serious, were (1) timidity of overflights in view of the Sakhalin and ChiCom incidents; (2) fixation on the probable USSR policy of deploying missiles in view of present and past policy and (3) in view of (2), a great many refugee and agent reports had not been considered or permitted into the evaluation and reporting. DCI said he thought review would bring these points into focus, that they were not necessarily applicable to other danger spots throughout the world. The President expressed satisfaction with the functioning of the Intelligence Community; made an interesting comparison with the “intelligence” of the Washington Press Corps, which observed a period of several days where there was obviously a crisis but none had the “intelligence means” to uncover what was going on.

DCI then reported on the up-coming Fell case in London and the Wynne arrest in Romania and steps taken by CIA to review and appraise CHICKADEE reports for authenticity.

**John A. McCone**  
*Director*

January 1963

**283. Memorandum from Col. Legere to Col. Ewell, January 16<sup>1</sup>**

January 16, 1963

SUBJECT

Tactical Nuclear Study

1. This morning Carl Kaysen gave me the attached draft memo from himself to Gilpatric and amplified upon it orally. He has recently spoken with some high-level people in Defense, and they agree with his feeling that by 1 March it will be impossible for the Special Studies Group to turn out a definitive paper which might at least tend to silence the skeptics on one side or both of the argument. I might add right here that he is not dead sure he will send the attached draft, but has asked me for suggestions in modifying it.

2. I believe Kaysen's thinking, as known to you, comes through quite clearly in the attached draft. Just to nail it down, he expressly told me that Alain Enthoven wonders why Pershings cannot do everything the shorter-range stuff can. In short, the command and control tail is wagging the nuclear dog. However, the idea of extending the study deadline may be a good one; Kaysen notes in this connection that General Taylor would probably go along—with the understanding that the decisions on production for FY 65 would also be delayed and would not be pre-judged.

3. I would recommend holding my contacts with Kaysen on a sensitive basis.

**Legere**

**Attachment**

SUBJECT

Proposed Guidelines for Further Study of the Requirements of Tactical and Anti-submarine Nuclear Weapons for FY 1965

On January 7, 1963 you transmitted proposed guidelines for the above study. There are three areas in which it might be useful to ask

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<sup>1</sup> Forwards comments and draft paper on tactical nuclear weapons. Secret. 3 pp. National Defense University, Taylor Papers, WH Staff Mtgs.



additional questions. All are of a rather broader scope than those posed in the guidelines.

First is the question of the relation of the tactical nuclear weapons singled out for particular study—ADM's, artillery and DAVY CROCKETT—to weapons of longer-range, especially SERGEANT and PERSHINGs. Are the military tasks for which the shorter-range weapons are intended by their nature so unamenable to targeting by the longer-range weapons that we must plan on including them in our arsenal despite the obvious and major problem which they will create in the area of command and control.

Second is a more fundamental question: the relation of the use of tactical nuclears to escalation to higher levels of violence in NATO. Specifically if, in a particular situation in Europe, it appears that tactical nuclears need to be called into play, what are to examine the extent to which the use of tactical nuclears gives each side the incentive to preempt on the strategic level. Further, in the European situation, does not the civil damage from extensive tactical nuclears make it more attractive from the point of view of our European allies to initiate the early use of strategic weapons?

Third is the question of the utility of tactical nuclear weapons after an exchange of strategic blows. In other words, how, after a strategic exchange, would the possession versus the non-possession of a wide variety of tactical nuclear ground weapons affect the outcome?

Since these three questions are broad and raise many important problems, it appears doubtful that answers to them can be achieved with present deadlines. Accordingly, I have requested the AEC to explore the possibility of extending the decision deadlines for the FY 1965 weapons production program until June 1. If this is possible without a substantial increase in the cost of producing the list of weapons under study or without a substantial delay in achieving the scheduled output then I think the proposed study should be given a broader scope and a later deadline.

**284. Notes on Remarks of President Kennedy, January 22<sup>1</sup>**

January 22, 1963

Following is the substance of a forty-minute talk by the President at 11:00 a.m., January 22, 1963, to the National Security Council and a large group of officers of the Government departments.

The subject was forthcoming National Security problems.

The President began by saying that he wanted particularly to review the problems and areas that are going to be before us in the coming months. U.S. responsibility is worldwide, he said, and the U.S. is the only power that can fully exercise that responsibility. He cited the commitments to NATO, SEATO and, in the case of CENTO, the U.S.'s role as the key country though it is not a member.

*CUBA*

The reason the Cuban crisis illustrates the importance of providing time during moments of confrontation between the big powers so that both sides can consider alternatives before moving to points of no return. He pointed out that it was a "very close thing" between a U.S. decision to mount an air strike against the Soviet installations and the final decision, the quarantine. The results, he said, emphasized the importance of the strategy we embarked on. It put the Russians in the position of having to act within a twelve hour period. During the four to five days leading up to the U.S. decision, he said, all the principals involved somewhat changed their original views. There is general agreement, he believes, that the final decision was the right one.

We should hope, he said, to approach future crises with a similar objective, namely to give the antagonist sufficient time to consider alternatives.

It is entirely likely, he said, that we will have another serious confrontation with the Russians somewhere in the next two years, according to the history of the past two years.

This likelihood is one of the important reasons for extreme emphasis on our present strategy of conventional force buildup in Europe. Also he said, we should not dismiss from our minds the possibility that we might have to consider again hitting Cuba in some way, either directly, or from sort of reprisal action or with some other major move

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<sup>1</sup> A review of national security problems: Cuba; Europe; the Neutrals; domestic affairs; foreign aid, and military issues. Top Secret. 7 pp. Department of State, Central Files, 711.5/1-2363.

made necessary by either further Soviet activities there or by the conduct of the Cubans themselves.

Also he said, we should be prepared to have to move not only in Cuba but perhaps in Berlin simultaneously. We now have a hostage in this hemisphere just as the Russians have had one in Berlin for several years.

### *EUROPE*

Since 1958, the President said, we have been faced with General de Gaulle's proposal for a French, American, British directorate. The Eisenhower Administration rightly rejected this as a step that would give the French a veto over U.S. policy and strategy all over the world, and as one that would lead to the destruction of NATO.

The President is convinced that our refusal to accept the de Gaulle triumverate idea has not produced our present troubles with de Gaulle. In spite of what de Gaulle says, his present course is not based on a real distrust of us (in fact he is basing all his policy on reliance on U.S. power) but it is based on a strong historical conviction of the dominance of France in Europe having been rebuffed by the United States and the UK. He has now turned to the Germans in an effort to bring about this French hegemony. This is not much of a threat to us. We have attempted since the war to prevent Germany from turning East so this can be lasting value in developing Franco-German amity.

The French blockage of the UK entry into EEC is a definite setback for us and even worse one for the British. It is not as bad as some of our other problems in the world. We will have problems because the British don't get in but we are going to have some very serious economic ones if they did get in. The President said we are "going to have trouble" with Europe in the time ahead. This is all the more reasons, he said, why we must push hard and fast on the multilateral nuclear plan and on general strengthening of NATO. Perhaps the multilateral plan can't be worked out, but it is the best course, and one which would maintain our ability to influence Europe on behalf of our own interests and would keep them somewhat dependent on U.S. power.

The President recited the list of de Gaulle's non-cooperation in NATO, UN, Congo, Laos and Viet Nam, but concluded "he is there and we have to live with him".

The President spoke at some length on our trade and balance of payments problems and said that all those involved in trade negotiations are going to have to be very careful about protecting the interest of this country. He said, with great emphasis, that we have got to settle our balance of payments hemorrhage by 1964. If not, great pressure

will develop in the Congress for us to withdraw from the world to narrower policy. We have got to find ways to make Europe carry its full share. If the balance of payments continues to worsen it could be the beginning of fast deterioration of U.S. power. We have already lost most of our economic power, with the rise to prosperity in Europe, so we must use our military and nuclear power in negotiations for our interest. The point, he drove home, was that we have to look out for ourselves in months ahead and not expect that our allies are going to be particularly generous about helping us settle our own problems.

### *NEUTRALS*

The President recognized that there is considerable criticism here and among some allies that we do not distinguish between neutrals and allies. He said that Pakistan is a critic of this sort. We have got to be pretty cold about this the President said. India may be neutral, but it represents one-sixth of the world's population and 40% of the underdeveloped world. It is in our own interest to have a sub-continent that can protect itself externally and internally. Since the split with China, India represents a historical opportunity and we must coldly assess our interests as we consider each neutral government. He pointed out that we cannot tolerate the notion of any of our aid recipients that our aid should be used to settle some of their historical differences with their neighbors. Also he said, we can't have neutrals falling into the Communist camp. It may be personally obnoxious to have us to have to deal with Sukarno and Nassar but it is necessary.

### *AID*

Strong effort must be made in the next few months to tie our AID very closely to the security of the United States. The test of every Aid proposal is whether it serves the U.S. It was a mistake, the President believes, to call the program AID, a mistake made by this Administration. Mutual Security may have become a tired term but it is still a better one.

He said he particularly hopes that Defense officials will be more alert to the necessity of economic as well as military aid. They have better luck in getting military aid approved by the Congress but military aid is simply not enough. South Korea can't be kept alive by military aid alone.

The President expressed great concern that the Congress will badly mutilate the AID weapon this year unless the Administration really makes a case and drives it home to the American people. The way to do this, he said, is to make very clear to the American people how and why AID is in their interest.

The President said he was sure that nobody in this Administration wanted to be in power in a period where four or five or more countries fall to Communism.

#### *DOMESTIC AFFAIRS*

The President spoke at some length on the budget situation pointing out that we are going to have a deficit of 12 to 12½ billion dollars. He pointed out that except for Defense, Space and interest on debt (about which we can do nothing), the budget under the three years that has been presented by this Administration has been increased less than under the three years previously of the Eisenhower Administration.

He expressed deep concern about the slow growth rate of the U.S. in the past ten years—only 1 percent a year per capita. This was one illustration of why the Tax Reform Bill is very important. If we have another recession in this country it will seriously hurt our gold reserves and have an extremely bad psychological effect in the U.S. The very force of Khrushchev's progress in Russia while we drift could prove to be a tremendous victory for him if we do not end the drift and move forward.

The President said with great emphasis, "We have to prevent another recession." If we had one, he said, the presently contemplated deficit of 12 billion could go as high as 20 billion dollars and with disastrous effects.

#### *MILITARY*

The President said he was confident that some of the military were disturbed over the cut-backs in some programs such as B-70, Nike-Zeus and Skybolt but he reminded that the highest proportion of the budget by far is going to Defense.

In connection with Defense commitments he said that one of our biggest jobs is to persuade some of our Allies in Europe, under very adverse conditions, that they must do more themselves. The coming months are going to be rather decisive, particularly as they effect the multilateral question and our conventional strategy.

As he did in other places, the President stressed that we must consider very hard the narrow interest of the U.S. as well as the general interest of the world. Otherwise the voice of the U.S. will become less and less and if this happens free world power will also become less and less.

He remarked that DeGaulle's strategy is in fact based entirely on the power of the U.S.

*DISARMAMENT*

He placed heavy emphasis on the importance of a nuclear test ban. If the USSR really wants one and knows we must ultimately include Red China, then the conclusion of test ban negotiations can have helpful consequences that we are not yet able to define.

He expressed great concern about the possibility of the Chinese Communist nuclear capability. He thought a test ban agreement might produce pressure against development of such a capability. Any negotiations that can hold back the Chinese Communists are most important, he said, because they loom as our major antagonists of the late 60's and beyond.

The President spoke for approximately more than 40 minutes with considerable force and clarity. He used no notes but was obviously well organized in his train of thought and concepts. He expressed thanks to everyone at the meeting for the work they and their colleagues had done in the last year. He was pleased by the way various branches of the Government had been cooperating and hoped that this inter-relationship would grow even stronger in the next year.

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**285. Memorandum for the Record Prepared by Gen. Taylor,  
January 22<sup>1</sup>**

January 22, 1963

SUBJECT

NSC Meeting, 22 January 1963

1. The meeting was primarily a 40-minute monologue by the President. He was very impressive, using no notes, and speaking lucidly and clearly. He went across the board of international issues.

2. *Cuba*. He said that one of the lessons from Cuba was the importance of giving the other side time to consider alternatives. He referred to the heated debates in ExCom as to whether we should execute an air strike at once against the Soviet missiles or first blockade the Island. The advantage of taking the second course was the fact that the Soviets had time to consider alternatives and to turn back the ships, thus

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<sup>1</sup> Summary of President Kennedy's remarks to National Security Council on January 22. Top Secret. 3 pp. National Defense University, Taylor Papers, Taylor CJCS Memos.

avoiding a spasmodic response which might have initiated nuclear war. For that reason he is pressing hard for conventional forces since he feels that their use have the unique quality of gaining time for a consideration of alternatives. A nuclear exchange would defeat all parties, and only through proper utilization of conventional forces can we avoid such an exchange.

3. He said the time may come for intervention in Cuba, perhaps in the form of a blockade more intense than the previous one, of an invasion or of a reprisal against Cuba in compensation for Soviet aggression elsewhere, possibly in Berlin. He said military action against Cuba is always within the area of possibility; therefore, the military must always be prepared to move rapidly on Cuba. He said we should be ready for military intervention in Berlin and Cuba at the same time.

4. *Europe.* The President discussed at length the French situation and DeGaulle. Looking back on relations with DeGaulle, he felt there was nothing he could have done by way of reconciling DeGaulle to prevent the present situation. If he had made concessions in the nuclear field they would have been to no avail since DeGaulle had long since been committed to a Western Europe under French leadership. Any concessions would have been interpreted as appeasement and would not have diverted DeGaulle. Thus, the present conflict was inevitable.

5. The President noted the efforts of DeGaulle to pull the Germans closer to him. This does not really worry him so long as Germany faces the West and is not attracted to the East. The exclusion of Britain from the Common Market is unfortunate but we can live with this exclusion. As a matter of fact, we would have to make rather substantial economic sacrifices if Britain joined the Market. We were for it in order to strengthen the European economic stability. If the Europeans cannot work out the admission of Great Britain, he was sorry but this was not critical. In view of these trends, our policy should be the strengthening of NATO and the development of the multilateral concept. (He did not define the multilateral concept). It is through the multilateral concept that we increase the dependence of the European nations on the United States and tie these nations closer to us. Thus, we thwart DeGaulle who wants to cause a split between Europe and the United States.

6. *Economic matters.* He urged that all US representatives in economic negotiations be alert for those things which might work against our need to control the gold outflow. He noted that the downward trend in gold continues and that by 1964 this must be under control. By that time, if the rate continues, the dollar will be in real trouble. He said he was not worried about the domestic deficit in the budget but does worry about the international deficit. He reverted to the fact that we were spending too much relatively for the defense of Europe.

We must resist any proposal adversely affecting the gold reserves. A great deal of our loss of gold was due to the unfair division of effort in the NATO area. If we allow our economic strength to be drained off, we will lose our hold on Europe and will end up at the mercy of our former clients.

7. *Neutrals.* The President said he was aware of criticisms that we are going to the aid of neutrals at the cost of our allies. The fact is that we are proceeding in accordance with the interests of the United States. He didn't approve of the leadership of India but it is to our interest to have a sub-continent that can defend itself. The US can't undertake to settle all quarrels between third parties but it is our policy to keep important neutrals out of the Communist camp. It would look very bad indeed if in the next few years five or six countries would fall to Communism because of the failure of the United States to give them aid.

8. *Aid.* The President then talked about military and economic aid. He is very much afraid Congress will want to cut the heart out of the aid program. He asked all representatives, particularly the military, to stress the security interest of the United States in this program. We don't aid countries because we like them but because it is necessary to our security. He is counting on getting help from a report by General Clay on this subject.

9. *Budget.* It looks as though there will be a 12 to 12½ billion dollar deficit in the budget. He is not concerned about the deficit, but he is concerned about the lack of economic growth. On a per capita basis, we have not grown more than 1% per year for the last 10 years. The national debt has increased only 7% in 15 years, whereas the debt of the State of Virginia has increased 300%. He fears another recession which would result in continued gold outflow and loss of morale in the economic field. Hence, the tax cut was very important.

10. *Military programs.* He realized there is disappointment in some quarters that some programs are not being funded, such as the RS-70, Zeus, and Skybolt. He hoped that the military criticisms would take into account the global effect of the budget in spite of the omission of some programs.

11. *Disarmament.* He spoke of the importance of a test ban treaty if we could get a serious response from the Soviets. Such a ban would be instituted only with the understanding that if the Chinese started testing, the ban would be lifted. He hoped that a test ban agreement with the Soviets might act as a restraint on the Chinese and either prevent or retard them from becoming a nuclear power. If this potential exists, such a ban might be worthwhile.



12. In closing, the President expressed appreciation for the help in the past year and said he hoped that mutual confidence had increased. He asked that procedures be improved for speedy decision making.

**Maxwell D. Taylor**  
*Chairman*  
*Joint Chiefs of Staff*

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**286. Notes on Remarks of President Kennedy Prepared by a “CIA Rapporteur,” undated<sup>1</sup>**

January 22, 1963

I will start by reviewing areas of policy which will be before us in the coming months and indicate the general attitude which I have toward them and to emphasize where we might put our emphasis in the next few months.

The responsibilities of the United States are worldwide and the U.S. is the only country which is recognizing its wide responsibilities. We are part of NATO, SEATO, etc. and support other pacts even though we are not a part of them. Other nations are not doing their share.

Would like to say a word first about Cuba.

The indications are that the importance of timing is of paramount importance in reaching judgments—both by the USSR and the US. Our big problem is to protect our interests and prevent a nuclear war. It was a very close thing whether we would engage in a quarantine or an air strike. In looking back, it was really that it presented us with an immediate crises and the USSR had to make their judgment and come to a decision to act in twelve hours. In looking back over that four or five day period, we all changed our views somewhat, or at least appreciated the advantages and disadvantages of alternate courses of action. That is what we should do in any other struggle with the Soviet Union—and I believe we will be in one in the future. We should have sufficient time to consider the alternatives. You could see that the Russians had a good deal of debate in a 48 hour period. If they had only to act in an hour or two, their actions would have been

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<sup>1</sup> President Kennedy’s remarks to National Security Council on January 22. Secret. 7 pp. Kennedy Library, National Security Files, Meetings and Memoranda Series, 508th NSC Meeting.

spasmodic and might have resulted in nuclear war. It is important that we have time to study their reaction. We should continue our policy even though we do not get Europe to go along with us.

The time will probably come when we will have to act again on Cuba. Cuba might be our response in some future situation—the same way the Russians have used Berlin. We may decide that Cuba might be a more satisfactory response than a nuclear response. We must be ready—although this might not come. We should be prepared to move on Cuba if it should be in our national interest. The planning by the US, by the Military, in the direction of our effort should be advanced always keeping Cuba in mind in the coming months and to be ready to move with all possible speed. We can use Cuba to limit their actions just as they have had Berlin to limit our actions.

In the matter of Europe, the US has been faced since 1958 with deGaulle's position . . . . nuclear veto by French . . . . President Eisenhower reviewed the problem and took the position that it should be reviewed by the NATO nations—the NATO nations would not act. . . . no agreement between the Three. That decision this Administration also supported. However, this decision has not produced the present contention with the French. Even when I was in Paris last June, de Gaulle said he would make some proposal in regard to NATO itself. All through his speeches and his memoirs he indicates it is his desire to have a Europe in which France would be a dominant power speaking to the USSR and to the Western World as an equal. If we had given him atomic weapons he would be difficult to deal with.

De Gaulle did not question our support of Western Europe because we have maintained strong representation there, but the French have not. They have not been aggressive as we have been and, therefore it is not a distrust of us that we will desert Europe but it is that he feels that France should assert a position as a strong France and cease its growing reliance on the U.S.

Having made such proposals to the US and Great Britain and been turned down, he has made the same turn to Germany. This is not so bad as it has prevented Germany moving to the East. And, historically, Germany's trade has been to the East. There is not much harm to us in this position. With Great Britain joining the Common Market, this would strengthen Europe but France will not let them in at this time. If G.B. does go in, it will cost us a good deal in trade, but it will be good for the stability of Europe. France keeping Britain out is a setback for us, but a more severe setback for G.B. They are going to have a difficult time in Europe. It is our interest to strengthen Europe and the unilateral concept, and deGaulle is opposed to this. By strengthening the multilateral concept, it strengthens NATO and increases their dependence on us. This strengthens our influence in Europe and gives

us the power to guide Europe and keep it strong. The events of the past two weeks makes it important for us to support the multilateral concept and that is why deGaulle is more opposed to it. It will be difficult to work this out, but it is important that we do so. But we should not be wholly distressed.

After all we have done for France in so many ways, deGaulle has opposed us in many places throughout the world—in NATO, in the Congo and other places—but he is there and we have to live with it. One way we can do so is to strengthen the multilateral force and NATO.

Our negotiators on trade matters will have to be very careful to protect our interests. Our trade balance is of great concern and is not under control. If we get down to the \$12 billion coverage of our national reserve we will be in trouble. We will have pressure on the dollar and pressure from the Congress and they will begin to follow a much narrower policy. We will be very tough about the actions that Europe takes. We maintain large forces in West Germany. If West Germany does not maintain sufficient forces but instead concentrates on agricultural production for instance to our detriment, we must take a strong position. At present we are paying half of Norway's air and sea power for instance and supporting NATO, and they are "living off the fat of the land" while we are paying for their protection. In the coming months we must concentrate on how we can protect the interests of the United States. We have pursued a very generous policy. We have lost our economic power over these countries. Now we are running out and if the French and others get atomic capacity they will be independent and we will be on the outside looking in. Do not think that the Europeans will do anything for us even though we have done a lot for them. So we must have all our representatives looking out very strongly for the U.S. interests. We must be sure our economic house is in order and use our military, political power to protect our own interests.

Regarding our attitude toward the neutrals. There is criticism about our lack of difference between the Allies and the neutrals. The Pakistanis are critical, but we must recognize the importance of the Indians. If they joined the Chinese we would have no free South Asia. The Pakistanis are struggling against the Indians and the Afghanistans. They will use or attempt to exploit our power. Our interest is to make a strong sub-continent. We will use the country that can help further that aim. We have used India lately. We do not like their present leadership, but we can use them. While doing this we have moved away from the Pakistanis and they are moving closer to the Chinese and against the Indians. We have not been able to persuade the Pakistanis or the Afghanistans to chance their policy on India. These forces were there long before we came on the scene and we cannot do much about

it—we cannot settle all the disputes, but we want to keep them free from the Communists. We cannot permit those who call themselves neutrals to be completely taken into the Communist camp. We must keep our ties with Nassir and others, even though we do not like the leaders themselves.

With regard to AID which is going forward under General Clay, we hope we can tie this whole concept of aid to the safety of the United States. This is the reason we give aid. The test is whether it will serve the United States and if we can equate it to that. AID is not a good word. Perhaps we can describe it better as Mutual Assistance—though this is an old term. Some countries can go it alone, but we must do all we can. We must make every effort to keep a country out of the communist bloc. It is more difficult to get a country out of a communist bloc once it is in. It sometimes seems hopeless. The Congress may cut the heart out of Foreign Aid and this is a great danger to the safety of the United States. Even the French give more aid than we do on a per capita basis. We will probably take a cut, but we do not want to hurt our Defense effort. We would not like four or five countries to suddenly turn communist just because we did not give a certain amount of aid. We must look this over very carefully and put aid on the basis it will best serve our own interest.

Turning to the domestic scene, we will have a deficit of about \$12 of \$12½ billion. We have made an effort to hold the deficit down and we have in the past three years. Except for Defense and Space and Interest on the Debt we have increased the National Budget but it has been increased less than it was under the previous Administration. With the tremendous movement from the country to the cities, we have had many problems. While the costs have increased, the receipts have dropped. We have only increased about 1% a year in the growth rate during the past ten years. This is serious, particularly with the great increase in population.

I think this Tax Bill is very important. If we get another recession in this country it will have a bad effect on the gold reserve. It will have a bad psychological effect on the people of the U.S. And when we see the strong position that Mr. Khrushchev is taking with regard to agricultural and other domestic sections of the economy—and if we just drift, we will look very bad to other nations.

Furthermore, the deficit is a reflection of the fight in the hot and cold war we have been fighting during the past fifteen years. If we go to a deficit of \$12 billion, this would be a most serious affair for the United States. If we can go forward with the present Tax Bill, we will be in much better shape. All of these matters—the tax program, AID, defense, etc. are all related.

The Military are disturbed because of our failure to go forward with certain programs. For instance: The B-70, Nike-Zeus, Skybolt. As

a matter of fact, we are going forward with a large program and there is a limit to how much we can do, and if the necessity develops we will do more. This Administration has spent a good many millions more than has been appropriated for Space and Defense—and perhaps we should spend more.

One of our big jobs will be to persuade our colleagues in Europe to do a better job themselves. If we maintain six divisions in Europe and they only maintain a force which will permit them to fight only two or three days—if we have sufficient force to fight and supply for ninety days and those around us can only fight for two or three days, then we should take another look. France carries their burden abroad, but not in Europe. We should consider very hard the narrow interests of the United States as well as the interests of the Free World. If we grow weak economically, our influence will grow less and less and if that happens, our Free World's position will grown weaker. De Gaulle is basing his whole position on the position of the United States. He can do this because he feels we will maintain our military power in Europe and he can bank on it.

Mr. Foster is engaged in the Test Ban. We might be successful here if the Russians need it and if they know that we will change this if the Chicoms develop an atomic capacity. If they do we will have great difficulty in protecting Asia. If the Test Ban Treaty is successful it will inhibit the Russians from starting a nuclear war and if so we should make every effort to conclude the treaty. But if the nuclear test ban includes only the Russians and the U.S. it is not worth very much. We should support Foster all we can until we see where it is going. If we get a successful treaty, we will fight it through if it will help us. (On the Hill?)

Thanks for your cooperation. All worked well together and harmoniously. Hope we can maintain the mutual relations which have been so good in this Administration.

**287. Memorandum for the Record Prepared by Col. Legere,  
January 23<sup>1</sup>**

January 23, 1963

SUBJECT

Daily White House Staff Meeting, 23 January 1963

1. Mr. Bundy presided throughout the meeting.

2. Bundy and Klein mentioned Prime Minister Fanfani and the Jupiter withdrawal from Italy. Fanfani does not want any North Atlantic Council presentation or consideration until 30 January, in part so as to permit President Kennedy to break the ground first at his press conference tomorrow.

3. The meeting this morning mostly addressed the subject of tactical nuclear weapons, in general and as specifically embodied in the currently active study by the Chairman's Study Group. Monday evening Kaysen showed me a new draft of his memorandum for Mr. Gilpatric on the proposed guidelines for the Tactical Nuclear Weapons study, and yesterday (Tuesday) noon I was able to show it to Major Smith. Attached is a copy of the paper as of 21 January. Apparently Kaysen wanted to clear his draft with Bundy before sending it to Mr. Gilpatric, and Bundy said that he had spent quite a bit of time last evening reading the paper and thinking about the problem in general. I feel that I should report that, throughout the discussion of this topic, Bundy's entire tone and approach conveyed a deep, even if contemptuously supercilious, mistrust of military motives and distrust of military minds. In any event, the following aspects arose, not necessarily or exactly in chronological order:

a. By way of extending Bundy's education on this subject, Kaysen noted that the Army at first, and then the Joint Staff in turn, had always been operating on the firm assumption that tactical nuclear weapons were indispensable. With reference to his draft memorandum to Gilpatric, Kaysen ventured to predict that the response of the AEC would indicate that they could only extend the deadline for their decision on FY 65 production if someone or other were to approve an additional loss (or cost) of \$X—Kaysen actually used \$32 million as an example, but on what basis I do not know. Bundy of course did not say that it would be all right to absorb an additional multimillion dollar cost, but

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<sup>1</sup> White House staff meeting concerning the tactical nuclear weapons study, the nuclear test ban agreement, and Kennedy's January 22d comments to the National Security Council. Secret; Eyes Only. 3 pp. National Defense University, Taylor Papers, WH Staff Mtgs.

the “atmosphere” was such that I gather the impression that the money would probably prove no problem if the government, and especially the sluggish military, could be brought around to a more rational view of and planning for tactical nuclear weapons. Incidentally, Kaysen mentioned earlier in the discussion that Harry Rowen and Alain Enthoven were collaborating at Defense level on a similar and parallel paper for the SecDef, presumably keyed to the JCS deadline—and presumably (my own view) designed to undercut the anticipated views of the JCS.

b. At this point Bundy expressed a concern about tactical nuclear weapons which was somewhat in extrapolation of the usual New Frontier concerns. He wondered how it might be possible to tie this more or less purely military JCS study to the requirement for a rational US diplomatic posture. All this sounds a little turgid but Bundy did mention de Gaulle by saying that the latter, because he did not have any tactical nuclear weapons on the horizon and because he would probably like to have them, might be impressed to some degree with a US tactical nuclear weapons posture; at least that is the way I came out in trying to follow his thinking. Later on he stated somewhat more explicitly that the forces one wants for war are not necessarily those which one may want “diplomatically.” He asked Kaysen how this sort of thinking might be made to appear in any final governmental exercise on tactical nuclear weapons. Kaysen, who was probably a little behind Bundy for once, said that he thought the “interpretive paper,” which “General Taylor” would be doing in connection with the routine Joint Staff study, could be circulated at an appropriate time to the highly placed policy men in the government.

c. I got two requirements out of this morning’s discussion on tactical nuclear weapons. The first was to find out from General Taylor’s office what statements we had made or what assurances we had given to the Germans concerning tactical nuclear weapons; when Adenauer was here Bundy specifically referred to a statement which General Taylor may have made along the line of: “You Germans will have available to you just what we will have available to ourselves.” The second requirement was that I “keep in touch” with the progress of the Tactical Nuclear Weapons study within the Joint Staff and within the Office of the Chairman.

4. There ensued a brief, sprightly, and metaphysical discussion on the future of a nuclear test ban agreement, with emphasis on the Chinese and the French (“our Chinese,” as someone called them). The only point which I was able to pick up was that, in the event of a US-UK-USSR test ban agreement, the signatory powers might establish a “two year grace period” during which the likes of the French and Chinese, and anybody else who possessed the capability, could taper off their national tests.

5. Bundy thought that his Staff input into the President's NSC talk yesterday had been highly productive, especially Komer's ideas on the neutral countries and specifically on Nasser, and Dungan's ideas on foreign aid. Bundy called the President's talk a "Bravara" performance, and the expression "mood music" was also applied to specific subjects which the President covered. In connection with foreign aid, Bundy mentioned that the mood of the Congress and the people was one reason for having nominated a fine old hard rock like General Clay to the Chairmanship of this foreign aid Group. Someone said that General Clay seemed to be acting too toughly, but Bundy said that there were a lot of people in the Group to keep him in line; Max Millikan, MIT associate of Walt Rostow, came in for specific mention. It therefore looks to me as though the Administration is once again trying to use the Old Saddler as a stalking horse for their risky or unpleasant business.

**Legere**



## February 1963

### 288. Memorandum from Maj. Smith to Gen. Goodpaster, February 6<sup>1</sup>

February 6, 1963

#### SUBJECT

US Policy on Tactical Nuclear Weapons in Europe

1. In one of the first, and last, NSC policy documents approved by this administration, the unsympathetic attitude toward tactical nuclear weapons in Europe was made clear. The document was entitled, "NATO and the Atlantic Nations", (TAB A) and resulted from an Acheson report on the same subject. It was approved by the President on 22 April 1961.

2. Setting forth a "pragmatic military doctrine" the paper said (p. 5) the US should urge that:

"NATO continue . . . to prepare to meet nuclear or massive non-nuclear attack on the theater—but not to a degree that would divert needed resources from non-nuclear theater programs to meet lesser threats or from programs to assure an ample and protected US strategic power."

3. Later, (p. 7), with reference to nuclear forces the paper stated:

"a. The President should state that an offensive nuclear capability will be maintained in the European area and that nuclear weapons will not be withdrawn without adequate replacement. Nuclear weapons in NATO Europe may be regrouped as further studies may indicate.

"b. Additional resources should be used to strengthen the nuclear capability now in Europe only where (i) going programs are so far underway that they could not be changed without serious adverse political effects, or (ii) the increase will not divert needed resources from non-nuclear tasks and is clearly required to cover needs either for replacement or expansion that cannot be met from outside the theater. The 1963 goals, as well as the proposed 1966 goals, should be reviewed by the State and Defense Departments from this standpoint."

4. In Athens last May, Secretary McNamara clearly implied to our NATO Allies that the US believed the need for tactical nuclear weapons would be less useful in the future. He stated:

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<sup>1</sup> "US Policy on Tactical Nuclear Weapons in Europe." Top Secret. 4 pp. National Defense University, Taylor Papers, Tac Nuc I.

"Battlefield nuclear weapons were introduced in NATO at a time when our Shield forces were weak and the Soviet atomic stockpile was small. In these circumstances it was reasonable to hope that NATO might very quickly halt a Soviet advance into Western Europe by unilateral application of nuclear weapons on or near the battlefield. Using nuclear weapons tactically might still accomplish a desired end in the early 1960's. . .

"But how much dependence should NATO place on these capabilities? We should succeed in deterring the Soviets from initiating the use of nuclear weapons, and the presence of these weapons in Europe helps to prevent Soviet use locally. But NATO can no longer expect to avoid nuclear retaliation in the event that it initiates their use. Even a local nuclear exchange could have consequences for Europe that are most painful to contemplate. Further, such an exchange would be unlikely to give us any marked military advantage. It could lead to general nuclear war.

"To be sure, a very limited use of nuclear weapons, primarily for purposes of demonstrating our will and intent to employ such weapons, might bring Soviet aggression to a halt without substantial retaliation, and without escalation. This is a next-to-last option we cannot dismiss. But prospects for success are not high, and I hesitate to predict what the political consequences would be of taking such action."

In the same speech, however, the Secretary stated:

"There exists a deep and natural interest particularly on the part of those Allies who maintain nuclear delivery systems, that US nuclear warheads for such delivery systems will be maintained in Europe. President Kennedy previously authorized Ambassador Finletter to state in the Permanent Council that the US will continue to make available to the Alliance the nuclear weapons necessary for NATO defense, and will consult with its Allies about any significant changes which might occur in present US programs for supplying nuclear weapons in support of NATO forces."

To old NATO hands, whenever the word "Alliance" is used rather than "NATO" by this administration, it usually means weapons outside Europe, i.e., strategic. Thus the Secretary's statement really does not necessarily mean that the US will maintain nuclear weapons "for the Alliance" in Europe. Rather the last sentence of the exalt in truth foreshadows possible reductions.

5. In Paris last December, Secretary McNamara, undoubtedly because of the known European fears that the US was in the process of a "nuclear withdrawal", did not speak out quite so strongly against tactical nuclear weapons. In fact, he seemed to retreat a bit. He referred briefly to his remarks at Athens on the escalatory possibilities of the use of tactical nuclear weapons, and commented:

"At this juncture, however, it is premature to suggest specific changes in our tactical nuclear programs. Because of the great strategic and tactical nuclear powers already at our disposal, we have time. I strongly urge that we use the time not only to review our programs

but also to re-examine the assumption on (sic) that tactical use of nuclear weapons by both sides would generally be to the advantage of the Alliance.”

Then significantly, the Secretary added:

“I want to make it perfectly clear that it is our intention to maintain and to increase tactical nuclear weapons in Europe. However, I doubt that they are the means by which we can compensate for non-nuclear weaknesses.”

In the remainder of the speech Secretary McNamara emphasized the need for NATO non-nuclear forces, asking \$8.5 billion more from our Allies for these forces over the next five years.

6. In summary, in 1961 the President approved a policy of restricting further the tactical nuclear build-up in Europe. Since then, all nuclear weapons productions schedules, dispersal plans, and the original directive for JCS studies on tactical nuclear weapons have been drawn up with emphasis on reducing the availability and restricting the use of tactical nuclear weapons. (This can be documented, if desired.) But then in Paris the US told its Allies we plan to increase tactical nuclear weapons in Europe. Nothing since December, however, has shown that the Paris speech in fact constituted a basic change in policy. This leads to a conclusion that while our Allies believe we have plans to increase nuclear weapons in Europe, our action policy still remains one of restricting any build-up and reducing the number of deployed weapons if possible.

W.Y.S.

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**289. Memorandum for the Record prepared by unknown drafter,  
February 7<sup>1</sup>**

February 7, 1963

SUBJECT

Views of Dr. Enthoven on Tactical Nuclear Warfare

1. The following views were expressed by Dr. Enthoven in a meeting with the Tactical Nuclear Branch, the Tactical Nuclear Ad Hoc Vice

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<sup>1</sup> “Views of Dr. Enthoven on Tactical Nuclear Warfare.” Top Secret. 6 pp. National Defense University, Taylor Papers, Tac Nuc Wpns Study.

Chairman, and the Deputy Chairman, SSG on 4 February 1963. Meeting with Dr. Enthoven was requested by General Edwards to discuss current Study Group efforts and interpretation of memorandum from Mr. Kaysen of the White House.

a. Dr. Enthoven prefaced his remarks by stating that since our last meeting of 10 December he had gained a clearer view relative to where tactical nuclear weapons do and do not fit into our strategic posture. His conclusions are:

(1) It has been pretty well decided that it is feasible, desirable, and even necessary to have adequate deployed non-nuclear forces capable of holding an enemy conventional assault without the use of nuclear weapons. These deployed conventional forces can be feasibly backed up by necessary CONUS based reserves and with such a posture we have a good capability of achieving reasonable objectives without resorting to nuclears.

(2) When both sides have a comparable balance of tactical nuclears, he has concluded that it is not to our advantage to initiate their use in most situations. Any theater in which tactical nuclear weapons are used becomes an area of mutual disaster—both population and industry are destroyed. It looks now as if the mutual destruction disadvantage outweighs the military advantage.

(3) Based on the above points, tactical nuclear weapons are NOT required to substitute for a conventional force deficiency. Aside from weapons needed to demonstrate resolve, what then are tactical nuclear weapons for? The answer is that tactical nuclear weapons are required to:

(a) “Deter the other guy” from initiating tactical nuclear warfare, and

(b) If deterrence fails, to allow use to fight nuclear war in the theater. (In answer to a question later discussed, Dr. Enthoven acknowledged that a valid purpose of tactical nuclear weapons can be to deter the enemy from massing a decisive conventional force.)

(4) Tactical nuclear forces have three basic design implications:

(a) They must be able to survive and remain ready and capable during the conventional battle. They must live through the conventional phase without degradation of capability while continuing to provide an umbrella of nuclear deterrence. Safety (peacetime safety?) and stability are parts of the problem.

(b) They must have a second strike capability, i.e., they must be able to survive a nuclear onslaught initiated by the enemy.

(c) Having survived, they must then perform a useful military function, i.e., they must be able to provide effective nuclear fire when needed.

(5) Notwithstanding any views to the contrary, Kaysen, Rowen, and Enthoven believe that in any general war the strategic exchange will dominate the outcome.

b. The thought that an adequate level of conventional forces can be attained which can successfully fight in Europe without nuclear weapons is firmly established in the thinking of the President, the Secretary of Defense and “most of the people who work for them.” We should re-read McNamara’s December presentation to the NATO Council of Ministers in this regard. NATO outnumbers Warsaw Pact in population and soldiers; industrial production is 2½ times as great. Thus the present administration is convinced that proper organization of conventional forces can give us an adequate capability. Admittedly, there is currently a problem of convincing our allies. We must attack the myth of Soviet conventional superiority.

Further studies of our intelligence picture will have to be undertaken to examine this. The military and intelligence community appear to be overstating Soviet Bloc capability. It is not possible (unless McNamara has been “con-ed” by the Army) for the USSR to equip and support 100 divisions or anything approaching that number on the amount of money they are spending. This leads to the “PEMA paradox”: We are currently spending \$3.3 billion for PEMA for 22 divisions versus \$3.6 billion equivalent by Soviets. How can they equip such a force? Enthoven’s estimate is that it would take the Soviets \$15 billion annually to provide a 100 division force when the divisions equated to those of the United States. It would be, indeed, remarkable if they were able to produce modernized conventional forces for what they are spending.

(Dr. Enthoven acknowledged later in the conference that the above argument and the line of reasoning outlined in paragraph 1a are based on the premise that our intelligence picture has not been fully correct in reflecting the Soviet conventional threat, and that a deeper probe of the intelligence picture will affirm this. To what extent the concepts outlined by Enthoven would be altered if current estimates of the threat are upheld was not discussed.)

c. The conclusions expressed in paragraph a above interact with the question of Dual Capability. Tactical fighters, artillery and infantry battalions are now all designed for both conventional and nuclear roles. But in fact, dual capability may not be a good thing. It doesn’t meet the requirement and is not a realistic capability anyway. The time of greatest need for nuclear capability is during conventional conflict when we are faced with great danger of escalation by the Soviets—particularly if we are succeeding conventionally. Under present concepts of having dual capable forces we can’t really do either job well. We need two types of forces, as few weapons are really dual capable.

For example, land based tactical fighters do not meet the requirements of the design objectives for tactical nuclear forces (see above) and therefore are not really a dual capable system. They are vulnerable on the ground in nuclear war and therefore are suitable primarily for conventional operations. MMRBM can perform most of the nuclear missions now assigned to tactical fighters. Possibly carrier based aviation can be considered as dual capable—vulnerability may not be as great and weapons of both types are immediately available.

The problem presented with many nuclear weapons in the hands of the Army is survivability during the initial phase of nuclear war. Troops and weapons are not really protected against nuclear weapon effects. During the conventional phase the nuclear delivery vehicles are vulnerable to conventional weapon attacks and in the way. After escalation the conventional forces will be chewed up.

When we give a commander a dual capability there is a tendency to emphasize nuclear training at the expense of conventional training. Conventional training, doctrine, and equipment suffer.

The F4C is a good airplane for conventional war, however, it is too vulnerable for nuclear war. PERSHING is a partial answer pending development of other MMRMS's for this mission. PERSHING has a fair range. In peacetime and during conventional conflict, it can be kept back out of range of enemy non-nuclear forces and can perform a military useful function. In this regard Dr. Enthoven referred to the Lee Study on NATO interdiction as a useful employment. A mobile MRBM is probably not vulnerable except under blanket nuclear attack. It is recognized that they could be eliminated in such an attack if the Soviets want to destroy Western Europe. Under these conditions external forces are required to deal with the situation. Dr. Enthoven envisions that specialized nuclear forces would "stay lost" but alert during conventional war. They should not be intermixed with the conventional forces.

A real problem with DAVY CROCKETT is that it does not have adequate survival potential and cannot be adequately controlled under present organizational concepts. Objections to the DAVY CROCKETT and other short-range weapons are that they are up front and vulnerable and they are symbolic of intent to use nuclears from the outset of any conflict situation.

What we really need to do is figure out an approach to designing special purpose tactical nuclear forces.

The Howze concept (as expressed in his article in *Army Magazine*) may not be too valid for conventional conflict in Europe since it is limited in conventional firepower; however, some such concept might well fit into the development of special nuclear ground units. We should read "Rommel's Memoirs." Lines on maps are fine things,

but . . . The FEBA referred to in the Initial Project 23 Report is hardly a valid consideration in ground nuclear warfare<sup>2</sup> nor necessarily in conventional warfare. If we study current and past Soviet doctrine relative to mass and breakthrough, it is obvious that future war will not be fought along lines on a map. Have we not been over simplifying the war too much in this respect? Thus, the problem of ADM's is that they depend on the use of a nuclear defense line. They might be valuable to protect the border but this presupposes immediate escalation—or they could be useful on the Rhine. However, we can lay down a line of seared earth with PERSHINGs if required.

Insofar as ASW is concerned even the Navy does not see a net advantage to use by our side. We are better off non-nuclear because of the high risk of escalation and the problem of locating and identifying. On the other hand, attack submarines of Soviets have much better chances of locating and identifying our surface forces. Use of nuclears are then much to his advantage. (THIS IS AN IMPORTANT ADVANCE SINCE IT REPRESENTS THE FIRST CRACK IN MILITARY THINKING INDICATING THAT NUCLEAR WARFARE MAY NOT ALWAYS BE TO OUR ADVANTAGE.)

d. Kaysen, Rowen, and Enthoven are all convinced that the strategic exchange will dominate the outcome of a general war and may be decisive regardless of tactical nuclear weapons. As an indirectly related point, Dr. Enthoven indicated the possibility that our current SIOP guidance possibly should be changed to accept a lower level of damage expectancy in SIOP targeting. Perhaps retardation and interdiction targets in Europe should receive more emphasis. It is important to understand the role of tactical nuclears under these conditions and to understand what they will or will not do for us.

Evidence indicates that the Soviets have no nuclear warheads deployed outside the Soviet Union. They have re-usable MRBM launchers. MRMBs can give Soviet theater forces nuclear support. Couldn't PERSHING do the same for us and keep him from massing his units on the Western front? Twenty Tactical Recce squadrons are planned; can they keep track of enemy units for PERSHING to hit?

We realize today that our conventional forces are inadequate, but we do not assume that tactical nuclear weapons are a substitute. We must persuade our allies that the only acceptable defense against conventional attack is a conventional response. The British are starting to

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<sup>2</sup> This is a misconstruction of Project 23 on this point. References to a "FEBA" were deleted in most cases from Project 23 for this very reason. The notion of a "zone of contact" was substituted.



feel we are on the right track, the French have and plan a big army, so we cannot assume that they will not accept this view.

e. In answer to a question, Dr. Enthoven stated that the Studies Group should not concern itself with the question of nuclear weapon requirements during the interval pending achievement of an adequate level of conventional forces.

## 2. Recapitulation of Dr. Enthoven's views.

a. If we build up our conventional forces, the Bloc would be hard pressed to "stay ahead." Economically they are now spending one-fourth of their GNP on defense and are obviously feeling the strain. Add this to our doubts about the number of effective divisions equivalents they now have and it makes the 50 percent increase in conventional forces in Central Europe even more desirable. "We can and will have adequate conventional forces."

b. Our strategic force structure is credible and deters general war. The day is fast approaching when the side which pre-empted will be expending his delivery capability without any real gain (assuming a highly survivable ICBM force on each side). Thus, the possibility of general war is receding. Our aim is to develop nuclear forces that present a credible deterrence to nuclear war below the general war level. Concurrent therewith we are going to develop conventional forces to respond to conventional assault. Today our conventional forces are inadequate—they need not be in the future.

c. Tactical nuclear weapons can't solve the problem if we don't have conventional forces. The military is saying "we can't do without nuclears" but the much broader question is "can we do with them." It now appears that we are inviting mutual disaster by planning to escalate to the nuclear level. If the Study Group can prove that it is to our net military advantage to use tactical nuclears, it will be very surprising. Tactical nuclear weapons are NOT a substitute for adequate conventional forces; we can have sufficient conventional forces to do the job. There are, however, two main reasons for the existence of tactical nuclear weapons:

- (1) To deter the Bloc from using them.
- (2) If this fails, to allow the theater forces to continue fighting the war.

d. Insofar as short-range, small-yield weapons are concerned, we must examine new organizations and concepts that will meet the "design objective."

e. The military is perpetuating what seems to be a myth relative to the invincibility of Soviet conventional forces. GNP and dollar equivalent comparisons indicate that the advantage can be on our side. We can and must examine this to see if it is a myth.



f. We must proceed to examine an organization comprised of two kinds of distinct and separate theater forces and “get off the dual capability kick”—one force specially tailored for nuclear war—one for conventional.

3. What does this all mean in our study efforts (as seen by Dr. Enthoven)?

a. If our analysis (or any other study) is based upon the premise that a conventional strategy is hopeless, we might as well not bother to do it. “Hearing aids will be turned off throughout the civilian levels and the studies will end up in a drawer unread.”

b. The real issues are not the fiscal year 1965 stockpile, but the longer range questions posed by Kaysen and the Secretary of Defense. The fiscal year 1965 stockpile is merely being used to “smoke out the issues.” The real problem of our study is to develop long-term policy objectives.

c. We should accept the fact that we will respond conventionally and get on with the problem of how we design the nuclear systems to provide:

- (1) Survivability during the conventional phase.
- (2) Survivability in nuclear warfare and second strike capability.
- (3) After surviving, they must then perform a useful military function.

d. The administration is not trying to take tactical nuclear weapons away. The issue is the type of force and what weapons we need for it. The issue is not whether we have theater nuclear forces but rather what do we need to make them effective.

# March 1963

290. National Intelligence Estimate, NIE 11-4-63, March 22<sup>1</sup>

March 22, 1963

## SOVIET MILITARY CAPABILITIES AND POLICIES, 1962-1967

### THE PROBLEM

To review significant developments in Soviet military thinking, policy, and programs, to assess the current Soviet military posture, and to estimate main trends in Soviet military capabilities and policies over the next five years.

### SCOPE NOTE

This estimate presents our main conclusions on the broad range of major Soviet military problems. It includes, *inter alia*, summary versions of recent National Intelligence Estimates, updated as appropriate, devoted to individual military missions and other related questions.

### SUMMARY AND CONCLUSIONS

#### *Basic Views on War*

A. The Soviets see military power as serving two basic purposes: defense of their system and support for its expansion. Thus, one of the most important objectives of Soviet military policy is to deter general war while the USSR prosecutes its foreign policies by means short of actual hostilities involving Soviet forces. The Soviets recognize that their deterrent must be credible in the sense that it rests upon powerful military forces. They also recognize that deterrence may fail in some key confrontation in which either they or their opponents come to feel that vital interests are under challenge. Against this contingency they wish to have a combination of offensive and defensive capabilities which will enable them to seize the initiative if possible, to survive enemy nuclear attack, and to go on to prosecute the war. We do not believe, however, that the Soviets base their military planning or their general policy upon the expectation that they will be able to achieve, within the foreseeable future, a military posture which would make rational the deliberate initiation of general war or conscious acceptance of grave risks of such a war. (*Paras. 1-3*)

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<sup>1</sup> "Soviet Military Capabilities and Policies, 1962-1967." Printed in part in the print volume as Document 130. Top Secret; Controlled Dissem. 62 pp. Johnson Library, National Security File, Intelligence File, National Intelligence Estimates.

B. A number of Soviet statements in recent years have expressed the view that limited war involving the major nuclear powers would inevitably escalate into general war. While such statements are intended in part to deter the West from local use of force, this official view also reflects a genuine Soviet fear of the consequences of becoming directly engaged in limited war involving Soviet and US forces. This probably also extends to involvement of Soviet forces with certain Allied forces in highly critical areas, notably Western forces in the European area. Nevertheless, they might employ their own forces to achieve local gains in some area adjacent to Bloc territory if they judged that the West, either because it was deterred by Soviet nuclear power or for some other reason, would not make an effective military response. They would probably employ Soviet forces as necessary if some Western military action on the periphery of the Bloc threatened the integrity of the Bloc itself. Should the USSR become directly involved in a limited war with US or Allied forces, we believe that the Soviets would not necessarily expand it immediately into general war, but that they would probably employ only that force which they thought necessary to achieve their local objectives. They would also seek to prevent escalation by political means. (*Paras. 4–5*)

C. The Soviets recognize another type of limited military conflict, termed a “war of national liberation,” in which pro-Soviet or anti-Western forces challenge colonial or pro-Western regimes in a primarily internal struggle. The Soviets have rendered active assistance in some such conflicts, and little or none in others, depending upon such practical factors as accessibility, the risk of defeat, and the attitude of other powers involved. In addition, the USSR has given military assistance to friendly, non-Bloc regimes. As new and favorable opportunities arise, the Soviets will continue to offer these various kinds of assistance. We believe, however, that they will remain chary of any great commitment of prestige to the support of belligerents over whom they do not exercise substantial control or in circumstances in which they feel that winning is unlikely, and they will seek to avoid risk of widened hostilities which might result from “wars of national liberation.” (*Paras. 6–8*)

#### *General Trends in Military Doctrine and Policy*

D. Current Soviet military policy stems from Khrushchev’s plan, announced in January 1960, to cut back the size of the armed forces and to place main reliance on nuclear and missile forces. The plan reflected his view that a general war is almost certain to be short, with victory decided in the strategic nuclear exchange, and with conventional arms playing a quite secondary role. Khrushchev’s plan was accepted only reluctantly by the military leadership; both the plan and its strategic justification have since undergone substantial modification. Present Soviet military doctrine holds that a general war will inevitably

involve the massive use of nuclear weapons; it will begin with a strategic exchange, and its course and outcome may well be decided in its initial phase. Hence, doctrinal discussion emphasizes the importance of seizing the initiative by pre-emptive attack if, in the Soviet view, general war becomes imminent and unavoidable. However, the current doctrine holds that such a conflict will not necessarily be short, and it supports both the building of strategic attack and defense capabilities and the maintenance of large theater and naval forces. (*Paras. 13–16*)

E. The Soviet leaders evidently believe that the present overall military relationship, in which each side can exert a strong deterrent upon the other, will probably continue for some time to come. However, they almost certainly regard the present strategic posture of the USSR as inferior to that of the US, and they are aware of the continuing buildup of US forces for intercontinental attack programmed for the next few years. In this situation, they probably do not expect to be able to obtain a clear strategic superiority over the US, but we believe that the Soviets are far from willing to accept a position of strategic inferiority. Our evidence does not indicate that the Soviets are attempting to outstrip or even match the US in numbers of weapons for intercontinental attack; we believe, however, that they will attempt to offset US superiority by other means.<sup>2</sup> (*Paras. 21–26*)

F. The Soviets may see a possible solution to their strategic confrontation with the US in a combination of antimissile defenses plus very effective though numerically inferior intercontinental striking forces. We believe that deployment of anti-missile defenses may be the largest new Soviet military program in the period of this estimate. Hardened ICBM's and submerged-launch submarine missiles will contribute to Soviet strategic capabilities. In addition, over the next few years the Soviet arsenal will probably come to include new large ICBMs, armed with very high-yield warheads or capable of global ranges. Moreover, the USSR is almost certainly investigating the feasibility of space systems for military support and offensive and defensive weapons. (*Paras. 27–28*)

G. Official statements and military writings suggest that the Soviet leaders see in technological achievements the means by which they may improve their total strategic position relative to that of the US. They have made scientific military research and the development of

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<sup>2</sup> The Assistant Chief of Staff, Intelligence, USAF, agrees that the Soviets probably do not expect to be able to achieve a position of clear strategic superiority over the US during the time period of this estimate and that they are far from willing to accept a position of strategic inferiority. However, he believes that the USSR is pursuing an intensive research and development effort in the hope of attaining technological breakthroughs which, when translated into weapon systems, will result in a clear strategic superiority at a later date.

new weapons matters of high urgency, and they have a demonstrated ability to concentrate human and material resources on priority objectives. If they develop new concepts or new weapons which give promise of military and political advantages, they will seek to add them rapidly to their arsenal and to gain maximum benefit from them. Thus, during the next five years, we expect the Soviets to be working on even more advanced weapons with which they may hope to enhance their strategic capabilities at a later date.<sup>3</sup> (*Para. 30*)

H. The USSR's military programs and space efforts impose costly demands upon Soviet resources. The effort to modernize and strengthen all arms of the Soviet forces simultaneously squeezes hard on resources available for investment and consumption goals to which the leadership is strongly committed. Thus, Khrushchev may once again seek a reduction in resources devoted to theater forces on the grounds that growing nuclear capabilities will permit this cutback without endangering Soviet security. But while such a reduction would reduce expenditures for military pay and release manpower to the economy, it would not significantly reduce the demands of the defense establishment on critically scarce, high quality resources and highly skilled manpower. (*Paras. 40–46*)

I. Despite the possibility of a future reduction in theater forces, Khrushchev's 27 February speech indicates that the Soviet leadership has recently taken economic decisions which reaffirm military priorities at the expense of consumer aspirations; beyond this it may reflect a decision to increase military spending above previously planned levels. The Soviet economy is capable of bearing a heavier military burden, but not without sacrifices in the program to raise living standards and perhaps also reductions in the future rate of industrial growth. For the present, the Soviets appear to have chosen to risk these consequences, but we believe that the problem of resource allocation will continue to plague the Soviet leadership. (*Para. 47*)

J. Soviet military policy will continue to be shaped, not only by a variety of strategic, technical, economic, and political factors, but also by differing views about the relative importance of these factors, and shifting compromises among these views. As a result, we believe that the numerous aspects of this policy will not always be wholly consistent with each other, and that force structure and future programming will reflect neither a fully-integrated strategic doctrine nor a firm timetable for achieving specific force levels. We do not believe that the Soviets conceive of existing weapon systems as the answer to their military problem, or that they have fixed and inflexible plans for their force

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<sup>3</sup> See the Assistant Chief of Staff, Intelligence, USAF, footnote to Conclusion E.

structure in the period five to 10 years from now. Barring some major technical advance in weaponry, we believe that Soviet military policy is likely to continue along current lines, and that for at least the next few years large standing forces of all types will be maintained. Even in the absence of such an advance, however, we cannot exclude the possibility of new departures in military policy, perhaps resulting in major changes in the composition of the Soviet military establishment and in the relative emphasis given to forces designed to accomplish the major military missions. (*Paras. 29–30*)

#### *Forces for Long Range Attack*

K. Although missile forces for attack on Eurasia continue to grow, major emphasis in the building of long-range striking forces has evidently shifted to forces for intercontinental attack, primarily ICBMs. We estimate Soviet ICBM strength at the end of 1962 at 80–85 operational launchers, including a few silo-type hardened launchers. By mid-1964, the force will probably have reached 250–325, including 75–100 silos. The Soviet ICBM force estimated for the next two years will consist primarily of missiles equipped with warheads in the low megaton range; it could include a few missiles with very high-yield warheads. We believe that the major trends in this force to 1967 will be: growth of the force to some hundreds of launchers; hardening of a significant portion of the force; and availability of some missiles capable of delivering very high-yield warheads [*text not declassified*]<sup>4 5</sup> (*Paras. 48–57*)

<sup>4</sup> The Assistant Chief of Staff for Intelligence, Department of the Army, dissents to this projection of force levels. Since the Soviet ICBM launcher construction program for second generation systems has been under way for nearly three years and has resulted in only some 80 operational launchers, it appears most unrealistic to him to estimate that from 175 to 250 operational launchers will become operational during the next 16 to 17 months. He therefore estimates as follows:

	<u>END-1962</u>	<u>MID-1963</u>	<u>MID-1964</u>
Approximate Totals	80–85	120–140	175–225
Including Hard Launchers	(a few)	(10–25)	(30–50)

<sup>5</sup> The Assistant Chief of Staff, Intelligence, USAF, believes that available intelligence, collected over a long period of time, provides a basis for differing interpretations of the magnitude of the Soviet ICBM program and the approximate time required for site construction. Experience has shown that even with the best available intelligence, and where evidence appeared to be complete, continuing analysis has indicated that ICBM launch sites exist which were not initially identified. Because of the history of expanding ICBM locations and the absence of complete, up-to-date intelligence, he believes that undetected launchers in varying degrees of construction, now exist at the confirmed complexes. Further, he also believes there are additional complexes mostly under construction at yet unidentified locations. He would therefore estimate the number of operational ICBM launchers, including those at the Tyuratam test range, through mid-1964 as follows:

	<u>END-1962</u>	<u>MID-1963</u>	<u>MID-1964</u>
Totals	110–160	175–250	300–450
Including Hard Launchers	(10–20)	(25–50)	(100–150)

L. The Soviets now have operational about 45 ballistic missile submarines—nine of them nuclear-powered—which carry a combined total of about 125 short-range (350 n.m.) missiles designed for surfaced launching. The USSR is developing longer range missiles for launching from submerged submarines. In addition, the Soviets have developed submarine-launched cruise missiles, which are probably designed primarily for use against ships but could be employed against land targets. In mid-1967, the Soviets will probably have more than two dozen nuclear-powered ballistic missile submarines, and about 20 nuclear-powered cruise missile submarines. By that time, they will probably have initiated routine submarine patrols within missile range of the US. (*Paras. 64–68*)

M. Soviet Long Range Aviation, by reason of its equipment, basing and deployment, is much better suited for Eurasian operations than for intercontinental attack. However, the Soviets have given considerable emphasis to aerial refueling and to Arctic training. Excluding combat attrition, we estimate that the Soviets could put about 200 aircraft over North America on two-way missions; of these, about half would be heavy bombers. Long Range Aviation now comprises about 170–200 heavy bombers and tankers and about 950 jet medium bombers and tankers. We continue to estimate a gradual decline in numerical strength. A portion of the BADGER medium bomber force will be replaced by the new supersonic BLINDER, already in units, but our evidence does not indicate that any new heavy bomber is being developed for operational use. By mid-1967, Long Range Aviation will probably comprise some 110–140 heavy bombers and about 750 mediums.<sup>6</sup> (*Paras. 69–75*)

N. We estimate that the Soviet MRBM and IRBM force now comprises about 600 completed launch positions, deployed for the most

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<sup>6</sup> The Assistant Chief of Staff, Intelligence, USAF, does not consider that this paragraph accurately reflects the capability of the USSR to put aircraft over North America on two-way missions. He believes that with due consideration of all relevant factors, such as number of aircraft in Long Range Aviation, numbers of aircraft tanker configured and peak availability rate, the Soviets could commit about 750 aircraft to initial two-way attacks on North America. From this number committed, about 300 bombers could reach North American targets.

The Assistant Chief of Staff, Intelligence, USAF, further estimates that a follow-on heavy bomber will probably be introduced in about 1964. The continued development of large aircraft capable of supersonic speed, and research in applicable materials, structures, and other components substantiate the Soviets interest in large supersonic vehicles and suggest an intent to increase their strategic attack capability by such means. The BOUNDER probably has served a most useful purpose as a test bed for many components, aerodynamic advancements, and a structural design which are directly applicable to a follow-on heavy bomber capable of supersonic speeds. He estimates the total Soviet heavy bomber and tanker strength will remain at approximately 200 aircraft throughout the period of this estimate, present strength levels being maintained by the introduction of modest numbers of a new heavy bomber.



part in western USSR within range of NATO targets in Europe. The bulk of these launch positions are soft, but a few silo-type hardened sites are probably operational. We believe that deployment of soft sites will have been virtually completed early this year, leveling off at about 600 launch positions; the hardened component of the force will continue to grow, probably reaching about 100–150 launchers in mid-1964. It is possible that as many as half of the soft launch positions are alternates, in which case the first salvo capability of the force would be considerably smaller, although still large enough to devastate Western Europe. (*Paras. 58–63*)

O. In the event of general war in the period of this estimate, the USSR would almost certainly employ against the US a mixed force of ICBMs, missile submarines, and bomber aircraft. By the mid-1960's the USSR will have acquired a substantially increased ICBM and submarine-launched missile capability to deliver nuclear weapons against the US, in addition to its already formidable forces for strikes in Eurasia. Significant portions of these forces will be relatively invulnerable to attack. The Soviets will be in a position to strike pre-emptively at the fixed bases of an important segment of the US nuclear delivery force, and they will have some prospect that a portion of their own force could survive an initial US attack and retaliate with high-yield weapons. With the forces which we estimate, however, the Soviets could still not expect to destroy the growing force of US hardened, airborne, seaborne, and fast reaction nuclear delivery vehicles. (*Paras. 78–81*)

#### *Air and Missile Defense Forces*

P. The significant improvements in the Soviet air defense system noted during recent years will be extended during the next few years, and successful penetration by manned bombers will therefore require increasingly sophisticated forms of attack. The Soviet air defense capability can be degraded by the increasingly complex forms of attack which the West will be able to employ, including air-launched missiles of present and more advanced types, penetration tactics, and electronic countermeasures. Even in such circumstances, the Soviets would probably expect to destroy a number of the attackers. We doubt, however, that they would be confident that they could reduce the weight of attack to a point where the resulting damage to the USSR would be acceptable. Unless and until the USSR is able to deploy a substantial number of advanced ABM defenses, the USSR's air and missile defense deficiencies and uncertainties will sharply increase as ballistic missiles assume a larger proportion of the West's total nuclear delivery capability. (*Paras. 82, 89–105*)

Q. The major development which we foresee in Soviet defense is the advent of a capability against ballistic missiles. For more than five



years, the Soviets have been conducting a high priority and extensive program to develop antimissile defenses, and we estimate that several different ABM systems are under development. We believe that in 1963 the Soviets will achieve some operational capability with an ABM system now being deployed around Leningrad. We have no basis for determining its effectiveness, but doubt that it would be effective against missiles employing decoys or other countermeasures. The USSR is probably also developing an antisatellite system. (*Paras. 83–84, 88*)

R. To counter the more complex long-range ballistic missile threat of the mid-1960's, the Soviets may seek to improve the Leningrad system, or may develop a more advanced system, or both. In any case, the USSR is likely to defer additional ABM deployment until a better system is available. If the Soviets develop an ABM system which they regard as reasonably effective against long-range missiles, a vigorous deployment program will probably be undertaken. We believe that such a program would contemplate the defense of some 20–25 principal Soviet cities and would require some five or six years to complete. We have no basis for judging whether or when the Soviets would consider their ABM system effective enough to warrant the initiation of such a program. (*Paras. 85–86*)

#### *Theater Forces*

S. The longstanding Soviet concern with concepts and forces for campaigns in adjoining theaters, especially in Europe, has resulted in a formidable theater force, strong in armor, battlefield mobility, and units in being. The tactical nuclear delivery capabilities of these forces are still limited, but they have been improved markedly over the past few years. In offensive operations, rapidly advancing theater forces would be in constant danger of outrunning their logistical tail, which is heavily dependent on railroads. Finally, the Soviets have traditionally exercised very strict supervision over the actions of their subordinates, but existing command and control systems do not permit this strict supervision over the widely extended deployment required on the nuclear battlefield or under the threat of use of nuclear weapons. (*Paras. 106–124*)

#### *Naval Forces*

T. The USSR's capabilities to conduct naval warfare in the open seas rest primarily upon the submarine force, which is capable of mounting a large-scale torpedo attack and mining campaign against Allied naval targets and sea communications in the eastern North Atlantic and northwestern Pacific. Its capabilities for operations near the continental US are more limited, but are growing. Capabilities against carrier task forces have been improved by the conversion of jet bombers to employ anti-ship missiles, by the introduction of submar-

ines equipped with cruise-type missiles, and by increased air reconnaissance of open ocean areas by Long Range and Naval Aviation. The Soviets have also placed increasing emphasis on improvement of ASW forces in coastal areas and in the open seas. We believe the Soviet Navy is capable of carrying out fairly effective ASW operations in coastal areas, but that it has a negligible ASW capability in the open seas. Despite the effort which they almost certainly are devoting to this problem, we believe that over the next five years, the USSR will be able to achieve only a limited capability to detect, identify, localize, and maintain surveillance on submarines operating in the open seas.<sup>7</sup> (*Paras. 125–147*)

## DISCUSSION

### I. SOVIET MILITARY POLICY

#### *A. Basic Views on War and Military Policy*

1. The Soviets see military power as serving two basic purposes: defense of their system and support for its expansion. Thus, one of the most important objectives of Soviet military policy is to deter general war while the USSR prosecutes its foreign policies by means short of actual hostilities involving Soviet forces. Military power is constantly brought into play in direct support of these policies, through the threats which give force to Soviet political demands, through the stress on growing power which is intended to gain respect for the Soviet state and its Communist system, and through the military aid and support rendered to allies, friendly but neutral regimes, and anti-Western movements.

2. The Soviet leaders realize that their deterrent must be credible in the sense that it rests upon powerful military forces. Moreover, they recognize that deterrence may fail in some key confrontation in which, despite their best efforts to retain control over risks, either they or their opponents come to feel that vital interests are under challenge. Against this contingency they wish to have a combination of offensive and defensive capabilities which will enable them to seize the initiative if possible, to survive enemy nuclear attack, and to go on to prosecute the war.

3. The Soviets evidently believe that the present overall military relationship, in which each side can exert a strong deterrent upon the

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<sup>7</sup> The Assistant Chief of Staff, Intelligence, USAF, would delete the last sentence and substitute the following:

While over the next five years, it is probable that the USSR will have only a limited ASW capability in the open seas, it must be recognized that the effort being applied by the USSR toward solution of the ASW problem will reduce current deficiencies and possibly could result in marked improvement in Soviet open seas capabilities.

other, will probably continue for some time to come. The Soviets are vigorously pursuing programs of research and development in advanced weapons, hoping if possible to create a strategic balance favorable to them. It is possible that some future technological breakthrough or advance would persuade them that they had acquired a decisive advantage which permitted them to take a different view of the risks of general war. We do not believe, however, that the Soviets base their military planning or their general policy upon the expectation that they will be able to achieve, within the foreseeable future, a military posture which would make rational the deliberate initiation of general war or conscious acceptance of grave risks of such a war.

4. A number of Soviet statements in recent years have expressed the view that limited war involving the major nuclear powers would inevitably escalate into general war. While such statements are intended in part to deter the West from local use of force, this official view also reflects a genuine Soviet fear of the consequences of becoming directly engaged in limited war involving Soviet and US forces. This probably also extends to involvement of Soviet forces with certain Allied forces in highly critical areas, notably Western forces in the European area. Nevertheless, they might employ their own forces to achieve local gains in some area adjacent to Bloc territory if they judged that the West, either because it was deterred by Soviet nuclear power or for some other reason, would not make an effective military response. They would probably employ Soviet forces as necessary if some Western military action on the periphery of the Bloc threatened the integrity of the Bloc itself. Should the USSR become directly involved in a limited war with US or Allied forces, we believe that the Soviets would not necessarily expand it immediately into general war, but that they would probably employ only that force which they thought necessary to achieve their local objectives. They would also seek to prevent escalation by political means.

5. Recent Soviet military writings call for professional study of the problems of nonnuclear combat, which could lead to some modification of the official view on limited war. However, we believe that the attention now being devoted to this problem is primarily responsive to indications of US interest in building NATO's capabilities for nonnuclear combat. In our view, it does not reflect any new Soviet conclusion that the USSR can now launch such wars without great dangers of subsequent escalation.

6. The USSR has regularly recognized the importance of the "war of national liberation," in which pro-Soviet or anti-Western forces challenge colonial or pro-Western regimes in a primarily internal conflict. In practice, Soviet behavior has followed neither the course of full support to all these wars, as Soviet propaganda often alleges, nor the

course alleged by Khrushchev's Chinese critics, who claim that he withholds support entirely because of exaggerated fears that such a conflict might spark a general war. The USSR has rendered active assistance in some cases, such as Laos and Yemen, and little or none in others, such as Algeria and Angola, depending upon such practical factors as accessibility, the risk of defeat, and the attitude of other powers involved.

7. The USSR has also shown a recent willingness to provide some non-Bloc recipients of its military aid with more advanced equipment than heretofore. In some cases, notably Cuba and Indonesia, Soviet personnel have been employed to man this equipment, and are training indigenous specialists to operate it. This represents a significant departure from previous Soviet practice, which may be extended to other areas in the future.

8. As new and favorable opportunities arise, the Soviets will continue to offer these various kinds of assistance, and they may do this more frequently and aggressively in the future if their efforts to expand Soviet influence by political and economic means encounter continued frustration. We believe, however, that the Soviets will remain chary of any great commitment of prestige to the support of belligerents over whom they do not exercise substantial control or in circumstances in which they feel that winning is unlikely, and they will seek to avoid risk of widened hostilities which might result from "wars of national liberation." In particular, we believe that the Soviets will be very reluctant to commit their own forces openly in conflicts where they would risk a direct confrontation with US forces.

#### *B. Soviet Military Policymaking*

9. The application of these basic attitudes to particular situations and to the allocation of resources does, of course, pose serious policy problems. A number of additional factors have long affected the character of Soviet military policy. Geography and the traditions bound up with historical experience have inclined the Soviets toward a military preoccupation with Western Europe and a stress on large-scale ground combat. The capabilities and structure of US and other opposing forces influence directly both the size and shape of Soviet forces and exert a general upward pressure upon requirements in all fields. Perhaps most important is the technological and economic base of the nation, which constantly offers prospects for more effective weapons but also determines the extent to which these opportunities can be exploited without too great a sacrifice in other programs.

10. These factors, pointing in many contradictory directions, do not make for easy or unanimous decisions. Indeed, we have clear evidence of disagreement, compromise, and even reversal in the formu-

lation of military policy in the last three years. This process of policy-making in the USSR appears in large part to involve the same problems familiar to US decision-makers. In addition, however, certain special features stand out. Fully informed Soviet military discussion, for example, seems to involve a smaller circle than in the US. Beyond the political leadership, some military officers, and a limited number of scientists and engineers, we know of no body of civilian advisers or publicists in the USSR comparable to the social scientists involved in the evolution of US military thinking. This is in part due to the great Soviet emphasis on security, which has the additional effect of reducing the flow of information within the officer corps. As a result, the Soviet military appear to experience special difficulty in adjusting their doctrine and concepts to the rapid changes characteristic of the postwar period. The continuing major influence of World War II commanders and the vivid memories of the Soviet experience in that war also contribute to a resistance to new concepts which is evident in professional discourse.

11. Military programs have become more complex and expensive, and the professional recommendations of the military leadership on military problems have a greater impact on economic and foreign policy decisions. Furthermore, the political climate which has developed under Khrushchev is one which permits continuing discussion on a variety of problems, and the military leaders have used this opportunity to expound their views. With military and economic debates proceeding simultaneously and in close dependence on each other, it seems likely that the arguments of the marshals have been supported by those political leaders who did not wish to permit programs for consumer goods to impinge upon allocations to heavy industry.

12. We do not believe that the military aspires to an independent political role within the political system, and if it were to, party traditions and controls appear strong enough to defeat any efforts in this direction. But if, as we expect, the military and economic choices facing the USSR become more acute, the senior officers will probably find themselves more deeply involved in matters of general policy.

### *C. The Recent Course of Military Policy*

13. The most important viewpoints in the controversy over military policy of the last few years have been those represented by Khrushchev and a few military theorists, on the one hand, and the majority of the senior military leaders, on the other. Three major differences have distinguished Khrushchev's approach to defense policy from that of the military leaders. First, Khrushchev is heavily concerned with the political uses of military power, whereas the professional responsibilities of the marshals require them to look in the first instance to actual warfighting capabilities. Second, Khrushchev has asserted that a gen-

eral war is almost certain to be short, with victory decided in the strategic nuclear exchange and with conventional arms, particularly theater forces, playing a quite secondary role. Most military leaders, on the other hand, appear to believe that general war would probably, but not certainly, be short but that, in any event, its conduct would require high force levels for most of the traditional service arms, including a multimillion man army. Third, Khrushchev is far more concerned than the marshals to keep military expenditures in check in order to meet what he regards as pressing needs in the civilian economy.

14. All these considerations were involved in the reorganization of the armed forces which Khrushchev inaugurated in January 1960. The essence of his plan was to place main reliance on nuclear missile forces and, on this basis, to reduce military manpower substantially and to accelerate the retirement of older weapons. This, he asserted, was the force structure best suited both to deter war and to fight one if necessary; moreover, it would release men and money for the civilian economy.

15. From Khrushchev himself we know that this plan and its strategic justification were accepted only reluctantly by the military leadership. A controversial discussion ensued, encouraged by the regime, in which high officers debated, polemicized, and explored the military implications of modern warfare in a far more systematic fashion than previously. Several schools of thought became apparent, but a predominant view soon emerged which accepted the likelihood that the initial phase of a general war would be decisive, but went on to argue that even a relatively short war would require large forces of all types capable of defeating comparable enemy forces, overrunning base areas, and occupying territory in Eurasia. This discussion also focused attention on the enormous difficulties of mounting major military operations after receiving the full weight of a Western first strike, and the resulting importance, if in the Soviet view war became imminent and unavoidable, of seizing the strategic initiative by a pre-emptive attack.

16. At present, official military doctrine holds that a general war will inevitably involve the massive use of nuclear weapons, will begin with a strategic exchange, and will develop almost simultaneously along fronts of engagement as well. Strategic missile forces will play the primary role. The course and outcome of the war may well be decided in its initial phase by strategic nuclear weapons. However, the Soviets hold that such a conflict will not necessarily be short, and envisage the possibility of a long war involving protracted operations in Eurasia. Therefore, while current doctrine emphasizes a military policy of building strategic attack and defense capabilities, it supports as well the maintenance of large theater and naval forces, for use both in the initial and the possible subsequent phases of a general war.

17. We believe that debate continues in the USSR, not only over subsidiary propositions, but perhaps over some of the central tenets of this doctrine. The course of the debate was heavily influenced by external events in 1960–1961 which, intruding upon the discussion, undermined some of Khrushchev's contentions and permitted the military to retrieve some concepts which he had discarded. Thus the U-2 affair cast doubt on the adequacy of Soviet air defenses, on the efficacy of Soviet security, and on the wisdom of Khrushchev's efforts to relax tensions in relations with the US. In the following year, the US took decisions to step up both its strategic attack and general purpose forces. In Vienna, Khrushchev determined that the US did not regard the relationship of military power as requiring it to make major concessions on the Berlin question. All these developments called into question the adequacy of the Soviet military posture, both for supporting foreign policy and for conducting general war if necessary. In these circumstances, Khrushchev made such demonstrative military moves as the public suspension of the manpower reductions and the resumption of nuclear tests.

18. At about the same time, another burden was laid on Soviet military policymaking. For some months, US public disclosures had hinted that Soviet ICBM strength might be much smaller than had previously been believed. Beginning in the fall of 1961, the US began to assert this conclusion with great conviction, and to assert more strongly that the US was the strategic superior of the Soviet Union. From US statements and behavior, the Soviets could almost certainly judge that their security had been penetrated in an important way, probably one which, by permitting the US to locate Soviet targets, had a tangible effect upon the military balance. Their fears that no major Western concessions on Berlin would be forthcoming must have been strengthened. And the image of Soviet superiority, which they had heavily exploited to document their claims of the inevitable triumph of their system, was badly damaged.

19. It was against this background that the USSR took its decision to deploy strategic missiles to Cuba. This move involved a host of policy considerations and judgments which are not yet fully clear. In its military terms, however, it appears to have been a response to the question of how to create new opportunities for Soviet foreign policy by improving the strategic position of the USSR vis-à-vis the US, at some acceptable cost and at some early date. Even deployment at the levels detected promised a significant increase in first-strike capabilities for general nuclear war, and the Soviets may have intended to follow this up by establishing a larger missile force as well as a submarine base.

20. Khrushchev, however, probably considered its main impact to be psychological. At one level, the deployment and its acceptance by



the US was intended to demonstrate Soviet might and US inability to contain it, thereby reversing the tendency of world opinion to regard the West as strategically superior. At another, however, it was intended to increase the deterrence laid upon the US in cold war confrontations. Khrushchev evidently felt that, despite all the military problems involved in making effective strategic use of Cuba in wartime, the deployment would have a powerful impact on US opinion which would reduce resistance to his political demands, in the first instance those concerning Berlin.

*D. Problems of Future Military Policy*

21. The Cuban adventure and its outcome both highlighted and heightened the dilemma of the Soviet leaders. Both the deployment and its reversal constituted a tacit public admission that the USSR was in a position of strategic inferiority. Among its other results, the Cuban fiasco has almost certainly thrown the Soviets back onto a further re-evaluation of their strategic posture.

22. Programs already under way will largely govern the size and composition of Soviet strategic forces through about mid-1964, but new decisions taken this year could significantly affect force levels thereafter. We are unlikely to learn directly of such decisions. Moreover, the physical activities which might reveal their nature will probably not be apparent for another year or more. In considering future Soviet force levels, it is therefore necessary to explore the various alternatives now open to the USSR.

23. Confronted with the continuing buildup of US forces for inter-continental attack programmed for the next few years, Soviet planners may be considering a wide range of alternatives. At one extreme would be an attempt to achieve such a clear superiority over the US in strategic offensive weapons that they would have a high assurance of destroying US nuclear striking forces prior to launch. At the other extreme would be the acceptance of continued strategic inferiority, perhaps coupled with genuine efforts to reach agreement with the West on arms control.

24. The first of these extreme alternatives is probably now regarded as unattainable. Thousands of Soviet missiles would be required to give the Soviet leaders a high assurance of destroying even the fixed bases of US nuclear forces programmed for the mid-1960's. We do not believe that the Soviet leaders would be prepared to impose a strain of this magnitude upon the Soviet economy. In addition, the Soviets would almost certainly expect the US to detect such an effort, and thereupon to step up its own program so as to raise Soviet requirements still higher. Moreover, US warning capabilities, fast reaction times, and mobile forces (airborne bombers and missile submarines) already have reduced Soviet capabilities, against US retaliatory forces. We believe



that the Soviets will continue to estimate that, throughout the period of this estimate, the US will retain retaliatory capabilities which could not be eliminated by such striking forces as the USSR could acquire.

25. The second of these extreme alternatives might be considered by the Soviet leaders. Even if current strategic weapons programs were allowed to level off after 1964, the Soviets would possess a powerful deterrent force. Moreover, they might hope to reduce US superiority by means of disarmament agreements. But the main appeal of this alternative would be economic; resources would in time be made available to reverse the current slowdown in economic growth. However, we have seen as yet no persuasive indications that the USSR is prepared to move very far in this direction. The Cuban venture has indicated that, at least to date, the Soviet leaders are far from willing to accept a position of strategic inferiority.

26. Between these extreme alternatives, we believe that the Soviets have almost certainly considered an effort to attain rough parity with the US in intercontinental weapon systems. Soviet military leaders almost certainly have urged enlarged and improved forces of ICBMs and missile submarines. However, a major Soviet effort to attain parity in the near term would require either a substantial increase in the Soviet military budget or sharp cuts in other types of forces. Moreover, the Soviets would almost certainly reason that the US would detect an effort of such magnitude, and that they could have no assurance of winning the intensified race which would ensue. Our evidence does not indicate that the Soviets are attempting to match the US in numbers of weapons for intercontinental attack; we believe, however, that they will attempt to offset US superiority by other means.

27. Soviet statements and military writings suggest that the Soviet leaders see in technological achievements the means by which they may improve their total strategic position relative to that of the US. This consideration may lie behind the testing of very high-yield weapons, the claimed development of a global missile, the high priority given to the antimissile program, and the Soviet interest in military space programs. By such means, the Soviets may attempt to attain rough parity or even superiority in the total strategic context, although they remain numerically inferior in delivery vehicles. Hardened ICBMs and submerged-launch submarine missiles will contribute to Soviet strategic capabilities. In addition, over the next few years the ICBM force will probably come to include new large missiles, armed with very high-yield warheads or capable of global ranges. Moreover, the USSR is almost certainly investigating the feasibility of space systems for military support and offensive and defensive weapons.

28. In defense against strategic attack, the major new element is the antimissile program, where deployment of one system has already

begun at one location, and research and development toward a more advanced capability is continuing. The Soviets may see a possible solution to their strategic confrontation with the US in a combination of anti-missile defense plus very effective though numerically inferior intercontinental striking forces. The technical difficulties as well as the great expense of any extensive antimissile deployment will be restraining influences. Nevertheless, we believe that deployment of antimissile defenses may be the largest new Soviet military program in the period of this estimate.

29. Although we believe that Soviet military policy is most likely to continue along current lines, we cannot exclude the possibility of new departures in military policy, perhaps resulting in major changes in the composition of the Soviet military establishment and in the relative emphasis given to forces designed to accomplish the major military missions. Drastic cuts in the theater field forces remain a possibility; while Khrushchev's proposals for manpower reductions have been shelved for the present, economic pressures and developments in military technology almost certainly will cause this subject to be reconsidered. It is also possible that the increasing involvement of the USSR in the more remote areas of the world will lead to the development of new capabilities for distant, limited military action. In this connection, the Soviets may attempt to acquire base and logistical support rights in key non-Bloc countries, but we have no evidence that the USSR has raised this question with these countries.<sup>8</sup>

30. In general, Soviet military policy will continue to be shaped, not only by a variety of strategic, historical, technical, economic and political factors, but also by differing views about the relative importance of these factors, and shifting compromises among these views. As a result, we believe that the numerous aspects of this policy will not always be wholly consistent with each other, and that force structure and future programming will reflect neither a fully-integrated strategic doctrine nor a firm timetable for achieving specified force levels. In any case, we do not believe that the Soviets conceive of existing weapons systems as the answer to their military problem or that they have fixed and inflexible plans for their force structure in the period five to 10 years from now. They have debated and revised some of their ideas, and they will probably do so again. They have made scientific military research and the development of new weapons matters of high urgency, and they have a demonstrated capability to concentrate human and material resources on priority objectives. If they

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<sup>8</sup> For a discussion of the limitations imposed on such Soviet overtures by the receptivity of other countries, see NIE 10-63, "Bloc Economic and Military Assistance Programs," dated 10 January 1963.

develop new concepts or new weapons which give promise of military and political advantage, they will seek to add them rapidly to their arsenal and to gain maximum benefit from them. Thus, during the next five years, we expect the Soviets to be working on even more advanced weapons with which they may hope to enhance their capabilities at a later date.<sup>9</sup>

## II. SOVIET HIGH COMMAND STRUCTURE

31. We believe that during the past two or three years the Soviet military high command structure has been modified to speed the process of initiating or responding to strategic nuclear attack. The growth of nuclear and missile forces on both sides has almost certainly persuaded the Soviets to establish the command and control channels necessary for the swift initiation of military operations upon the decision of the political leadership.

32. We have information, some of it from classified documents and some from public statements, about both a Supreme Military Council and a Supreme High Command. Khrushchev is chairman of the Council and Supreme High Commander. The Council, a body of high-level party, government, and military officials, has existed since before World War II to provide a forum for discussion and decision on major issues of military policy. The Supreme High Command directed military operations during World War II with Stalin at its head, but was disbanded thereafter. Such information as we have suggests that steps have been taken in recent years to designate membership in the Supreme High Command and to develop procedures to permit the quick assumption by this body of top level control of military operations under Khrushchev should events so dictate.

33. Adjustments in the structure of the Soviet high command have apparently been closely related to the growth of the USSR's strategic defense and long-range missile forces. A new rocket command was established in 1960 and designated a main component of the Soviet armed forces. This change followed by about five years the elevation of the Soviet air defense component to similar status. At present, there are five major force components administered by main directorates or equivalent headquarters within the Ministry of Defense: ground, naval, air, air defense, and rocket.

34. Highly centralized civilian control over the Soviet military establishment is exercised through the Council of Ministers, which includes the Minister of Defense. The Minister is assisted by the unified General Staff of the armed forces, which formulates the overall military

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<sup>9</sup> With reference to paragraphs 23–30, see the Assistant Chief of Staff, Intelligence, USAF, footnote to Conclusion E.

program and would probably constitute the principal headquarters element of the Supreme High Command in time of war. Party and government leaders reportedly participate regularly in the deliberations of the Supreme Military Council. Additional channels for exercising party control over the military include the Main Political Directorate of the armed forces and the numerous party officials who are assigned to all levels of the military establishment.

35. The flow of operational orders from the Minister of Defense to the Soviet armed forces follows no rigid or consistent pattern. Commanders in Chief of the Strategic Rocket Forces, Long Range Aviation, the Air Defense Forces, and the Navy are believed to have direct operational control over the forces assigned to them. On the other hand, ground force components are operationally controlled by the commanders of the Military Districts and the Groups of Forces. The Commander in Chief of the Air Force similarly has no direct operational control over air components. The operations of other than Long Range Aviation air elements are controlled by the commands or forces to which they are assigned, i.e., commanders of Groups of Forces, Military Districts, Air Defense Districts, Fleets, and Airborne Forces.

### III. SIZE AND COMPOSITION OF THE SOVIET ARMED FORCES

36. The urgent need for additional manpower in the economy and the rising cost of maintaining a large military establishment have brought about substantial reductions in Soviet military manpower since the Korean War. We estimate that by 1959 these reductions had lowered the number of men under arms from about 5.75 to about 3.6 million men. In January 1960, Khrushchev announced a program aimed at further reducing military manpower to 2.4 million men. In mid-1961, after approximately half of the projected reduction of 1.2 million men had been made, the program was suspended, allegedly in response to the US military buildup prompted by Soviet pressures in Berlin. We believe that the force level now stands at about  $3\frac{1}{3}$  million men, of which nearly 2 million are in the theater ground forces.<sup>10</sup>

37. The early reductions were achieved without overt signs of objection by military leaders, who were apparently persuaded that postwar modernization and re-equipment programs had provided sufficient increases in firepower to offset the cuts in personnel. However, the military leadership raised strenuous objections to Khrushchev's 1960 proposals. These objections were elaborated during an extended debate among senior officers over the nature of modern war and the role and doctrine of theater warfare.

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<sup>10</sup> For estimated personnel strength of the Soviet Armed Forces by mission, see Annex A, Table 1.

38. As of 1962, both political and military leaders acknowledge that new and costly demands for advanced weapon systems are imposed upon Soviet resources without easing the burden of maintaining large theater forces. The effort to modernize and strengthen all arms of the Soviet forces simultaneously squeezes hard on resources available for investment and consumption goals to which the leadership is strongly committed. Moreover, it produces a constant upward pressure on the size of the military establishment. This is to a large extent because Soviet missile forces for strategic offense and defense appear to require large numbers of operating, maintenance, and supporting personnel.<sup>11</sup> Although there will probably be some reduction in the size of other types of forces as older weapon systems are retired, there is no present evidence that normal reductions of this sort will free enough military manpower to operate the growing missile forces. Therefore, unless the Soviets decide on a deliberate program for compensating reductions in other forces, the continued expansion of missile forces along present lines will tend to push military manpower strength back up toward pre-1960 levels, and will require increasing numbers of trained specialists as well.

39. Thus, Khrushchev may once again seek a reduction in resources devoted to theater forces on the grounds that growing nuclear capabilities will permit this cutback without endangering Soviet security. If this occurs, the main candidate for reductions will still be the ground forces, with their very large numbers of units and men. The program of accelerated retirement of older equipment of other force components, such as obsolescent aircraft and surface naval ships might also be reinstated. We believe, however, that for at least the next few years large standing forces of all types will be maintained, although probably with some change in the distribution of manpower among the various components.

#### IV. TRENDS IN MILITARY EXPENDITURES

40. Soviet defense expenditures, after a decline in 1956–1957, have increased steadily in the past five years. (Our estimates of Soviet defense expenditures include the costs of the military establishment, nuclear weapons, and all space programs.) The main impetus for growth has been provided by operational programs for strategic attack and air defense forces and by the program of research and development, each of which has doubled in estimated cost during the past five years. The costs of the ground and naval missions, which together accounted for

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<sup>11</sup> We estimate that 350,000–400,000 personnel are now in the missile components of long-range striking and air defense forces; on the basis of present trends, this total may be over 550,000 by mid-1964. See Annex A, Table 1, footnote c.

almost 45 percent of total expenditures in 1958, have changed much less over the same period and in 1962 accounted for approximately one-third of the total. The shift in the shares of total defense expenditures between the various missions between 1958 and 1962 is indicated in the following table.

ESTIMATED DISTRIBUTION OF SOVIET DEFENSE  
EXPENDITURES, BY PERCENT

	1958	1962
Strategic Attack Mission	10	17
Air Defense Mission	11	17
Naval Mission	12	10
Ground Mission	32	22
Expenditures not Allocable to Missions <sup>a</sup>	35	34

<sup>a</sup> Includes expenditures for reserve and security forces, research and development, command and support, and space programs. No research and development expenditures have been allocated to the missions.

41. Our calculations of both Soviet military expenditures and GNP are subject to considerable margins of error, but on the basis of all available information on Soviet programs and costs, we estimate that in 1962, total Soviet defense expenditures were about 18 billion rubles. This is one-third higher than the level estimated for 1958. Because GNP has also been expanding, this level of defense expenditures continues to represent on the order of one-tenth of estimated Soviet GNP in ruble prices. This share is roughly the same as that devoted to defense in the US, and represents in terms of US prices and production costs the equivalent of some \$45 billion, or about four-fifths of comparable US expenditures.

42. However, the real impact of defense expenditures on the Soviet economy is greater than this comparison implies. The growth in defense expenditures during the past five years has been accompanied by a change in the structure of these expenditures. The development, procurement, and maintenance of defense hardware including nuclear weapons represented about half of these expenditures in 1958, and nearly two-thirds in 1962. In 1962 defense consumed about 15 percent of nonagricultural production in the USSR, whereas it consumed about 10 percent of such production in the US. Similarly, defense consumed more than 35 percent of total Soviet production of durable goods in 1962, as compared with about 25 percent in the US. Moreover, although we cannot measure the effect, Soviet advanced weapons and space programs probably absorb a much higher proportion of critically scarce, high quality resources and highly skilled manpower than is the case in the US.

43. Evidence from Soviet discussions indicates an increasing concern with the impact of military requirements on the national economy. The defense burden not only impedes the industrial investment program which underlies general economic growth, but it stands in the way of Khrushchev's repeated attempts to make larger allocations to agriculture, on which his promises of higher living standards primarily depend. Khrushchev clearly had these problems in mind in January 1960, when he proposed a military reorganization with important economizing effects.

44. Even this 1960 proposal offered only a partial solution to the problem of rising defense costs. It promised ultimately to reduce annual expenditures by about two billion rubles; these savings would have resulted primarily from a lower bill for military pay and subsistence. The main benefit to the economy would have been the release of military manpower. However, the competition between military and civilian programs is most acute in the machinery industry, which must supply hardware to the armed forces and investment goods to industry and agriculture. Military deliveries from this industry rose by about 60 percent from 1958 to 1962, while production for the civilian economy grew at a substantially slower rate. Perhaps more important, the quality of Soviet advanced weapons in comparison with other goods clearly reveals that the defense establishment enjoys first call on the high-grade resources of industry—special materials and components, highly trained technicians, leading scientists and design engineers. This priority has significantly hampered the effort to modernize and automate Soviet industry on which the USSR's program for higher labor productivity and future growth heavily depends.

45. The future military programs of the Soviet leaders depend on their view of the requirements both for deterring a war while they push for political gains in the East-West competition and for fighting a war if one should nonetheless occur. To date, however, they have found their military power insufficient to enable them to accomplish their political objectives, notably in the case of Berlin. Moreover, the tenor of recent statements suggests that, as the Soviets observe the programmed growth of Western power, the question of the USSR's ability to survive a general war is being posed more sharply than ever. For both these reasons, the Soviets evidently feel themselves under heavy pressure to make further increases in their military allocations. This, however, would require them to stretch out, probably quite substantially, the time periods over which they hope to achieve other national goals.

46. There are a number of ways in which the Soviets, faced with these difficult choices, might ease the prospective military burden on the economy. Khrushchev might revert to the force structure which he



advocated in 1960 and try again to put through a sizable reduction of ground forces. The USSR might trim its space program by choosing, for example, not to compete with the US in a manned lunar landing. It might confine itself to tactics which carried less dangers of military confrontation, meanwhile settling on a military strategy which stressed deterrence rather than a full war-fighting capability. Or, it might try to promote a protracted relaxation of tensions in hopes of inducing a reduction in Western defense efforts, and perhaps even improving the relative Soviet military position. It is conceivable, although contrary to most present indications, that the pressures for higher military spending could cause the USSR to be more forthcoming in disarmament negotiations.

47. The November plenum of the Central Committee singled out administrative reorganization as the means to stimulate economic growth, and thereby demonstrated an unwillingness to make major changes in the pattern of resource allocations. Khrushchev confirmed this unwillingness in his speech of 27 February, in which he warned consumers against early hopes of high living standards because of the growing needs of defense. His speech indicates that the leadership has recently taken economic decisions which reaffirm military priorities at the expense of consumer aspirations; beyond this it may reflect a decision to increase military spending above previously planned levels. The Soviet economy is capable of bearing a heavier military burden, but not without sacrifices in the program to raise living standards and perhaps also reductions in the future rate of industrial growth. For the present, the Soviets appear to have chosen to risk these consequences, but we believe that the problem of resource allocation will continue to plague the Soviet leadership.

## V. FORCES FOR LONG RANGE ATTACK

### A. Soviet Policy Toward Long Range Striking Forces

48. The Soviets regard forces for long range attack as essential for supporting an aggressive political posture, deterring the West from resort to military action, and fighting a war as effectively as possible should one occur. In our view, they are attempting to build forces which they regard as appropriate to these objectives, rather than attempting to achieve the very high degree of superiority required to launch a deliberate attack on the West. In building these forces, the Soviets put initial stress on creating a massive capability against Eurasia and its periphery. Intercontinental capabilities were not neglected, but deployment of medium range delivery systems occurred earlier and in much larger numbers. Although MRBM and IRBM forces continue to grow, major emphasis has evidently shifted to the buildup of forces for intercontinental attack, primarily ICBMs. Other major recent developments



are the introduction of hardening for ground-launched ballistic missiles, efforts to improve missile reaction times, and the development of submarine ballistic missiles suitable for submerged launching. By these means, the Soviets are attempting to gear their long range striking forces better for either pre-emptive or retaliatory operations.

*B. Intercontinental Ballistic Missiles*<sup>12</sup>

49. In the past two years, the pace of ICBM development and deployment has quickened noticeably. At the Tyuratam test range two new ICBM systems—designated SS-7 and SS-8—have been under development. The more successful program has been the development of the second-generation SS-7 which probably became operational in the first half of 1962. Testing of the SS-8 has been conducted at a slower pace. The SS-8's relatively poor success record in the first half of 1962 and the lack of any test-firings for six months suggest that the Soviets have encountered technical difficulties with this system.

50. Construction of deployment complexes for second-generation ICBMs has proceeded concurrently with development testing. This method, aimed at early achievement of an initial operational capability, almost certainly relates to a Soviet decision to deploy the first-generation SS-6 system in only limited numbers; from the history of the SS-6 program, we judge that this decision was taken in about 1958 or 1959, when the second-generation systems were probably being designed. The SS-6 ICBM is a very large vehicle of about 500,000 lbs. gross takeoff weight, with nonstorable liquid propellants and radio-inertial guidance. Ground control and support facilities are correspondingly large and complex, and include rail service direct to launchers. The second-generation SS-7 system is simpler and considerably less bulky than the SS-6; the missile has a gross takeoff weight of about 280,000 lbs. and employs storable liquid propellants. Of the known Soviet ICBM systems, the SS-7 is by far the most widely deployed.

51. We have located some 17 ICBM complexes in the USSR, and, considering the nature of the evidence, we believe that no more than a few others exist. Most of these complexes—more than a dozen—are of a type clearly associated with the SS-7 system. A typical SS-7 complex consists of a rail-served support area and as many as 16 launchers which are deployed in pairs and are road-served. The system was first deployed in a soft configuration, but is now also being deployed in silo-type hardened sites, a few of which are probably already operational.

52. In addition to SS-7 complexes, the Soviets have deployed a few complexes of a somewhat different type. Launch sites are soft, road-

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<sup>12</sup> For characteristics and performance of Soviet ICBMs, see Annex B, Table 1.

served, and probably for a relatively small ICBM—i.e. about the size of SS-7. We have not definitely associated this type of complex with a particular missile system. If the SS-8 missile is relatively small, the new type complexes are probably designed for that system. However, if SS-8 is very large, they are probably intended for the SS-7.

53. We are unable at this time to resolve the question of whether the SS-8 ICBM is relatively small or even larger than SS-6. If the SS-8 is small, the USSR may have undertaken its development along with SS-7 to insure the availability of at least one successful second-generation system. If the SS-8 is large, it is probably being developed as a delivery vehicle for very high-yield warheads, and presumably for space launchings as well. We have no evidence of new deployment complexes suitable for such a large ICBM.

54. *Estimated Force Levels to Mid-1964.* Our estimates of Soviet ICBM strength are derived primarily from the known magnitude of the program and the estimated lead times involved in new site construction. The range of the estimates allows for the possibility of additional sites and other unknowns, such as the present status of the SS-8 program. Evidence on second-generation deployment has led to an upward revision in our previous estimate of operational launchers for mid-1964. We now estimate a somewhat faster rate of deployment activity and a higher number of launchers per complex than were employed in previous calculations. Our revised estimates of numbers and types of operational ICBM launchers to mid-1964 is as follows:

#### OPERATIONAL ICBM LAUNCHERS<sup>13</sup>

	<u>END-1962</u>	<u>MID-1963</u>	<u>MID-1964</u>
Approximate totals	80-85	125-175	250-325
(Including hard launchers)	(a few)	(10-25)	(75-100)

NOTE: Soft launchers probably have two missiles each to provide a refire capability after some hours. We have no evidence as to whether hard launchers have a refire capability. The totals estimated in this table include launchers at the Tyuratam test range.

55. The Soviet ICBM force estimated for the next two years will consist primarily of second-generation ICBMs equipped with warheads in the low megaton range. We continue to believe, however, that the Soviets have a requirement for a very large ICBM, capable of delivering

<sup>13</sup> The Assistant Chief of Staff for Intelligence, Department of the Army, and the Assistant Chief of Staff, Intelligence, USAF, dissent to these projected force levels. See their footnotes to Conclusion K, page 6.

very high-yield warheads—[*text not declassified*]. The SS–6 ICBM could be retrofitted with warheads having yields in the lower portion of this range, but further tests would probably be required to develop a new nose cone.

56. Apart from this possibility, the time at which the USSR could have operational missiles capable of delivering warheads with yields [*text not declassified*] depends upon whether or not the SS–8 is a very large ICBM:

a. If SS–8 is in fact very large, we believe it could deliver such warheads. In this case, we estimate that a few suitable launchers could be operational by mid-1964; an earlier capability could be achieved by deployment of SS–8 at the four SS–6 launchers in the field and at two or three test range launchers.

b. If, on the other hand, SS–8 is relatively small, a new, very large ICBM [*text not declassified*] is probably under development; we estimate that it could become operational in late 1964, or more likely in 1965 or thereafter. In either event, we conclude that only a few large ICBMs with very high-yield warheads could be deployed in the USSR in the next year or so.<sup>14</sup>

57. *Implications for 1965–1967.* We continue to estimate an ICBM force level for mid-1967 of 300–600 operational launchers, although, if the Soviet goal is the lower side of this range, it will evidently be reached considerably earlier than mid-1967.<sup>15</sup> <sup>16</sup> Events of 1962, including the Cuban crisis, probably caused the Soviet leaders to re-evaluate their strategic weapon programs, and may have led to new decisions which could importantly affect the ICBM force in the mid-1960's. We have no information as to the nature of such decisions, and are unlikely to

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<sup>14</sup> The Assistant Chief of Staff, Intelligence, USAF, continues to estimate that the SS–8 could be ready for operational use in 1963. Further, he believes that, in consideration of the large cost expended on the SS–6 research and development program, including site development, and other pertinent factors, the operational deployment of the SS–6 to only the four known SS–6 launchers in the field, does not appear realistic. It is quite likely in his opinion that other sites have been constructed and remain undetected because of deficiencies in available intelligence. Therefore, he concludes that more than a few large ICBM's with very high-yield warheads will be operational by mid-1964.

<sup>15</sup> The Assistant Chief of Staff for Intelligence, Department of the Army, believes that the force level is likely to be towards the low side of the estimate presented in this sentence. He believes the upper limit (600) too high for a purely deterrent force, and much too low for a counterforce concept.

<sup>16</sup> The Assistant Chief of Staff, Intelligence, USAF, continues to estimate for the long term a force level of 700–800 ICBM launchers. He would estimate that operational ICBM launchers for the period mid-1965 to mid-1967 to be as follows:

	MID-1965	MID-1966	MID-1967
Approximate Totals	450–550	550–650	700–800
(Including Hard Launchers)	(175–225)	(225–275)	(350–400)

obtain indications of resultant changes for a year or more. However, on the basis of present evidence, we believe that the major trends to 1967 will be: growth of the force to some hundreds of launchers; hardening of a significant portion of the force; and availability of some missiles capable of delivering very large warheads with yields of up to 100 MT.

*C. Medium and Intermediate Range Ballistic Missiles*

58. We estimate that the Soviet MRBM and IRBM force now comprises about 600 completed launch positions. The 1,100 n.m. (SS-4) MRBMs probably constitute the bulk of the force, but some 700 n.m. (SS-3) MRBMs may still be operational, and some 2,200 n.m. (SS-5) IRBMs are in service.<sup>17</sup> More than 90 percent of the force is deployed in a broad belt in western USSR stretching from the Baltic to the Black Sea, with a lesser concentration of sites in the Soviet Far East. From present deployment areas, MRBMs can cover targets in Norway, most of Western Europe, Turkey, Japan, Korea, Okinawa, Alaska, and northern Canada. IRBMs can extend this target coverage to include all of Spain, North Africa, Thule, Taiwan, and the northern Philippines.

59. Most of the MRBM and IRBM sites are soft, fixed, and road-served; each site consists of four launch positions. A program to construct hardened sites is underway; we believe that a few silo-type sites are already operational, and that this program is continuing.

60. We believe that all hard sites and soft IRBM sites are normally manned and equipped with launchers so that each launch position is capable of participating in an initial salvo. We are uncertain, however, that this is true of all the soft MRBM positions. Soviet doctrine calls for alternate launch positions to which MRBM units could move for subsequent firing of additional missiles. It may be that only about half of the soft MRBM positions are manned and equipped for a first salvo, and that for subsequent firings their launchers and crews could move to other soft positions. On the other hand, it may be that all of the soft MRBM launch positions are equipped with launchers and crews for a first salvo, and the units may be intended subsequently to move to unimproved alternate positions similar to the installations constructed in Cuba. Bearing these possibilities in mind, we believe that the present MRBM/IRBM force—estimated at 580 soft launch positions and 20 hard silos—may have a first salvo capability as large as 600 or as low as 325.

61. There is clear evidence that the Soviets intend to provide a substantial refire capability for this force. We believe that most if not all firing units using soft launch positions have a second missile avail-

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<sup>17</sup> For the precise calculated maximum ranges and other characteristics of these missile systems, see Annex B, Table 1.

able for a second salvo, and that some further reserve may exist. We have no evidence as to whether hardened launchers are provided with additional missiles.

62. We believe that the Soviet deployment of soft MRBM and IRBM sites will be virtually completed early this year, leveling off at about 600 launch positions. The hardened component of the force will continue to grow, probably reaching about 100–150 launchers in mid-1964. Thus, we estimate that at that time the Soviet MRBM and IRBM force will comprise about 700–750 launch positions. Considering the possibility that as many as half of the soft launch positions may be alternates, we believe this force may have a first salvo capability as high as 750 or as low as 425.

63. In the 1965–1967 period, the size of the MRBM and IRBM force may level off, as we have previously estimated, or it may continue to rise. We are unable at this time to project a Soviet force goal for these weapons, which have already been made available in numbers considerably exceeding those predicted in earlier estimates. In order to have a larger force of protected MRBMs and IRBMs, the Soviets may continue to build new hard launchers throughout the mid-1960's. It is also possible that some soft sites will be deactivated. Finally, improved MRBM and IRBM models may be introduced in the mid-1960's; these could include road mobile systems designed for greater flexibility of operations.

#### *D. Missile Launching Submarines*<sup>18</sup>

64. Since the second half of the 1950's the USSR has been developing and producing ballistic missile submarine systems capable of attacking land targets. The Soviets now have operational about 45 ballistic missile submarines; nine of these are of the "H" class nuclear-powered type and the rest are "Z" conversion and "G" class diesel-powered submarines. This force can carry a combined total of about 125 short-range (350 n.m.) missiles. The effectiveness of these submarines is limited by their capacity to carry only two or three missiles each, the short range of the missiles, and the requirement for submarines to surface for launching.

65. The USSR is developing longer range ballistic missiles for launching from submerged submarines. Our evidence is inadequate to determine whether the system under development has a range of 650 or 2,000 n.m.; it is possible that two separate systems of different ranges are being developed. If a 650 n.m. system becomes available,

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<sup>18</sup> For estimated characteristics and performance of Soviet submarines, see Annex A, Table 11; for characteristics and performance of naval-launched missiles, see Annex B, Table 3.

it will probably be retrofitted into some portion of the existing force of "G" and "H" class submarines; we believe that such a retrofit program could begin soon. Such missiles will probably also be incorporated into newly-constructed "H" class submarines.

66. If a 2,000 n.m. submerged launch system is under development—either instead of or in addition to a 650 n.m. system—it is almost certainly intended for use in a new, nuclear-powered class. In any case, new classes of nuclear-powered ballistic missile submarines will almost certainly carry submerged-launch missiles with a range of at least 650 n.m., and possibly as much as 2,000 n.m. There is evidence that the Soviets are constructing nuclear submarines of new classes whose characteristics are as yet unknown to us.

67. The Soviets have also developed a supersonic, 300 n.m. submarine-launched cruise missile system (SS-N-3), which is now carried by a number of converted "W" class submarines and six nuclear-powered "E" class ships. There is evidence that a longer range (450 n.m.) naval cruise missile is also under development. We do not know definitely what missions the Soviets contemplate for submarine cruise missile systems of these ranges. From Soviet discussions of naval missile systems and other evidence it appears that these systems are designed primarily for use against ships, but their effective use at extended range would require a forward observer within sonar or radar range of the target to provide target data. On the other hand, these missiles could also be employed—probably without a forward observer—to conduct low level attacks on land targets, and their employment would greatly complicate defensive problems.

68. Taking into account estimated Soviet capacity to construct nuclear-powered submarines, and with allowance for estimated construction of torpedo attack types, we believe that a gradual buildup of nuclear-powered missile launching ships will occur over the next five years. By 1967, the USSR will probably have more than two dozen nuclear-powered ballistic missile submarines, and about 20 equipped with cruise missiles. Construction of diesel-powered ballistic missile submarines will probably continue for the next year or so, building up to a total of more than 40. We estimate Soviet operational strength in missile-launching submarines over the next few years as follows:

#### SOVIET MISSILE SUBMARINES

	<u>END-1962</u>	<u>MID-1963</u>	<u>MID-1964</u>	<u>MID-1967</u>
<i>Ballistic</i>				
Nuclear ("H" and/or successor)	9	11	14	26
Diesel ("G" and "Z" class)	36 <sup>a</sup>	40	43	43

*Cruise*

Nuclear ("E" class)	6	7	9	20
Diesel ("W" class)	12	14	18	22

<sup>a</sup> We have previously estimated that construction of "G" class submarines would terminate by the end of 1962. Recent evidence has indicated, however, that this construction has continued. While we are unable to predict the future numbers of this class with certainty, our estimate reflects both the recent evidence and the possibility that construction will continue for about another year. The size of the "G" class construction program will be influenced by Soviet decisions regarding construction of nuclear-powered missile submarines.

*E. Long Range Aviation*

69. Soviet Long Range Aviation, by reason of its equipment, basing, and deployment, is much better suited for Eurasian operations than for intercontinental attack. We believe that as of December 1962, Long Range Aviation comprised 170–200 heavy bombers and tankers and about 950 jet medium bombers and tankers. The heavy bomber force includes 100–120 BISON jet bombers and 70–80 BEAR turboprops. Virtually all of the medium bombers are BADGERS; at least 25 new, supersonic BLINDERS have been delivered to Long Range Aviation units, and their introduction is continuing.

70. We continue to estimate a gradual decline in the numerical strength of Long Range Aviation. BLINDER, the only bomber in current production for Long Range Aviation, is being produced at a rate which is probably insufficient to offset the expected decline in BADGER numbers. Although research and development on heavy aircraft has continued and could be applicable to military purposes, our evidence does not indicate that any new heavy bomber is being developed for operational use. Although it remains possible that an advanced intercontinental aircraft could enter operational service in the next five years, this now appears highly unlikely. We therefore estimate the probable composition of Long Range Aviation through mid-1967 as follows:<sup>19</sup>

	<u>END-1962</u>	<u>MID-1963</u>	<u>MID-1964</u>	<u>MID-1967</u>
Heavy Bombers/ Tankers				
BISON	100–120	100–120	95–115	70–90
BEAR	<u>70–80</u>	<u>70–80</u>	<u>65–75</u>	<u>40–50</u>
	170–200	170–200	160–190	110–140

<sup>19</sup> The Assistant Chief of Staff, Intelligence, USAF, dissents to the estimates on heavy bombers in this paragraph. See his footnote to Conclusion M, pages 7 and 8.



	<u>END-1962</u>	<u>MID-1963</u>	<u>MID-1964</u>	<u>MID-1967</u>
Medium Bombers/ Tankers				
BADGER	925	900	800	500
BLINDER	25	50	100	250
	<u>950</u>	<u>950</u>	<u>900</u>	<u>750</u>

#### *F. Air-to-Surface Missiles*<sup>20</sup>

71. Although no large-scale bomber replacement program appears to be under way, the USSR has sought to extend the service life of its long-range aircraft and to improve their effectiveness by the deployment of air-to-surface missiles. A 350 n.m. supersonic missile, the AS-3, was developed to provide a standoff capability in attacks against land targets. Only the BEAR appears capable of delivering this large missile. More than half of the BEARs have been equipped to deliver these weapons rather than bombs, and there are indications that the modification program is continuing. A new air-to-surface missile, the AS-4, carried by a BLINDER in the 1961 air show, is now being tested and could probably be operational in 1964. It appears to be designed for high supersonic speed and a range of several hundred miles.

#### *G. Intercontinental Operations*

72. A major obstacle to the development of capabilities for intercontinental attack by Long Range Aviation has been the limited range of the aircraft which make up the bulk of the force. Consequently the Soviets have given considerable emphasis to aerial refueling and to Arctic training. The USSR has not developed an aircraft specifically for use as a tanker. Instead, BISONs and BADGERs are converted for use as tankers with their bomber counterparts. BLINDERs could possibly also refuel from these tankers. There is evidence that all Soviet BISON regiments and some aircraft from about half of the BADGER regiments have trained in aerial refueling. The recent sighting of a BEAR equipped with a nose probe indicates the possible development of an in-flight refueling capability for this aircraft, but we have no evidence as to how many BEARs have been so modified.

73. Even with aerial refueling, the range capabilities of Long Range Aviation for intercontinental attack remain limited. Refueled BADGERs on two-way missions from Arctic bases could cover many targets in Alaska, Canada and Greenland, but could reach only the northwestern portion of the continental US. The BLINDER is even more limited as to range. The BISON would require both Arctic staging and in-flight

<sup>20</sup> For estimated characteristics and performance of Soviet air-to-surface missile systems, see Annex B, Table 5.



refueling for extensive coverage of US targets on two-way missions, and many of these targets would be at extreme ranges. BEARs could cover virtually all US targets on two-way missions from Arctic bases. They could reach targets in northeastern US directly from their home bases, but would have to stage through the Arctic for extensive coverage of US targets when carrying AS-3 missiles or bomb-loads of 25,000–30,000 lbs. The recently observed BEAR with a nose probe was also configured to carry air-to-surface missiles; modification of BEAR for in-flight refueling would obviate the necessity for Arctic staging.

74. We believe that the Soviets would plan to commit their entire heavy bomber force and a portion of their medium bomber force to initial attacks on North America. In the past two years, the numbers of heavy bombers engaged in Arctic training have increased, while participation by medium bomber units has declined. Analysis of this training activity suggests that the Soviets might plan to commit as many as 350–500 aircraft through relatively few Arctic bases in initial attacks on North America. Considering a variety of operational factors but excluding combat attrition, we estimate that the Soviets could put about 200 bombers over North America on two-way missions; of these, about half would be heavy bombers.<sup>21</sup>

75. The Soviets have a larger potential for bomber attacks against the US, but to exercise it they would need to employ BADGERs on one-way missions and to use crews which had not participated in Arctic training. As Soviet ICBM forces grow, such use of the medium bomber force becomes increasingly unlikely.<sup>22</sup>

#### *H. Space Systems*

76. On the basis of evidence presently available, we are unable to determine the existence of Soviet plans or programs for the military use of space. The limitations of this evidence, however, are such that our chances of identifying military programs are poor. We believe that the USSR almost certainly is investigating the feasibility of space systems for military support and offensive and defensive weapons. Soviet decisions to develop military space systems will depend on their expected cost and effectiveness as compared with alternative systems,

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<sup>21</sup> The Assistant Chief of Staff, Intelligence, USAF, disagrees with judgments expressed in this paragraph. See his footnote to Conclusion M, pages 7 and 8.

<sup>22</sup> The Assistant Chief of Staff, Intelligence, USAF, agrees that the need for the medium bomber force will diminish at sometime in the future because of the increasing size of the ICBM force. Further, in the immediate future, he considers that the need for these bombers in attacks against Eurasia is decreasing because of the growing MRBM/IRBM strength. He also notes that the Soviets are retaining large numbers of medium bombers and training them extensively. He believes, therefore, that medium bombers will be used on one-way missions in any attack on the US but that the number so utilized will diminish in time.

the political and military advantages which could be gained, and the Soviet estimate of US intentions and capabilities in comparable fields. We believe that the USSR will produce and deploy those military space systems which it finds to be feasible and advantageous in comparison with other types of weapons and military equipment.

77. Within this decade, the basic factors of reaction time, targeting flexibility, accuracy, vulnerability, average life, and positive control for an orbital bombardment system almost certainly will not compare favorably with ICBMs. We believe that a Soviet decision to develop and deploy an orbital bombardment system would depend in large part upon the extent to which these drawbacks can be overcome. A demonstration of an orbital bombardment satellite could occur at any time, but we believe that in the near term its military effectiveness would be minimal. If the Soviets decide to develop an orbital bombardment force, it would be preceded by a developmental system of limited military effectiveness which could appear as early as 1965.

#### *I. Implications of Capabilities*

78. The capabilities of Soviet long-range striking forces will be only in part a function of the numbers of weapons available, their performance, and the adequacy of supporting elements. Equally critical will be the way in which the Soviets employ their striking forces, their ability to maximize the effects of these forces under the various circumstances in which war could begin, and their assessment of Western capabilities and plans.

79. Should the Soviets conclude that the West was irrevocably committed to an imminent nuclear attack on the USSR, they would launch their available ready forces in a pre-emptive attack designed to blunt the expected Western blow. The mixed forces which they have available for such operations would permit flexibility of tactics and complicate Western defensive problems, but would pose severe difficulties of coordination. Initial missile and bomber attacks against the US would probably extend over a period of many hours, and those against Eurasia over at least a few hours.

80. The Soviets would almost certainly wish to assign US targets to attack by submarine-launched missiles in the event of general war. Considering the absence to date of patrols in US waters and the long time of transit from Soviet base areas, we believe that at present the Soviets would plan to employ few if any missile submarines in initial attacks against the US. Initiation of routine submarine patrols within missile range of the US could change this situation, and we believe that some such patrolling activity will have been instituted by the mid-1960's.

81. By the mid-1960's, the USSR will have acquired a substantially increased ICBM and submarine-launched missile capability to deliver

nuclear weapons against the US, in addition to its already formidable forces for strikes in Eurasia. Significant portions of these forces will be relatively invulnerable to attack. Reaction times will probably have been further reduced, and techniques for control and coordination improved. The Soviets will be in a position to strike pre-emptively at the fixed bases of an important segment of the US nuclear delivery force, and they will have some prospect that a portion of their own force could survive an initial US attack and retaliate with high-yield nuclear weapons. With the long-range striking forces we estimate that they will have in the mid-1960's, however, the Soviets could still not expect to destroy the growing numbers of US hardened, airborne, seaborne, and fast reaction nuclear delivery vehicles.

#### VI. AIR AND MISSILE DEFENSE FORCES<sup>23</sup>

82. The USSR has continued to devote large-scale efforts to improving and modernizing its air defense system.<sup>24</sup> Defenses against hostile aircraft, especially against medium and high altitude bombers, continue to be strengthened by the widespread deployment of surface-to-air missile systems, improved interceptors with air-to-air missiles, and advanced equipment for air defense warning and control. Antiaircraft capabilities will be further improved and extended, but the major future development which we foresee is the advent of a capability against ballistic missiles.

##### *A. Antimissile Program*

83. For more than five years, the Soviets have been conducting a high priority and extensive program to develop defenses against ballistic missiles. We believe that they are developing several different ABM systems to defend against missiles of various ranges, but our evidence is inadequate to support an estimate of the characteristics or effectiveness of any of these systems. Despite the intensity of Soviet R&D and repeated official claims, we are not aware of any Soviet breakthrough in ABM technology.

84. *Defense Against Long-Range Missiles.* We believe that the Soviets are deploying an ABM system around Leningrad which will achieve some operational capability in 1963. We have no basis for determining its effectiveness, but we think it unlikely that a system deployed at the current stage of Soviet R&D would be effective against missiles employing decoys or other countermeasures.

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<sup>23</sup> For a fuller treatment of this subject, see NIE 11-3-62, "Soviet Air and Missile Defense Capabilities through Mid-1967," dated 31 October 1962, TOP SECRET.

<sup>24</sup> For estimated strength and deployment of Soviet air defense equipment, see Annex A, Table 4.

85. To counter the more complex long-range ballistic missile threat of the mid-1960's, the Soviets may seek to improve the Leningrad system, or may develop a different and more advanced system, or both. Should they follow the first course, deployment of the Leningrad system at additional locations would probably begin in the near future if it has not already begun. If sites are under construction now, initial operational capabilities could be achieved at one or more additional locations in about two years, and subsequent improvements would progressively increase the capabilities. We regard it as more likely, however, that the USSR will defer deployment at locations other than Leningrad until a new and better antimissile system is available. In this case, the requirement for further R&D would probably delay the beginning of deployment for another year or so. Initial operational capabilities would probably be achieved at one or more locations in 1965-1966.

86. If technical achievements enable the Soviets to develop an ABM system which they regard as reasonably effective against long-range missiles, a vigorous deployment program will probably be undertaken. Considering the vast effort required for a large program and the relative importance of the various urban-industrial areas in the USSR, we believe that a vigorous Soviet deployment program would contemplate the defense of some 20-25 principal Soviet cities. A program of this scope almost certainly would require some five or six years from its initiation to its completion. We have no basis for judging whether or when the Soviets would consider their ABM system effective enough to warrant the initiation of such a program.

87. *Defense Against Short-Range Missiles.* There are indications that the Soviets have been developing a modification of their standard antiaircraft SA-2 missile system for use against short-range ballistic missiles such as the Honest John, Corporal, and Sergeant. We have no evidence of Soviet progress, but we estimate that an improved SA-2 system having some effectiveness against tactical ballistic missiles could now be available. It is also possible that the Soviets have chosen to develop a completely new system; if so, it could also be available this year. We believe that whatever system is developed will be intended primarily for the protection of field forces and for this use will be mobile. It will probably also be deployed at fixed sites in border areas vulnerable to short-range missile attack.

88. *Antisatellite Systems.* We believe that the Soviet leaders almost certainly intend to acquire an antisatellite capability. Although we lack evidence, we think it probable that a development program exists. If the Soviets are utilizing components from existing systems, they might be able to intercept current models of US satellites now, and they would almost certainly be able to do so within the next year or so; in this

instance, the intercept problem could be solved by determining the orbits of the target satellites after a few passes.

*B. Surface-to-Air Missiles*

89. For defense against aircraft, the Soviets now rely primarily on SAMs emplaced near fixed targets, and upon fighters deployed to cover approach routes as well as gaps between missile defended locations. The Soviets now have operational three types of SAM systems. Two of these, SA-1 and SA-2 are designed primarily for defense against medium and high altitude attacks; the third, SA-3, is probably designed to provide improved capabilities at low altitudes. The SA-1 system is deployed only around Moscow, while SA-2's have been extensively deployed throughout the USSR. The newest system, SA-3, is in the early stages of deployment.<sup>25</sup>

90. Deployment of SA-2, the basic Soviet missile defense system, has been on a massive scale. More than 650 SA-2 sites have been confirmed in the USSR; each site has six launchers, together with additional missiles to provide a refire capability. Most of these have been deployed in defense of population centers, industrial complexes, and government control centers. They also defend long-range missile sites, airfields of Long Range Aviation, nuclear production and weapon storage installations, missile test ranges, and industrial facilities. Several sites in border areas suggest that the Soviets are also deploying peripheral defenses, which may eventually extend from the Kola Peninsula along the western and southern borders of the USSR into central Asia. Considering the pattern of deployment, the length of time the program has been under way and the extent of our intelligence coverage, we estimate that more than 800 SA-2 sites are operational in defense of more than 250 target areas in the USSR and that the Soviets will deploy a total of some 1,000–1,200 sites. This SA-2 deployment program will probably be largely completed within the next two years.

91. The SA-2 system is also being deployed to defend principal cities and major installations of theater field forces in the European Satellites. Nearly 100 sites have been observed to date, and we estimate that about 175–200 SA-2 sites will be deployed in the European Satellites during the next two or three years, including sites manned by Soviet field forces.

92. *Low Altitude Defense.* The USSR in 1961 began deployment of the SA-3 system. However, we have insufficient evidence to estimate characteristics for this system. A typical SA-3 site consists of four launch pads. We have identified more than 40 such sites, located in

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<sup>25</sup> For estimated characteristics and performance of these systems, see Annex B, Table 4.

the Moscow and Leningrad areas and in certain coastal regions, particularly the Baltic and Black Sea areas. We believe that the Soviets will continue to deploy SA-3's to supplement existing SAM defenses, giving priority to those coastal areas which they regard as particularly vulnerable to low level attack. A mobile version of the SA-3 system will probably also be provided to field forces. The present limited deployment, however, does not provide sufficient basis for estimating the extent or pattern of future SA-3 deployment.

### *C. Fighter Aircraft*

93. Although the Soviets are clearly placing heavy reliance on surface-to-air missiles, they continue to maintain large numbers of fighter aircraft in service. As of December 1962, we estimate that there were about 11,900 fighters in operational units throughout the Bloc, with about 6,800 of these in Soviet units.<sup>26</sup> About 4,400 of the Soviet fighters are in Fighter Aviation of Air Defense (IA-PVO) with air defense as their primary mission. The remainder, which are in Tactical Aviation, are trained in air defense as well as ground support operations. The Soviet fighter force has been reduced by about one-third over the past few years, and we estimate a further reduction on the order of 40 percent over the next five years.<sup>27</sup> The more advanced performance characteristics of new model fighters and improvements in their weapons and control systems should more than offset reductions in numbers.

94. Day fighters—primarily the subsonic FRESCO (MIG-17)—make up over three-quarters of the Soviet force. However, since about 1955, the Soviets have been working to improve the all-weather capability of the force, bringing into service about 350 FLASHLIGHT A (YAK-25) all-weather interceptors and about 600 day fighters (FRESCOs and FARMERs) modified by the addition of airborne intercept (AI) radar. Under nonvisual conditions, the effectiveness of most of these aircraft is limited by the relatively short range of the AI radar, by the continued reliance on gun armament, and by the restriction to a lead pursuit attack.

95. In the past few years, a new generation of supersonic, missile-equipped Soviet fighter has appeared in peripheral areas of the USSR and Eastern Europe. The delta-wing FISHPOT, probably the best operational AW fighter, has been phased into PVO units; the swept wing

<sup>26</sup> For a detailed estimate of Soviet fighter strength, see Annex A, Tables 4-5. For a similar estimate on the European Satellites and Asian Communist nations, see Annex A, Table 6.

<sup>27</sup> The Assistant Chief of Staff, Intelligence, USAF, notes that Soviet fighter strength has remained nearly the same since mid-1961, and considers it may well be that a plateau has been reached.

FITTER and the delta-wing FISHBED C, which have a clear-air-mass capability, have gone largely to units of Tactical Aviation; the FISHBED D all-weather fighter has been identified in East Germany. In armament, fire control, and speed, these aircraft represent significant advances over the bulk of Soviet interceptors now in service.

96. Three new interceptor prototypes, all equipped with improved AI radar and AAM's, were displayed in the 1961 Aviation Day show: FIREBAR B, FLIPPER, and FIDDLER. FIREBAR B is an interceptor version of the tactical strike/reconnaissance aircraft, FIREBAR A. FLIPPER, a delta-wing type with a relatively short combat radius, is capable of speeds in excess of Mach 2 at 35,000–40,000 feet. FIDDLER has sufficient range and endurance to perform a loiter mission 500 n.m. or more from base. It may be intended for use against air-to-surface missile (ASM) carriers, but its potential for such missions is currently limited by the shorter ranges of Soviet early warning radars.

97. We believe that all three of these new fighters could start entering units in 1964–1965; we have limited evidence that FIDDLER and possibly FLIPPER may be in production now. Soviet production of fighter aircraft has dropped sharply in recent years, from a peak of about 5,000 in the early 1950's to about 400 in 1959. The annual rate for the period 1960–1962 was on the order of 600 to 800.

98. *Air-to-Air Missiles*.<sup>28</sup> We have firm evidence on the deployment of AAMs in the Soviet fighter force and in several of the Satellite forces as well. We believe that three types are now operational, a radar beam-rider (AA-1), an infrared homing missile (AA-2), and a missile which may be either an infrared homing missile or an all-weather semi-active radar homing missile (AA-3). Two prototype AAM's were displayed in 1961 (the AA-4 on FIDDLER and the AA-5 on FLIPPER) and we estimate that one or both could become operational during 1963–1965. It is probable that these missiles have improved semiactive radar homing systems and that they carry substantially heavier warheads, some of which could be nuclear. Soviet development of improved AAMs over the next few years will depend primarily upon the development of interceptors equipped with suitable AI radar and fire control systems.

#### *D. Antiaircraft Guns*

99. The Soviets continue to employ large numbers of antiaircraft guns for defense of field forces and fixed targets, primarily for defense at low altitudes where fighter and missile effectiveness is poor. The number of antiaircraft guns deployed with the Soviet forces, now about 12,000 has declined over the past few years and this trend is continuing.

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<sup>28</sup> For characteristics and performance of Soviet air-to-air missile systems, see Annex B, Table 6.



Because of the widespread deployment of SAMs, we believe that most of the remaining medium and heavy guns used in the defense of fixed targets in the USSR will be phased out over the next few years. However, a large number of these probably will be held in reserve status near major target areas, and some will be retained to defend field forces. Continued transfer of some of this equipment to other Bloc countries is probable.

#### *E. Supporting Equipment*

100. We believe that about 1,800 heavy prime radars and about 5,400 auxiliary radars are deployed in various combinations at some 2,400 sites in the Sino-Soviet Bloc. Radar coverage now extends over the entire USSR and virtually all the remainder of the Bloc. Under optimum conditions the Soviet system of early warning (EW) radars can detect and track aircraft at high and medium altitudes more than 200 n.m. from Bloc territory; under virtually all conditions the system can detect and track such aircraft within about 135 n.m. Maximum effective range of Soviet ground controlled intercept (GCI) radars is about 100–200 n.m. Future Soviet radar development will seek to improve present limited capabilities against low altitude targets and air-to-surface missiles. With the wider deployment of improved radars and automated control systems, the total number of radar sites will probably decline.

101. The most important advance in Soviet air defense communications and control over the last few years has been the development and deployment of semiautomatic systems with data-handling equipment for rapid processing of air defense information and data link equipment for vectoring interceptors. A system similar in concept to the US SAGE system, but less complex, is widely deployed in Western USSR. We believe that its original ground element has been replaced by a second generation system, and that an improved semiautomatic fighter control system is being introduced. These new systems will probably also be widely deployed in the USSR and possibly in Eastern Europe within the next few years.

#### *F. Warning*

102. EW radar could now give Moscow and many other targets in the interior more than one hour's warning of medium and high altitude attacks made with Western bombers of the B-52 type. Soviet assurance of such detection would be reduced by low level penetrations. The supersonic bombers and ASMs now being added to Western inventories could reduce this warning time by as much as 50 percent. Moreover, the more limited EW time available in Bloc border areas would reduce the effectiveness of the defenses of even heavily defended targets in such areas. As the speeds of Western aerodynamic vehicles increase,



and as Western ballistic missiles become a greater part of the threat, the problem of providing warning time will become more critical.

*G. Current Capabilities and Future Trends*

103. The extensive deployment of SAMs over the past four years has significantly improved Soviet air defense capabilities. These capabilities are greatest against penetrations by subsonic bombers in daylight and clear weather at altitudes between about 3,000 and about 45,000 feet. Under such conditions, virtually all types of Bloc air defense weapons could be brought to bear against attacking aircraft. Most Soviet fighters can operate at altitudes up to about 50,000 feet; the FLIPPER will probably be able to execute attacks at about 65,000 feet.<sup>29</sup> The capabilities of the fighter force, composed largely of day fighters, would be reduced considerably during periods of darkness or poor visibility. In the increasingly widespread areas defended by SAMs, air defense capabilities are virtually unimpaired by weather conditions and extend to altitudes of about 80,000 feet.

104. Despite its recent and considerable improvements, however, the Soviet air defense system would still have great difficulty in coping with a large-scale air attack employing varied and sophisticated tactics, even in daylight and within the foregoing altitudes. In addition, the Soviet defense problem would be complicated by the variety of delivery systems which might be employed, including air and surface-launched cruise missiles and fighter-bombers. At altitudes below about 3,000 feet, the capabilities of the system would be progressively reduced; below about 1,000 feet, the system would lose most of its effectiveness. The Soviets will attempt to correct these deficiencies during the next few years by improving the capabilities of surface-to-air missile and fighter defenses for low altitude operations. Total system effectiveness will be increased by further application of automated command and control.

105. The significant improvements in the Soviet air defense system during recent years will be extended during the next few years, and successful penetration by manned bombers will therefore require increasingly sophisticated forms of attack. The Soviet air defense capability can be degraded by the increasingly complex forms of attack which the West will be able to employ, including air-launched missiles of present and more advanced types, penetration tactics, and electronic

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<sup>29</sup> Current operational Mach 2 interceptors (FISHBED, FITTER, FISHPOT) are capable of performing a dynamic climb and reaching altitudes of around 65,000–70,000 feet. In such a climb, the aircraft would be at these altitudes for a short period of time (perhaps one to three minutes), during which it would have little maneuverability. The precision with which the climb must be planned and executed limits its effectiveness as an intercept tactic.

countermeasures. Even in such circumstances, the Soviets would probably expect to destroy a number of the attackers. We doubt, however, that they would be confident that they could reduce the weight of attack to a point where the resulting damage to the USSR would be acceptable. Unless and until the USSR is able to deploy a substantial number of advanced ABM defenses, the USSR's air and missile defense deficiencies and uncertainties will sharply increase as ballistic missiles assume a larger proportion of the West's total nuclear delivery capability.

## VII. THEATER FIELD FORCES<sup>30</sup>

### A. Ground Forces

106. The Soviet ground forces, which represent the largest part of the military establishment, are well-trained and equipped with excellent materiel. Combat troops are distributed among 15 military districts in the USSR and three groups of forces in the European Satellites. The strongest concentrations are in East Germany and the western and southern border regions of the USSR; a lesser concentration is in the maritime area of the Soviet Far East. Most Soviet ground forces are organized into field armies with combat and service support for the line motorized rifle and tank divisions. Combat and service support is generally stretched thin, and there is a low ratio of nondivisional support to the present divisional force. However, there are large numbers of artillery, missile, and antiaircraft artillery brigades and regiments which are either allocated to field armies or retained under higher command headquarters. Combat air support is provided by units of Tactical Aviation, organized into tactical air armies under the operational control of the military district or group-of-forces commander.

107. Of the nearly two million men in the Soviet theater ground forces, about half are in line divisions and the remainder are in combat and service support elements. We estimate that there are about 145 line divisions, of which approximately 80 are considered to be combat ready (at 70 percent of authorized personnel strength or greater), and the remaining 65 are at low and cadre strength (estimated to range between 60 and 20 percent of authorized strength and hence requiring substantial augmentation before commitment to combat).<sup>31</sup> At present,

<sup>30</sup> For a more detailed treatment of this subject see NIE 11-14-62, "Capabilities of Soviet Theater Forces," dated 5 December 1962, includes sections on the European Satellites, forces facing NATO, gross capabilities for theater campaigns, and capabilities for distant military action.

<sup>31</sup> The number of divisions confirmed since January 1961 is 119; most of the additional divisions included in our estimate are understrength units located in areas from which information is received only sporadically. Taking account of this and other factors, we conclude that the current total of divisions could lie within a range of 120 to 150, with the most probable figure being about 145. For a detailed estimate of ground divisions by location and type, and their estimated strength, see Annex A, Tables 6-7.

there are an estimated 34 tank divisions, 7 airborne divisions, and 104 motorized rifle divisions. The present force level represents a cut of about 20 combat ready line divisions and 5 low strength divisions since Khrushchev's announcement of force reductions in January 1960. The large number of cadre and understrength divisions retained indicates a continuing Soviet preference for maintaining a very large and partly skeletal ground force capable of being rapidly fleshed out with mobilization.

108. *Weapons and Equipment.* The program of modernization and reorganization has involved the introduction over the last several years of more advanced designs of practically all types of equipment, including surface-to-surface ballistic missiles of 150 n.m. range, tanks, armored personnel carriers, nuclear-capable free rockets with ranges up to 26 n.m., antiaircraft guided missiles, artillery and antiaircraft guns, recoilless antitank weapons, and a wide variety of transport vehicles. In some instances, there have been two successive generations of equipment since World War II. The increasing number of tracked and wheeled amphibians and amphibious tanks has greatly improved Soviet river-crossing capabilities, and we expect extensive equipping with the new amphibious armored personnel carrier.

109. Present trends in the ground weapons development program point to a continuing emphasis on firepower and mobility. Specific areas of concentration probably will include light gun and missile weapons to defend against low flying aircraft, a field antimissile system, air-transportable weapons and equipment, weight reduction of existing equipment, and improved reconnaissance and communications. Surface-to-air missiles (SAMs) are replacing medium and heavy antiaircraft guns; guided antitank missiles are being introduced and will probably replace some antitank guns.

#### *B. Tactical Missile and Air Support*

110. In their doctrine for theater operations in general nuclear war, the Soviets continue to employ the combined arms concept, but they have come to consider nuclear and missile weapons as the basic element of firepower. Soviet development of tactical guided missiles has greatly improved the fire support available to field forces.<sup>32</sup> Although nuclear warheads are probably the primary armament of these missiles, operational considerations might prescribe the use of chemical (CW) and high explosive (HE) warheads. Road mobile surface-to-surface ballistic missiles with maximum ranges of 150 n.m. (SS-1 and SS-1A) and 350 n.m. (SS-2) have been available for several years. The SS-1 and SS-2

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<sup>32</sup> For estimated characteristics and performance of Soviet short-range missile systems, see Annex B, Table 2.

missiles are intended primarily for a ground support role, and missile units are assigned to direct operational control of field commanders.

111. Although there is little direct evidence on the deployment of these missiles, we estimate that about 35 SS-1 brigades (with 6 launchers each) and 30 SS-2 battalions (with 2 launchers each) are now operational. These missile units are believed to be in the artillery support structure of major Soviet theater force commands, although none have been firmly identified. We believe that the numbers of SS-1 and SS-2 units will remain fairly stable. However, the Soviets probably will soon begin replacing the SS-2 with an improved follow-on system of similar range, as they have done with the SS-1.

112. The number of aircraft in Tactical Aviation was reduced by half in 1960 and 1961. Since that time, it has been generally stabilized in overall strength, with phasing in of new model aircraft and continuing reductions in older models. As a result of reductions and transfers, Soviet Tactical Aviation is now mainly located in the areas adjoining major potential land theaters of combat. About half its total strength is with Soviet forces in Eastern Europe, and most of the remainder is in western and southern USSR. Tactical Aviation will continue to receive new models and to decline in numbers of aircraft—probably from about 3,100 to about 2,500 by mid-1964.<sup>33</sup> The estimated current and future numbers of Soviet tactical aircraft appear low in relation to estimated total ground forces and their likely missions in the event of general war.

113. A prime current deficiency of Soviet Tactical Aviation is the lack of modern aircraft, particularly fighter bombers. For offensive tactical air support, the Soviets still rely heavily on the obsolescent BEAGLE subsonic light bomber, but it is now being replaced by the FIREBAR A, a supersonic tactical fighter bomber. In addition, the FITTER and FISHBED C, while primarily interceptors, could also be employed for tactical support missions. The older types of Soviet tactical fighters, FAGOTs, FRESCOs, and FARMERs, were designed primarily as interceptors and have limited load-carrying and range capabilities when used in the ground support role. They can perform a variety of missions in support of ground forces and can be equipped to deliver nuclear weapons, but the newer types of tactical aircraft mentioned above appear better suited to these purposes. At present, about three-fourths of the fighters in Tactical Aviation are older types,

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<sup>33</sup> The Assistant Chief of Staff, Intelligence, USAF, notes that combat elements of Soviet Tactical Aviation have not declined in total numbers since mid-1961 and he does not agree there will necessarily be the future decline forecast here. If the Soviet Union markedly reduces the ground element of Theater Field Forces over the next few years, Tactical Aviation may reflect a comparable reduction, but probably not otherwise.

mainly obsolescent, but the introduction of modern supersonic fighters has been accelerated, and these types now comprise about one-fourth of total estimated strength.

114. Some of the Soviet tactical fighter units have been equipped and trained only for the interceptor mission. Despite the limitations of the older aircraft, however, most units observed have also been trained and equipped to perform ground attack missions and could therefore be used for any one of several purposes depending on operational requirements: defending against air attack, providing close support to ground forces, or assisting ground operations by striking targets in the enemy's rear. The Soviets have conducted some training in fighter delivery of nuclear weapons. In addition, Tactical Aviation now has some 150 n.m. surface-to-surface cruise missiles (SHADDOCK, SSC-1).

#### *C. Military Air Transport*

115. Approximately 200 light transports of the CAB, COACH, and CRATE types, about 60 converted BULL piston medium bombers, and about 385 medium turboprop transports of the CAT, CAMP, and CUB types, are assigned by Military Transport Aviation to support of airborne troops. The assigned transports of the airborne troops are sufficient to airlift simultaneously a single airborne division or the assault echelons of two airborne divisions. Each divisional assault echelon would be limited to about 6,000 troops, including headquarters elements, nine rifle battalions, and light regimental support elements. Divisional combat and service support as well as transport vehicles of the infantry would not be included. The mobility of these echelons, once landed, would therefore be restricted, but a second sortie of the entire fleet could deliver the balance of the two divisions. Radii of the transport aircraft would permit operations of this type to be conducted to a distance of some 500–700 n.m.

116. The probable addition in the near future of more transports will enhance Soviet capabilities to lift large numbers of troops or cargo to peripheral areas; in several years, the present lift capacity may be doubled. Soviet airlift capabilities also could be augmented by about 375 jet and turboprop transports now in civil aviation; these aircraft have an airlift capability of nearly two additional divisional assault echelons.

#### *D. Amphibious Capabilities*

117. Soviet amphibious capabilities remain quite limited. They vary from one battalion in the Northern or Pacific Fleet area, to one regiment in the Black Sea, and two regiments in the Baltic. The USSR has a total merchant ship lift in all seas which is theoretically sufficient to transport approximately 20 motorized rifle divisions; however, such a lift would require port or other extensive off-loading facilities in the landing area.

The Soviets may seek to further develop their amphibious lift capability, but significant improvement will depend upon their acquisition of additional amphibious craft, extensive training, and development of a reliable logistic support system. There are no indications of such an improvement in the near future.

#### *E. Tactical Nuclear Weapons*

118. Tactical nuclear capabilities are still limited, but they have been improved markedly over the past few years. Soviet military planners are now in a position to think in terms of committing up to a few hundred nuclear weapons, virtually all with yields in the kiloton range, to a typical *front* operation. Limitations on the quantity and variety of nuclear weapons available to theater forces will have eased by the mid-1960's. The Soviets are probably developing subkiloton weapons, but we have no present evidence of work on delivery systems designed specifically for such weapons.

119. The Soviets evidently consider CW munitions as a standard and integral part of the Soviet arsenal for general war, to be used extensively in conjunction with nuclear and conventional weapons in support of *front* operations. Military forces of the USSR and Satellites regularly conduct training exercises involving the offensive use of toxic chemical agents as well as defense against them. We believe, however, that authorization from Moscow would be required before operational commanders could initiate the use of chemical weapons.

120. Although tactical nuclear delivery systems are integral to Soviet theater forces, the nuclear weapons themselves do not appear to be in their custody. In peacetime, such weapons are stored in depots operated by the Ministry of Defense and located within the USSR. Soviet procedures for controlling these weapons ensure the national leadership that they will not be used without authorization. Existing procedures, together with deficiencies in logistical support, appear to penalize the Soviets in terms of operational readiness and rapid response for tactical nuclear weapons employment. There is evidence that the Soviets are considering steps to overcome these deficiencies; such steps could include preparations to deploy tactical nuclear weapons to theater forces during periods of heightened tension.

#### *F. Capabilities for Theater Operations*

121. The longstanding Soviet concern with concepts and forces for campaigns in adjoining theaters, especially in Europe, has resulted in a formidable theater force strong in armor, battlefield mobility, and units in being. The tactical nuclear delivery capabilities of these forces, although improving, are still limited. In offensive operations, rapidly advancing theater forces are in constant danger of out-running their logistical tail, which is heavily dependent on railroads. Finally, the

Soviets have traditionally exercised very strict supervision over the actions of their subordinates, but existing command and control systems do not permit the strict supervision over the widely extended deployment required on the nuclear battlefield or under the threat of use of nuclear weapons.

122. The statements of Soviet leaders, as well as the deployment and training of Soviet theater forces, make it clear that the principal operations of these forces in general war would be directed against NATO in Europe. The Soviets plan in the initial days of a general war to move massive theater forces rapidly toward the Channel coast, and to secure the exit of the Baltic. This campaign would probably be augmented by operations in the Scandinavian area to acquire advance bases for the Northern Fleet. The Soviets evidently also contemplate operations toward the Mediterranean, and to secure the exit of the Black Sea. Other peripheral areas, such as the Middle and Far East, are apparently regarded as having lesser priority for theater force operations. Soviet capabilities to conduct theater operations against North America are limited to minor airborne and amphibious attacks against Alaska and Arctic bases elsewhere.

123. The adjustments in Soviet theater forces in the past few years have not materially impaired their capabilities to conduct nonnuclear operations. The USSR's highly mechanized forces have favorable characteristics for the dispersed operations required because of the constant possibility of escalation to nuclear warfare. Over the past two years, the nonnuclear firepower of ground units has not been significantly altered, but the supporting nonnuclear firepower which can be delivered by tactical aircraft has decreased. There are indications that the Soviets have recently given recognition to the possibility of nonnuclear war with NATO forces in Europe. They probably intend to retain capabilities for conventional warfare against NATO, but they do not appear to have revised their expectation that any major conflict with NATO would be nuclear from the start or would probably escalate.<sup>34</sup>

124. The Soviets have evidently not elaborated any doctrine for limited nuclear warfare by theater forces, involving the use of tactical weapons only. We think they would be severely handicapped in any

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<sup>34</sup> The Assistant Chief of Staff, Intelligence, USAF, believes that the material reduction in the size of Tactical Aviation in 1960 and early 1961 markedly reduced Soviet capabilities for nonnuclear air support for ground operations. Since then, modernization of tactical air equipment for nuclear warfare has not impaired the residual quality or totality of nonnuclear capabilities for theater air support. Further, he notes the possibility of limited warfare involving Soviet forces has been no more than mentioned in Soviet writing. There is no evidence that any limited war doctrine, whether nuclear or nonnuclear, involving a direct confrontation of Soviet and US or NATO forces, has been discussed.



attempts to conduct such warfare at present. Moreover, thus far the Soviets appear to think that limited nuclear conflict in the NATO area would almost certainly escalate to general war.

### VIII. NAVAL FORCES

125. Until recent years, the Soviet Navy has been equipped and trained for a primarily defensive role. An intensive postwar shipbuilding program, concluded in 1957, produced a surface fleet, including cruisers, destroyers, and escort ships, which was limited for effective operations to the range of shore-based aircraft. Even the Soviet submarine force, largest ever assembled by a nation in peacetime, was composed for the most part of types capable of infesting the North Atlantic and the sea approaches to the USSR, but lacking the range for such extended operations as patrols off the US coasts. However, in the past few years, the Soviets have developed an increasingly diversified naval force with a new emphasis on weapons and equipment of greater range and effectiveness.

126. Much of the impetus for technological change in the Soviet Navy has come from the USSR's concern over the threat posed by US missile submarines and carrier task forces. To counter these forces at sea, the Soviets have introduced medium bombers equipped with air-to-surface missiles, submarines equipped with cruise missiles, and new classes of antisubmarine warfare (ASW) ships. They have also introduced ballistic missile submarines which can carry the attack to the homelands of opposing naval forces, and improved types of attack submarines, both nuclear and diesel, for interdiction of sea communications and enemy naval forces. Soviet surface forces have also been greatly strengthened by the addition of missile armament to cruisers, destroyers, and patrol craft, and by the introduction of new minewarfare ships.

#### A. Submarine Force

127. Soviet capabilities for conducting operations at long distances from the Soviet coast rest primarily upon the submarine force. The numerical strength of this force has changed little in the past few years, and we believe that for the period of this estimate it will remain stable at 375-400 first line ships. However, with the continued introduction of missile armament and nuclear propulsion, the capabilities of this force are changing significantly. For example, in 1958, the USSR had only about 20 submarines capable of conducting extended patrols off US coasts all of them diesel-powered, torpedo-attack types. The USSR now has more than 100 submarines with this endurance, including nuclear-powered ships, about half of them armed with missiles.

128. *Nuclear Submarines.* We estimate that the Soviet Navy now has about 25 nuclear-powered submarines operational. To date, we have



identified three classes of Soviet nuclear-powered ships: the “H” class ballistic missile submarine; the “N” class torpedo attack submarine; and the “E” class which is equipped with cruise-type missiles. We believe that within the next few years other classes of Soviet nuclear-powered submarines will be in service, including both torpedo attack and missile-launching types.

129. Two Soviet shipyards are currently engaged in nuclear submarines production: Severodvinsk in the northern USSR, and Komso-molsk in the Soviet Far East. Considering the construction of nuclear-powered submarines to date, our estimate of the USSR’s capacity to produce and install nuclear propulsion systems, and our estimate of the existing level of effort, we believe that the USSR is likely to build about 8–10 nuclear-powered submarines of all types per year. It is primarily on this basis that we estimate a buildup in the Soviet nuclear-powered submarine force to a total of 65 in mid-1967. Considering Soviet requirements, it is possible that they will seek to increase their production of nuclear propulsion systems and build a larger force. On the other hand, operational difficulties which they have apparently encountered with their nuclear power plants may retard the program somewhat.

130. *Torpedo Attack Submarines.* The Soviet force of attack submarines is capable of mounting a large-scale torpedo attack and mining campaign against Allied naval targets and sea communications in the eastern North Atlantic and northwestern Pacific. Its capabilities for operations near the continental US are more limited, but are growing. The bulk of the Soviet submarine force consists of diesel-powered, torpedo attack submarines, built for the most part in the early and mid-1950’s. These include some 177 “W” class, 19 “Z” class, 20 “R” class, and 30 “Q” class submarines. Of these older ships, only the “Z” class submarines are believed capable of conducting patrols off of US coasts from bases in the USSR. However, since 1958 the Soviets have produced about 25 diesel-powered “F” class submarines and 10 “N” class nuclear-powered submarines, both of which have sufficient endurance to perform such missions.

131. Soviet construction of diesel-powered, torpedo attack submarines may continue for another year or so, but future emphasis probably will be placed on nuclear-powered types. In view of the expressed Soviet concern with US missile submarines, we believe that the USSR has a strong requirement for attack submarines designed primarily for anti-submarine warfare. The “N” class, with its nuclear propulsion and improved sonar equipment, appears better suited to this role than any other class. If the “N” class is not intended for such use, we believe that a new class of Soviet nuclear-powered attack submarines, specifically designed for ASW, will appear within the next few years.

132. *Missile Submarines.* Soviet leaders have repeatedly stated that nuclear-powered submarines armed with various types of missiles represent the main power of their navy. We estimate that the USSR now has operational about 45 ballistic missile submarines, including both nuclear and diesel-powered types. These ships, their characteristics, and capabilities have been considered above (paragraphs 64–66) in terms of their contribution to Soviet long-range striking forces. In addition, it has become apparent within the past year that the Soviets are giving considerable emphasis to the development and deployment of submarines equipped with cruise-type missiles. We have now identified 6 units of the nuclear-powered “E” class, each equipped with six 300 n.m. cruise missiles designed for low altitude flight at supersonic speed. In addition, the Soviets have converted 12 “W” class submarines to carry two or four such missiles each, suggesting a desire to achieve an early operational capability. The Soviets are now developing a submarine-launched cruise missile of longer range—about 450 n.m. For the possible employment of submarine-launched cruise missiles see paragraph 67.

#### *B. Surface Forces*

133. Naval surface forces, which are heavily dependent upon land-based logistic and air support, appear suited primarily for defensive operations in waters adjacent to the USSR. Conventionally armed major surface units now comprise 14 cruisers, 88 destroyers, and 62 escort ships. In recent years, however, the Soviet Navy has considerably increased the firepower of its surface forces by the addition of missile armament, including surface-to-air missiles, which has extended the potential scope of effective operations. The only known major surface combatant ships now being built in the USSR are guided missile destroyers. The “Kynda” class, armed with both surface-to-surface and surface-to-air missiles, is being built at Leningrad, and a new destroyer class, believed to be equipped with missiles of an unidentified type, is probably in production at Nikolaev on the Black Sea. The Soviets have also converted a few older ships to missile armament.

134. The Soviets now have operational 14 destroyers, armed with cruise-type missiles for use against surface targets. These include 2 ships of the new “Kynda” class, 8 of the “Krupnyy” class, and 4 of the earlier “Kildin” class. The “Kildin” and “Krupnyy” classes employ SS-N-1 surface-to-surface missiles, which have a speed near Mach 1 and an effective range of 20–30 n.m. With the use of forward observers, maximum range can be extended to 80–100 n.m. We believe that the “Kynda” class employs the 300 n.m. SS-N-3. In addition to their missile armament, ships of these three classes also carry ASW gear. They are probably intended primarily for operations against both surface ships

and submarines in coastal areas, either in defense of the sea approaches to the USSR or in support of theater field forces.

135. Other new construction during the past few years has involved small specialized craft for use in antisubmarine warfare, amphibious operations, minewarfare, coastal defense, and logistic support. Two classes of patrol boats equipped with surface-to-surface cruise-type missiles are now operational.

136. We believe that the numerical strength of Soviet surface naval forces will remain fairly stable over the next five years. Soviet production of guided missile destroyers and of smaller specialized craft will probably continue at about present levels. Modernization of destroyer types will also continue, and additional surface ships will be retrofitted with missile armament. We estimate that by mid-1967, Soviet first line surface strength will consist of 30 missile destroyers, 16 cruisers (2 with missiles), 83 conventionally-armed destroyers, and 58 escort ships as well as more than 200 missile patrol craft.

137. The Soviet auxiliary fleet, composed primarily of older ships, is being augmented by newer tanker and cargo ships, and submarine support is being reinforced by the addition of submarine tenders, rescue ships, and repair ships. Additional logistic support could be provided by the growing Soviet merchant marine. In terms of net tonnage, additions to the Soviet merchant fleet during 1961 fell about 30 percent below the record-breaking 1960 increase, but were still well above any other previous year. The decline during 1961 was apparently a temporary phenomenon, reflecting a shift in production to more modern cargo ships and to super tankers (i.e., with a capacity of 25,000 tons or more). Our evidence indicates that the increase in 1962 approximately doubled the 1961 increment. The widespread Soviet fishing fleets can provide limited logistic support to submarines, and they have considerable utility for training, minewarfare, and collection of electronic intelligence.

### *C. Naval Aviation*

138. Soviet Naval Aviation underwent a drastic reduction and reorganization in 1960 with the deactivation or transfer of all naval fighter units. Naval Aviation is composed largely of jet medium bombers; it also includes jet light bombers, patrol aircraft, and helicopters. Its capabilities are focused primarily on reconnaissance and strike missions against maritime targets and on antisubmarine warfare. Air cover for naval operations would have to be provided either by shipborne SAMs or by fighters not subordinate to Naval Aviation.

139. Nearly 300 of Naval Aviation's 350 BADGER jet medium bombers are equipped to deliver antiship air-to-surface missiles. These missiles are of two types; the subsonic AS-1, which has a range of 55

n.m., and the supersonic 100 n.m. AS-2. Both are estimated to have a CEP of 150 feet against ships, and some of these missiles probably carry nuclear warheads. BADGERs can carry either two AS-1's or one AS-2. The majority of the missile-equipped BADGERs are configured for AS-2 delivery, and we believe that eventually all but a few of these aircraft will be so equipped.

140. Naval medium bomber strength will probably increase slightly over the next five years. We believe that Naval Aviation has received a few BLINDER supersonic medium bombers, and they will probably appear in greater strength within the next few years. Some of these may be equipped with a new air-to-surface missile, the AS-4, if it is suitable for antishipping use; this system could become operational in 1964.

141. Most of the naval BADGERs which are not equipped with missiles are assigned to reconnaissance units. Recent evidence indicates that medium and heavy bombers of Long Range Aviation have also carried out naval reconnaissance missions; recent overflights of US carrier task forces also suggest an attack training mission for these aircraft. We believe that the naval requirement for long-range aerial reconnaissance is growing, and that it will be met either by increased numbers of aircraft in Naval Aviation, or by selective use of Long Range Aviation aircraft in this role.

#### *D. Capabilities for Naval Warfare*

142. In recent years, the missions of the Soviet Navy have been expanded to encompass strategic missile attack against foreign territory and operations against Western naval forces, while retaining the more traditional roles of interdicting Western sealines of communication, defending the littoral of the Soviet Bloc, and providing support for the seaward flanks of ground field forces. In waters adjacent to the USSR, all types of Soviet naval weapons could be brought to bear against opposing naval forces. In the next few years, the Soviets almost certainly will give the greatest emphasis to strengthening naval capabilities for long-range attack (paragraphs 64-68) and for defense against Western carrier task forces and missile submarines.

143. *Against Carrier Task Forces.* The Soviets evidently regard the carrier task force as a major strategic threat. Their capabilities against such forces have been improved by continued conversion of jet medium bombers to carry antiship missiles and by the introduction of submarines equipped with cruise-type missiles. In the European area, BADGERs with antiship missiles could operate against surface ships in the eastern North Atlantic, the Norwegian and Barents Seas, and much of the Mediterranean. These capabilities are, of course, subject to problems of detection and identification. In the past year or so, reconnaissance

of open ocean areas by Long Range and Naval Aviation has increased. Submarine operations against carrier task forces could extend to US coastal waters.

144. *Against Sealines of Communications.* The threat of the Soviet submarine fleet to the vital sealines of communication of the Free World is greatest in the northeast Atlantic and northwest Pacific. The capability of Soviet submarines to interdict these supply lines would depend on a number of factors: endurance of the submarines, transit time to station, repair and overhaul requirements, logistic support, and the extent of opposition. Interdiction operations against North Atlantic supply routes would be undertaken largely by submarines of the Northern Fleet; this force includes about 85 submarines with insufficient endurance to operate in US coastal areas but which could operate in the Norwegian Sea and eastern Atlantic. Included in these are six "W-Conversion" class SSG which carry 300 n.m. antishipping cruise missiles. Not considering combat attrition, about 24 Northern Fleet submarines could be maintained on station continuously in the eastern Atlantic approaches to the UK and Europe. This force might be augmented by submarines deployed from the Baltic prior to hostilities. Some coverage of the approaches to the Mediterranean could also be achieved. The Soviets could also maintain some 5–10 nuclear-powered and long-range diesel-powered, torpedo-attack submarines on more distant stations for operations against shipping in the western Atlantic. This number could be more than doubled if the Soviets were able to provide logistic support during the patrol from a forward base such as Cuba.

145. In the Pacific, the Soviets have some 75 submarines which they could use in an effort to sever the US sealines of communications. While only one-third of this force has sufficient endurance to operate off the US west coast, the remainder can operate in those areas through which US sealines of communications must pass to support our Pacific island bases and Asiatic allies. Included in these 75 submarines in the Pacific, the Soviets now have six nuclear and three diesel-powered cruise-missile-launching submarines. We believe the Soviets intend to employ these submarines in an antishipping role but they could be employed against land targets. Considering the limitations of endurance, transit time to station, repair and overhaul requirements and logistic support, the Soviets could now maintain some 13–20 submarines in the ocean area between Hawaii and Japan and about five off the US Pacific Coast.

146. *ASW Capabilities.* Since the mid-1950's the Soviets have placed increasing emphasis on the improvement of ASW forces. They have made a major effort in the construction of ASW ships, particularly small coastal types, and are testing new ASW seaplanes and helicopters.

A new ASW aircraft may be introduced within the next few years. An ASW role may have been assigned to Soviet "F" and "R" class submarines, which feature improved sonar gear, as well as to the nuclear-powered "N" class. Detection equipment and weapons now in service include air-launched passive sonobuoys, airborne magnetic anomaly detection (MAD) equipment, multiple tube ASW rocket launchers, and passive homing torpedoes. ASW exercises have expanded in scope, and training doctrine has become more sophisticated. We believe that the Soviet Navy is capable of carrying out fairly effective ASW operations in coastal areas.

147. Soviet military writings reflect great concern with the threat posed by US missile submarines, and we believe that in recent years the Soviets have emphasized improvement of their ASW capabilities in the open seas. Much of the new and improved ASW equipment which is in service or under development is probably designed for such employment. However, several years of intensive training emphasizing coordinated operations by submarines, surface ships, and aircraft will be required before the Soviets can effectively employ any new ASW systems they may develop. Moreover, although the Soviets may be developing a long-range hydroacoustic detection system, the USSR's geographic situation would make it most difficult to maintain continuous surveillance by this means over large ocean areas except in the north-western Pacific and in the Arctic. We believe that at present the Soviet Navy has a negligible ASW capability in the open seas. Despite the effort which they almost certainly are devoting to this problem, we believe that over the next five years, the Soviets will be able to achieve only a limited capability to detect, identify, localize, and maintain surveillance on submarines operating in the open seas.<sup>35</sup>

## IX. SPECIAL WEAPONS

### A. Chemical and Biological Warfare

148. The Soviets have developed spray devices for disseminating chemical agents from aircraft; they are estimated to have CW-filled artillery shells, short range rockets, and warheads for tactical cruise and ballistic missiles. Chemical munitions might be used in areas of enemy contact in ground combat, and against enemy troop concentrations, command posts, missile launch sites, and other key targets. Using air and missile delivery systems, CW agents might also be used against naval concentrations.

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<sup>35</sup> The Assistant Chief of Staff, Intelligence, USAF, disagrees with judgments expressed in this sentence. See his footnote to Conclusion T, page 11.

149. Based largely on the capacity of CW storage sites, we estimate that the USSR possesses an inventory of at least 200,000 tons of toxic agents in bulk and in filled munitions. At least half of this stockpile probably consists of nerve agents, principally tabun (GA), and the remaining half of various older standard agents. We believe that further development could produce only small increases in the toxicity of known agents and that some research is being directed toward development of new, lethal agents. The Soviets may develop nonlethal, incapacitating agents, and at least one could be available for use by 1965.

150. We believe that the Soviet Union has an active BW research effort which is suitable to support a complete BW program, but there is insufficient evidence on which to base a firm assessment of Soviet BW offensive activities. However, the USSR has a comprehensive biological warfare defensive program which could lead to an offensive capability. The Soviets have conducted research on antipersonnel, antilivestock, and possibly anticrop BW agents. Although we have identified no mass production facility for BW agents and have no evidence of Soviet stockpiling of such agents, research laboratories and existing plants for the production of vaccines could provide these agents in quantity.

#### *B. Electronic Warfare*

151. The Soviets have developed a wide range of active and passive ECM equipment, including improved chaff, radar, and communications jammers, and various deception devices to counter Western electronic systems. Soviet military ECM capabilities are complemented by the unique Soviet experience in extensive, centrally controlled, selective jamming of Western broadcasts. At present, the USSR has an appreciable capability for jamming at those frequencies normally used by Western radars and long range radio communications systems. Within the period of this estimate, we believe that the various types of Soviet equipment, taken together will be able to produce signals for jamming all frequencies likely to be employed by Western communications, radar, and navigation equipment.

152. Thus Soviet capabilities to interfere with Western strategic and tactical communications appear formidable. The Soviet ground-based jamming capability is most effective within about 500 miles of Soviet territory. In addition, the cutting of trans-Atlantic cables by Soviet trawlers has demonstrated the vulnerability of this Western communications system. The Soviets are aware of at least some of the effects of high altitude nuclear bursts on radar and communications, and have continued their program for investigation of these effects in 1962.

[Annexes A and B, comprising 30 pages of tables, and a dissemination notice are omitted.]



April 1963

**291. Report by the Special Studies Group, Joint Chiefs of Staff,  
April 1963<sup>1</sup>**

April 1963

FURTHER STUDY OF REQUIREMENTS  
FOR TACTICAL NUCLEAR WEAPONS

*FOREWORD*

This study was conducted by the Tactical Nuclear Branch, Chairman, Joint Chiefs of Staff, Special Studies Group. The Chairman of the CJCS Special Studies Group during the period of preparation of this report was Major General P.S. Emrick, USAF, Director J-5 (Plans and Policy); Deputy Chairman was Rear Admiral Arthur R. Gralla, USN; Assistant Deputy Chairman was Colonel David Gould, USAF. Study participants were:

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<sup>1</sup> "Further Study of Requirements for Tactical Nuclear Weapons." Top Secret; Restricted Data. 37 pp. Kennedy Library, National Security Files, Kaysen, 4/63.



*SUMMARY REPORT*

## INTRODUCTION

*THE PROBLEM*

1. The Secretary of Defense, by memorandum of 23 May 1962, requested the Chairman, Joint Chiefs of Staff, to organize a study of the requirements for tactical nuclear weapons. The initial phase of the study (Project 23) was to be limited to the use of tactical nuclear weapons in ground and supporting air-to-ground combat (the land battle) in Europe. This initial report was forwarded to the Secretary of Defense on 19 October 1962.

2. Subsequent review by the Services and by the Joint Chiefs of Staff concluded that the initial report constituted an incomplete analysis of the conduct of tactical nuclear warfare in Central Europe. It was considered that certain essential aspects of nuclear warfare were not addressed and that the initial study should not be viewed as a final answer to the subject. It was further concluded that this study did furnish an insight into the magnitude of numbers and yields of weapons that might be needed in Western Europe, but it was not considered as an adequate basis for determining weapons requirements.

3. At an interdepartmental meeting in December 1962, concerning the DOD recommended nuclear weapons stockpile for FY 64 and FY 65, it was decided that further study should be undertaken to provide more definitive substantiation for tactical nuclear weapons with particular emphasis upon small yield, short range weapons. Terms of reference were approved by the Joint Chiefs of Staff and forwarded<sup>2</sup> to the Secretary of Defense on 27 December 1962. Subsequent to the approval of the terms of reference, a memorandum<sup>3</sup> from Mr. Carl Kaysen, Deputy Special Assistant to the President for National Security Affairs, to the Secretary of Defense, dated 21 January 1963, raised questions of a broader scope than set forth in the initial terms of reference.

4. In order to respond to the expanded terms of reference within the time frame specified, the problem has been examined by two separate groups. The Special Studies Group has addressed the question of the basis for the military requirement for certain of the tactical and antisubmarine warfare (ASW) weapons. The Strategic Plans and Policy Division, J-5 Directorate, Joint Staff, has re-examined the quantitative aspects of the weapons in question with respect to levels required for FY 65.

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<sup>2</sup> JCSM-1028-62, 27 Dec 62.

<sup>3</sup> Appendix I.

5. This study extends and elaborates portions of the initial Project 23 report and focuses principal attention on the following:

a. The role of tactical nuclear weapons in the land battle and in antisubmarine warfare (ASW).

b. The feasibility of conducting tactical nuclear warfare in Europe, without destroying Europe and her population in the process, considering the military capability to survive and conduct effective military operations.

c. An examination of the military need for small yield, short range tactical nuclear weapons in the land battle in Europe and in ASW under various conflict situations.

d. A comparative examination of the types of small yield, short range nuclear weapons providing the greatest utility in the land battle on the basis of cost and operational effectiveness.

e. An analysis of the extent and effect of tactical air in support of the land battle in conventional and tactical nuclear warfare.

f. Levels of certain tactical nuclear weapons which should be provided in the FY 65 stockpile.

#### METHODOLOGY AND LIMITATIONS

6. It is recognized that a multiplicity of war situations presents a wide variety of conditions that influence the use of tactical nuclear weapons. Because of the broad spectrum of situations, the terms of reference were written to narrow the scope of this study to manageable proportions. Consequently, there has been emphasis in this study on the requirement for small yield [*text not declassified*] nuclear weapons under conditions less than general war. The general war case was examined only in sufficient detail to permit the estimation of the effects of the strategic retardation of the westward movement of Soviet Bloc forces and its subsequent effect on the outcome of the land battle. While the effects of counterair and pre-planned interdiction were considered sufficiently to determine their effect on a sector of the land battle, specific attention was not given to the determination of the nuclear weapons requirement for these efforts; neither was special consideration given to the requirements for nuclear weapons for theater or fleet air defense or for MRBMs. Continuing study, and integrated war gaming could serve to further refine these aspects of this study.

7. The primary situation for analysis in this study is a large scale conventional attack by the Soviet Bloc in Europe in 1967. NATO, unable to contain this attack conventionally, escalates to use of tactical nuclear weapons and the Soviet Bloc retaliates. Both the US and Soviet homelands are assumed to be sanctuaries and are not attacked. A segment of the 7th (US) Army sector was analyzed in the context of a major battle situation to test the effectiveness of the concepts developed by separate analyses. A brief comparison of the battle situation with the results of an independent British study of a similar operation in the Northern Army Group sector was also made.

8. Volume I addresses the following aspects of the tactical nuclear problem: the role of these weapons and the objectives for their use, the military requirement, the major uncertainties associated with determining the requirement, alternatives considered, and recommended further study areas. Subsidiary analyses provided by various agencies within and outside the Department of Defense have been considered in the development of the conclusions reflected herein. These related studies and amplifying data are contained in the appendices to the basic report (Volumes II through VII). Volume VIII was prepared by the J-5 Directorate of the Joint Staff and contains recommendations relative to the FY 65 stockpile. This volume was developed on the basis of the conclusions drawn from this study, from submission of requirements from specified and unified commanders, and from dollar and material guidelines previously established for the FY 65 stockpile submission.

### *CONCLUSIONS*

The conclusions presented below apply to tactical nuclear warfare in the land battle including supporting air, and in antisubmarine warfare. Conclusions regarding air operations are based upon an air analysis of a theater conflict and air operations conducted in support of NATO ground forces. Conclusions regarding the land battle are based upon analysis of the Central Region of Europe and are pertinent thereto. They are also applicable generally to other areas of Europe or to any geographical area where modern forces armed with nuclear weapons may be engaged in a large-scale war of maneuver. The conclusions regarding antisubmarine warfare apply to the use of these weapons anywhere at sea.

### *FEASIBILITY OF MILITARY OPERATIONS*

9. NATO MC 26/4 forces in the 1967–1968 time period can conduct worthwhile nuclear military operations and can be expected to stop a Soviet Bloc advance into Central Europe under the assumptions, situation and constraints postulated by the Terms of Reference (Appendix I). However, the outcome of the ground battle is highly sensitive to the outcome of the air battle in both conventional and nuclear conflict. It is also sensitive to whether the Warsaw Pact forces initiate the use of nuclear weapons first or employ nuclear forces operating from the Soviet Union sanctuary.

10. NATO forces in Europe, as currently planned, cannot be expected to survive a Soviet Bloc attack which intends their destruction by using large numbers of megaton weapons without regard to consequent damage to civil resources and extensive fallout radiation. Retaliation against such a low constraint attack would require the use of strategic forces external to Europe.

11. In warfare in peripheral areas of the world against massive conventional forces not equipped with nuclear weapons a decided military advantage would accrue to the side which employed tactical nuclear weapons unilaterally on the battlefield.

#### EXTENT OF CIVILIAN CASUALTIES

12. Collateral damage from a representative tactical nuclear conflict (in which constraints are observed by both sides) in Central Europe including the Satellites would cause about five million casualties among the over-all population over the first two or three days after escalation. Of this, about three and one-half million result from attacks in NATO against fixed targets, one-half million from attacks against fixed targets in Eastern European Satellites, and one million from attacks of troop targets in the land battle.

13. Even when used in greater numbers, small yield weapons cause only a small fraction of civilian casualties relative to larger yield weapons. Civilian casualties resulting from subkiloton weapons are almost negligible by comparison with other nuclear weapons. To inflict a given level of military casualties, the use of high yield weapons will cause a higher number of civilian casualties than the use of low yield weapons.

#### MILITARY NEED

14. There is a requirement for small yield [*text not declassified*] tactical nuclear weapons. The more NATO's basic strategy is oriented toward a conventional defense of Western Europe, the more emphatic this requirement becomes. These weapon systems, which have short response times and meet friendly troop safety considerations, are the only types of nuclear weapons systems which can adequately deal with the close-in threat from forces initially in contact against NATO forces and those reserve forces subsequently coming into close contact. Inherent in these systems is the ability to acquire targets rapidly and to react against the large number of targets in the engaged zone.

15. Longer range [*text not declassified*] tactical nuclear weapons are needed to interdict and attack reserve forces in the land battle and can be highly effective in this role. Because of limitations in targeting, troop safety, systems responsiveness, and constraints these weapons systems cannot by themselves cope with the full land battle threat and cannot fully ensure against substantial reserve forces moving forward to engage NATO forces.

#### STRATEGIC RETARDATION

16. Preliminary analysis indicates that under present targeting concepts strategic nuclear and SACEUR scheduled nuclear strikes against deep interdiction targets would not inflict a major level of direct or collateral damage against Soviet Bloc reserve ground forces nor would a high level of retardation be attained.

## COMPARATIVE EFFECTIVENESS

17. In nuclear warfare, nonnuclear ammunition is competitive with small yield nuclear ammunition only if conventional artillery units and ammunition support units are greatly increased. However, the massing of the number of artillery units to deliver the equivalent rate of non-nuclear fire power is not practical in a nuclear environment in terms of dispersion or availability. Additionally, the logistic effort necessary for ammunition alone is prohibitive, particularly on a continuing basis.

18. On the basis of operational effectiveness, tube artillery systems (155-mm and 8-inch Howitzers) are the most useful small yield, short range ground nuclear weapon systems. The 155-mm Howitzer and 8-inch Howitzer are complementary nuclear systems with approximately the same range bracket. The 155-mm Howitzer [*text not declassified*] which provides effective fire against the small size targets in the range bracket without excessive collateral damage or risk to friendly troops. The 8-inch Howitzer [*text not declassified*] adequately cover the larger size targets in range.

19. There is a requirement for a highly mobile, all-weather, quick-responding, [*text not declassified*]. The value of a forward area nuclear weapon system lies in assuring powerful fire support at critical junctures in the small unit battle and in accomplishing this with economy of delivery means. Such a system can make small, mobile, dispersed units powerful self-contained combat forces which might otherwise be ineffective on the nuclear battlefield.

20. The current DAVY CROCKETT [*text not declassified*].

21. There is a requirement for atomic demolition munitions. This type of weapon is most effective under a strategy of early nuclear response in the defense of a forward area, but even under other possible defensive strategies, it would have a unique and useful capability in the rapid creation of obstacles. Other nuclear systems are less effective and non-nuclear systems are not competitive in the same role.

22. Air delivered tactical nuclear weapons and surface-to-surface missile systems provide an essential and complementary mix of weapons systems in Central Europe. Each system offers unique qualities that range from the superior flexibility of the strike/reconnaissance tactical fighter to the superior survivability of the mobile missile system.

23. Air delivered nuclear weapons are more efficient than air delivered nonnuclear ordnance against large radius, high density, and/or hardened targets. A net economy is realized because of the greatly reduced number of sorties required per target. The saving in sorties per target equates to a greater number of targets that can be attacked simultaneously.

## ANTISUBMARINE WARFARE

24. The requirement for tactical nuclear weapons in ASW is related directly to the submarine threat, and does not vary significantly with the response strategy adopted by NATO. In limited war, these weapons are primarily required to attack Soviet submarines which have missions of anti-shipping, short range missile support or covert operations. In general war, direct attacks on Soviet bases might reduce this requirement, but the necessity for successful destruction of Soviet ballistic missile submarines would more than offset such a reduction.

25. There is a requirement for small yield, short range tactical nuclear weapons in ASW. This requirement develops both from the critical lack of reliable and effective detection and classification capabilities and from the fact that the Soviet Bloc possesses the technical capability to counter conventional ASW weapons. If this Soviet technical potential is realized, nuclear weapons may be the only effective means of eliminating the Soviet submarines threat.

## FISCAL YEAR 1965 STOCKPILE REQUIREMENTS

26. Weapons required for the fiscal year 1965 stockpile are shown in Appendix N. (Distributed separately due to special classification.)

## IMPORTANT CONSIDERATIONS REGARDING THE ISSUES

During the development of the study, a number of propositions concerning the issues relative to the employment of tactical nuclear weapons have evolved and have been considered by the Study Group. They have a direct bearing on the broad issues of tactical nuclear warfare and are included to assist in placing the conclusions in perspective.

## ISSUE

27. *In general nuclear warfare, what is the role of tactical nuclear weapons in the land battle and in antisubmarine warfare? What is the role in limited nuclear warfare? In particular, [text not declassified] tactical nuclear weapons in the land battle and antisubmarine warfare?*

a. The primary roles of tactical nuclear weapons are:

(1) To deter the Soviet Bloc from initiating large-scale nonnuclear warfare on land or at sea by providing a secure and evident tactical nuclear back-up to non-nuclear forces. This includes deterrence of a massive conventional force build-up in Europe which might otherwise overwhelm NATO conventional forces.

(2) To deter the Soviet Bloc from initiating warfare at the tactical nuclear level.

(3) To contribute to deterring general nuclear warfare by providing nuclear forces which in combination with conventional forces are ca-

pable of safeguarding NATO from being overrun by Soviet Bloc ground forces.

(4) To contribute to deterring general nuclear warfare by providing increased capability to overcome the Soviet Bloc submarine threat.

b. The roles of tactical nuclear weapons in general warfare are:

(1) In the land battle, to contain Soviet Bloc advances during the early phase of warfare before the full impact of the strategic offensive has been felt by the Soviet Bloc forces engaging NATO, and to facilitate subsequent operations necessary to achieve desired objectives.

(2) In ASW to deter Soviet missile submarine participation in attacks on Allied territory and to destroy Soviet submarines, bases and facilities to reduce the magnitude of the Soviet attack.

c. The roles of tactical nuclear weapons in limited warfare are:

(1) In the land battle to:

(a) Deter Soviet Bloc forces from escalating non-nuclear warfare to nuclear warfare.

(b) Increase the flexibility of response to aggression by providing for options to limit nuclear warfare below the general war level.

(c) Provide the capability to execute a nuclear show of force in order to persuade transgressing enemy forces to halt and quickly withdraw, by demonstrating our resolve to pursue nuclear warfare if need be.

(d) To contribute to preserving NATO integrity in the event that Soviet Bloc forces initiate the use of tactical nuclear weapons or in the event that NATO nonnuclear forces cannot cope with the aggression at hand. This entails the capability to deny loss of NATO territory initially and if necessary to restore the territory subsequently.

(2) In ASW:

(a) To deter Soviet Bloc forces from employing nuclear weapons against naval forces and shipping.

(b) To assist in eliminating the Soviet Bloc submarine threat in the event they employ nuclear weapons at sea.

(c) To assist in eliminating the Soviet Bloc submarine threat in the event that nonnuclear weapons are unable to cope satisfactorily with the threat.

d. The roles of small yield, short range tactical nuclear weapons in nuclear warfare are:

(1) To cope with enemy forces which are engaged in close contact with NATO forces at the outset of nuclear warfare.

(2) To cope with enemy reserve forces which are not destroyed by longer range weapons and which ultimately come into contact with NATO forces.

(3) To counterbalance comparable enemy nuclear systems.

(4) To execute very limited forms of nuclear warfare where a high degree of restraint is desirable.

(5) To permit our forces to operate in a dispersed mobile pattern necessary to survive in a nuclear environment or under the threat of attack by tactical nuclear weapons.



(6) To give rapid, flexible and all weather response against targets of opportunity in the engaged battle.

e. The role of tactical nuclear weapons in war-terminating actions is to provide a residual margin of flexible tactical nuclear power over Soviet Bloc forces.

#### ISSUE

28. *Is the conduct of nuclear warfare in Europe a feasible course of action in the sense that military forces can survive and conduct worthwhile military operations without destroying Europe in the process?*

a. If nuclear war develops out of an initial large-scale conventional action, NATO force capability will depend to a large extent on the ability to convert rapidly from nonnuclear to nuclear posture. Planning for nuclear warfare must consider the preceding conventional action, and planning for nonnuclear war must consider the possibility of sudden conversion to nuclear war.<sup>4</sup>

b. The level of collateral damage resulting from use of tactical nuclear weapons in ASW is insignificant. It is of consequence in connection with only one phase of the campaign to reduce the submarine threat, that of attack on Soviet advanced tenders and bases established on NATO territory. Civilian casualties resulting from such attacks would constitute a negligible proportion of total casualties.

c. The small yield weapons used at sea in ASW cause only a fraction of all civilian casualties which may be attributed to antisubmarine warfare. Serious constraint on their use because of the presence of transiting merchant shipping or indigenous fishing craft are improbable, and such use, even in relatively large numbers, is unlikely to raise radiation levels in the sea significantly.

#### ISSUE

29. *What types of tactical nuclear weapons are needed for support of the land battle? In particular, what types of small yield, short range nuclear weapons are needed? To what extent can strategic nuclear forces support the land battle?*

a. The need for large numbers of small yield, short range tactical nuclear weapons would be significantly less for a strategy based on early nuclear response to any aggression above a minor incursion, than for a strategy oriented toward conventional defense. If a higher level of damage to civil resources can be accepted, with attendant increased risk of escalation to higher levels of violence, the requirement for small

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<sup>4</sup> See Conclusions 11 and 12.



yield, short range weapons can be reduced by substituting higher yield weapons.<sup>5</sup>

b. Strategic nuclear forces are capable of performing an interdiction role against static targets, provided that adequate forces are available for these missions above those required for the strategic mission, and provided that response time and constraints criteria can be satisfied. However, interdiction is a function of theater forces and should remain primarily the responsibility of the theater commander. Strategic nuclear forces have limited utility in the attack of mobile reserve forces and in supporting ground forces in the engaged battle.<sup>6</sup>

c. Creation of a force organization with a separated tactical nuclear force would not eliminate the need for forward area nuclear weapon systems, dual-capable tube artillery systems, longer range land battle systems and tactical aircraft systems. The relative effectiveness of nuclear-integrated and nuclear-separated force organization has not been examined in this study.

#### ADDITIONAL QUESTIONS

This section addresses the questions posed by the Deputy Special Assistant to the President for National Security Affairs. The questions, together with summary answers, are placed here for convenience.

##### 30. Question

*To what extent can longer range weapons (SERGEANT, PERSHING, and air delivered nuclear bombs), perform the tasks now assigned to ADMs, artillery, and DAVY CROCKETT?*

##### Answer

The small yield, short range DAVY CROCKETT and artillery nuclear delivery systems [*text not declassified*] are employed against the targets immediately to the front and threatening friendly positions. These targets are the assault units of the enemy and while in the attack are almost constantly moving. To attack these targets effectively requires accurate, quick reacting systems delivering warheads of such yields so as not to unduly endanger friendly forces. The larger yield missiles cannot perform these missions because of length of reaction time, accuracy of delivery, size of yield and troop safety considerations. The air delivered bomb is restricted by availability of aircraft, uncertain reaction time, accuracy of delivery, and troop safety requirements.

The more NATO's basic strategy is oriented toward a conventional defense in Western Europe, the more emphatic the requirement for the small yields becomes because larger forces become engaged in close

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<sup>5</sup> See Conclusions 14, 15, and 18 through 23.

<sup>6</sup> See Conclusion 16.

combat prior to escalation. This in turn places a higher number of targets in the close-in area that must be neutralized.

The number of small yield, short range weapons required could be reduced if improved target acquisition capability at longer ranges could be attained, or if a higher level of civil damage is accepted.

The objective of ADM employment is to create obstacles to impede and canalize enemy ground force movement, cause bottlenecks and concentrations and to reduce the enemy's flexibility of action in or near the area of contact. This requires a high degree of accuracy and yields sufficiently small so as not to endanger friendly troops. The longer range missiles (SERGEANT and PERSHING) cannot be adapted to this mission because of system accuracy and troop safety considerations. Low yield air delivered nuclear bombs could be employed on some occasions where troop safety and a lesser degree of accuracy are acceptable.<sup>7</sup>

31. *Question*

*Where it is not possible to substitute the longer range for the shorter range weapons, to what extent can the tasks now assigned to the latter be adapted so that they can be performed by longer range weapons?*

*Answer*

Adaptation of the tasks in question could involve disengagement of the combat forces in contact to permit attack of close targets with longer range weapons; however, disengagement of major forces throughout the width of NATO Central Region or for any large sector of the front would be extremely difficult to execute without detection by the enemy and consequent countermeasures on his part. Therefore, this tactic cannot be counted on.

Adaptation could also involve heavier attacks of reserve forces by the use of low constraint attacks such as blanket or terrain fire. This could result in fewer enemy units reaching the line of contact. However, the expected levels of target acquisition limit the capability of longer range weapons to attack reserve forces and thereby to reduce the threat which might ultimately have to be faced by NATO forward ground forces and small yield, short range weapons. If low constraints were assumed, with the consequent increase in civilian casualties and increase in the level of nuclear conflict, damage against the reserve threat can be increased.<sup>8</sup>

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<sup>7</sup> For further details see the Main Report plus Appendix A, Part V, para D, E, F, G, H and I; Appendix C, D and K.

<sup>8</sup> Appendix A, Part V and Appendix K for further details.

## 32. Question

*Even though NATO limited its initial response to small yield, short range tactical weapons as implied in the study Terms of Reference, would not the Soviets respond with whatever size tactical weapons they deemed necessary to assure victory? Is there any reason to believe that the Soviets would accept defeat in battle in order to limit damage to the areas in Western Europe that they hoped to occupy?*

## Answer

Based on estimates of the threat, the Soviets will have the capability to respond with clearly decisive force in the situation stated above. The decision to so respond would be influenced by the extent to which they were deterred at the time by the threat of retaliation from residual nuclear forces in Europe in addition to the threat from external strategic forces. Whether deterrence would operate in our favor is a matter of speculative judgment. USCINCEUR in his recent paper addressing this specific question states:

"1. The degree of Soviet response would be related to their overall objective. In the event that the objective of the Soviets is limited, it is quite probable that their response would not be one of escalation. On the other hand, if the Soviet attack were one launched to attain major objectives in Western Europe it is likely that they could decide to use whatever size and number of tactical weapons they deemed necessary to assure victory.

"2. NATO should make it unmistakably clear in its response with small yield weapons that its objectives are to repel Soviet attacking forces and to demonstrate its resolve to employ whatever level of force may be necessary to defeat Bloc aggression, to include escalation of the conflict to general war.

"3. It is doubtful that Soviet leaders would regard success of ventures into Western Europe as so vital an objective as to be willing to escalate the level of conflict, especially in view of the risk of bringing about a general war from which the destruction of their homeland would result."

## 33. Question

*If, in a particular situation in Europe, it appears that tactical nuclears need to be called into play, what are the advantages of contemplating the resort to strategic striking forces instead? In dealing with this question it is important to examine the extent to which the use of tactical nuclears gives each side the incentive to pre-empt on the strategic level.*

## Answer

The advantages to the United States of a strategic first strike in this situation are not apparent. The strategic striking forces programmed for 1968 do not provide for a capability to start a thermonuclear war in which resulting damage to ourselves and our Allies could be considered acceptable on some reasonable definition of the term. Neither are the advantages apparent for the Soviets in their contemplation of a strategic

first strike. The Soviet damage resulting from US retaliatory attack by the strategic striking forces programmed for 1968 are shown in the following tables. (The Soviets are assumed to have a fallout protection program.)

SUMMARY OF SOVIET DAMAGE UNDER A US  
RETALIATORY STRIKE—1968<sup>a</sup>

<u>US Retaliatory Strike On:</u>	Soviet Union <sup>b</sup>		
	<u>Fatalities</u> (Nos. in Millions)	<u>Casualties</u> (Millions)	<u>Industry</u> (Percent)
Military and Urban- Industrial Targets <sup>c</sup>	83	107	50
Military Targets Only	17	27	9

<sup>a</sup> The study from which the above data were extracted is on file in the CJCS Special Studies Group.

<sup>b</sup> The Soviet population is estimated at 230 million. Twenty percent of the population is assumed to afford a median protection number of .1. In the absence of fallout protection at least 70 percent of the population could be potential casualties under urban-industrial attacks.

<sup>c</sup>After the retaliatory attack on military targets, [text not declassified] POLARIS missiles and surviving TITAN II's are used on urban-industrial targets.

### 34. Question

*In the European situation, might not the civil damage from extensive tactical nuclears make it more attractive from the point of view of our European Allies to initiate the early use of strategic weapons?*

### Answer

If the alternatives were extensive civil damage in Europe, or destruction of only Soviet Bloc countries and perhaps the United States, most Europeans would probably prefer the latter. However, the Soviet attack design is an uncertainty and the risks to Europe are formidable at the upper levels of the spectrum. The following table lists the predicted Western Europe mortalities across a range of possible Soviet retaliation responses in a general nuclear war in 1966 in which the outcome is more favorable to Europe (i.e., a US strategic first strike).

POSSIBLE SOVIET RESPONSES AFTER WESTERN FIRST STRIKE<sup>a</sup>

	<u>Target System Civil</u>	<u>Military- Civil</u>	<u>Military (groundburst)</u>	<u>Military (airburst vs soft)</u>
Western Europe Mortalities <sup>b</sup>	49–99m	39–70m	35–60m	5–8m

<sup>a</sup> Data from Office ISA report "Preliminary Report on MRBM's, Nuclear Sharing, and Related Issues," dated 1 Feb 62.

<sup>b</sup> The low number refers to the case of a low Soviet force posture receiving no usable warning; the high number, the case of a high Soviet force receiving tactical warning.

In the less favorable circumstance of a Soviet first strategic strike in general nuclear war the outcome for Europe would be even worse.

Alternatively, as shown in Annex A to Appendix E, the consequences computed in this study for an attack which both sides confined to the “engaged” battle area, but across the whole Central Front<sup>9</sup> would be on the order of 700,000 civilian casualties, including 400,000 mortalities.<sup>10</sup>

When this same battle situation is extended to include [*text not declassified*] the Western Europe civilian casualties rise to approximately 4.4<sup>11</sup> million including 2.6 million mortalities. This latter outcome results from a relatively heavy attack [*text not declassified*] detonated in Western Europe). The one-day nuclear battle resulted in a stalemate with the Soviet drive halted, reserve units damaged and resupply capacities curtailed. The resulting pause would permit both sides to consider alternatives to renewed attacks.

The casualties from the use of tactical weapons in the extended case described are far below those at the lower end of the range of Western Europe mortalities in general war shown in the table above.

### 35. Question

*What is the utility of tactical nuclear weapons after an exchange of strategic blows? In other words, how, after a strategic exchange, would the possession versus the non-possession of a wide variety of tactical nuclear ground weapons affect the outcome?*

### Answer

In the circumstance outlined the utility of tactical nuclear weapons is in denying Western Europe to the Soviet armies. With large scale ground forces in contact during and following a strategic exchange it would remain necessary to prevent overrun by the enemy. To cope with this threat a balanced mix of weapons appropriate to the ground battle target system would still be required. Some of the main uncertainties which would affect the utility and value of tactical nuclear weapons are:

- a. The design and constraints of the Soviet strategic attack.
- b. The types and relative numbers of residual nuclear delivery and reconnaissance vehicles on both sides after the strategic exchange.

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<sup>9</sup> This case is one in which a pause results after one day of nuclear warfare. Both sides employ weapons only in the areas of the engaged battle zones, [*text not declassified*].

<sup>10</sup> In this same case the National Military Command System Support Center of the Defense Communications Agency computed 1.1 million civilian casualties. These results are shown in Annex A and C of Appendix E.

<sup>11</sup> These figures are the sum of three computations in Annex E; the “ISA-1” attack (page E9) the “D+4 total” attack (page EA-1), and the West German casualties resulting from the “attack on Soviet Second Echelon Armies,” (also on page EA-1).

c. The priority which the Western strategic attack had afforded to interdiction and ground force retardation targets.

d. The relative integrity of the opposing ground forces at the time of the strategic exchange.

As indicated in the study,<sup>12</sup> attacks by strategic forces added to those by theater forces could affect to some extent the strength and timing of Soviet Bloc reinforcements and possibly more critically their resupply in a protracted battle. The extent of the effect would probably be the greatest in a war which started with no prior build-up or forward deployment of Soviet forces. However, across a wide range of plausible strategic exchange situations sizeable and effective Soviet forces would survive and would have to be dealt with by the Allied Commander, Europe.

In circumstances where the enemy ground forces are prepared to exploit an advantage in Europe resulting from the strategic exchange, NATO forces without a wide variety of tactical nuclear weapons would be at a disastrous disadvantage against Soviet Bloc forces possessing a tactical nuclear capability. Moreover, even if the war stopped after the thermonuclear exchange, the possession versus the non-possession of a balanced family of tactical nuclear weapons could be an important asset in providing a means to end the war on terms favorable to the United States and NATO.

### 36. Question

*The study guidelines might be interpreted to assume that it would not be possible for NATO to contain by conventional means alone a large-scale conventional attack by the Soviet Bloc on Europe in 1967. To avoid assuming the answer to a central problem, it would appear desirable to consider for comparative purposes the outcome of a purely conventional response by NATO to the Soviet attack that is assumed in analyzing the effect of a nuclear response by NATO.*

### Answer

At the direction of the Secretary of Defense<sup>13</sup> a separate study is now under way in the Chairman, JCS Special Studies Group, to address the question of NATO force requirements to achieve a successful forward nonnuclear defense of the Central Front well east of the Rhine. This study will be completed 1 October 1963.

The main purpose of the study at hand was to examine the utility of tactical nuclear weapons assuming their employment becomes necessary. Therefore, the conflict situations herein were designed specifically

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<sup>12</sup> See Appendix C.

<sup>13</sup> Sec Def Memo to the Chairman, JCS, subject: NATO Conventional Force Requirements, dated 14 Jan 63.

to suit that purpose. As it turned out in the development of one of these situations, because of the relative air superiority NATO was able to defend successfully on position “Hold” without resort to nuclear weapons. However, the assessments were not extended far enough to determine whether escalation might have been necessary at a later time in the conflict.

ATTRACTIVE FUTURE POSSIBILITIES

[text not declassified]<sup>14 15</sup>

In contrast, the effects from a [text not declassified] weapon, burst at the same altitude, would be as follows:

[text not declassified] Warhead Effects  
Burst height: 750 feet

<u>Radius</u>	<u>Area</u>	<u>Prompt Dosage</u>	<u>Blast</u>	<u>Thermal</u>
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[text not declassified]

[text not declassified] However, many targets in the land battle involve troops in the field not able to take effective shelter against this weapon. Of special interest here is that the over-all attenuation of earth is approximately independent of the distance from the burst and is primarily a function of the depth of earth cover. Standard open foxholes do not provide significant protection: a dosage reduction of about .5 would occur, which, on an average would cause less than a 10% reduction in the effective radius of the warhead. A standard foxhole with a one foot cover of earth would provide attenuation factors on the order of .25 and act to reduce the effective warhead radius about 20%. See RAND Memorandum RM-2853-PR, Jan 63, *Tactical Gaming of Special Low Yield Weapons* (U), Section IV p 45 for discussion of combat characteristics.

b. In contrast, in using the [text not declassified] to accomplish target destruction by blast, the area of possible collateral damage can exceed considerably that covered by effects of military significance. As a result, for the attack of targets located in or adjacent to populated areas and which are vulnerable to destruction or neutralization by [text not declassified].

42. Other Preliminary Considerations and Uncertainties

a. For many targets physical destruction is necessary (e.g., most interdiction type targets) and for others it is desirable (e.g., to provide

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<sup>14</sup> Sec Def memo to CJCS dated 23 Apr 63.

<sup>15</sup> Data extracted from Memo for the Chairman, Military Liaison Committee to the US AEC, dtd 18 Apr 63, Subj: “Toyah Event—A Significant Tactical Weapon Test,” from the Director of Military Applications, AEC.



a blocking effect). For those targets in which these considerations do not apply, [text not declassified].

[text not declassified]

c. Current and programmed tactical aircraft and ground launchers of the HONEST JOHN and LITTLE JOHN type appear to be capable of delivering weapons of the [text not declassified].

[text not declassified] Further study should develop these as well as possible disadvantages. However, in view of the fact that even under optimum conditions, the weapon probably would not be available until late in 1965, it would not appear prudent to delay further the pending decisions on the Fiscal Year 1965 stockpile on its account.

#### CLEAN BOMB

44. As a result of AEC development and the recent test program, essentially clean weapons, [text not declassified].

45. There are several applications for this type of weapon. For example, in the engaged battle, when a clean weapon is exploded in enemy territory, friendly troops would be able to enter the area of ground zero to exploit the tactical advantage created almost as soon as they could arrive on the scene. Residual radiation would be of little consequence to overtaking troops.

46. It would appear that this weapon would have significant advantage against troops near population centers especially where laydown is required. Under present conditions of constraints, attacking enemy concentrations near cities is inhibited by dangers of fallout to a friendly populace. By use of clean weapons this consideration could become less significant.

47. Another application, in which the Navy has expressed interest, is a clean weapon to be employed in an ASW role. Fallout from radioactive rain and a contaminated base surge have been areas of concern with current nuclear weapons especially in shallow water. Again, since little residual radiation is present after the burst of a clean weapon, the problem associated with base surge and fallout would be largely eliminated. Attacking surface ships could proceed to the area of last contact without delay. Moreover, attacks near convoys or other protected ships could be made without danger of blanketing them with contaminated water.

48. Another promising application for the clean weapon is its use as an ADM. Emplacing a clean ADM of appropriate yield in or near cities where rail and logistic supply systems converge would be made feasible where before the commander might be restricted because of contamination considerations. It would appear that other clean ADM applications exist where early exploitation of the area of employment is necessary. For example, in areas involving engineering operations



such as harbor construction, obstacle elimination, or other earth-moving projects, these weapons could perform an extremely important function.

### MAJOR UNCERTAINTIES

49. *NATO Force Posture*. NATO force goals recommended in MC 26/4 except VSTOL aircraft and MRBMs, have been assumed to be available in 1967 for the purposes of this study. Current analyses regarding expected deficiencies in programmed forces indicate cause for considerable doubt relative to the achievement of these goals. At the conclusion of the Triennial Review 1962, SACEUR indicated that if current trends continue in country programming, there will be serious deficiencies in 1966 forces within all Services.<sup>16</sup>

50. *Soviet Objectives*. In the war situation examined in this study, it has been assumed that the Soviet Bloc objective in a major aggression in Central Europe would be to capture Western Europe with its industrial resources and civilian population relatively intact and that it would be likely to follow constraints to limit civilian damage. This is generally conceded to be a plausible objective of the USSR. Whether this, in fact, is a Soviet Bloc objective is open to question. To cause widespread destruction in Western Europe might be viewed by Soviet leaders not only as being a more feasible objective, but also more desirable. It can be argued that Soviet leaders would consider war-ravaged countries easier to control and would view the elimination of Western European prosperity as a means of increasing Soviet dominance in all of Europe and Africa.

#### 51. *Intelligence of Soviet Capabilities*

##### a. *Nuclear Weapons and Delivery Systems*

The estimates of the size of the Soviet nuclear weapon stockpile are based upon estimated production capacities and could vary. Any estimate of the Soviet nuclear stockpile projections, weapons capabilities, and deployment is not believed to be sufficiently accurate to use as a basis for computing our own requirements. The yield spectrum of their nuclear weapons is based upon known Soviet nuclear tests and is believed to be accurate to a reasonable degree. However, the possession of fractional kiloton weapons is uncertain since tests of such devices could have easily gone undetected. The USSR has the technological capability to produce small yield, short range weapons such as DAVY CROCKETT and tube artillery, although estimates cannot be supported by adequate evidence at this time.<sup>17</sup>

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<sup>16</sup> For further discussion see Appendix K.

<sup>17</sup> See Appendix L.

b. *Forces*

United States intelligence estimates of Soviet Bloc military forces is an uncertainty since the force structure of the USSR appears to be undergoing changes to take advantage of more advanced weapons. Ground forces of the USSR have been reduced in the past few years, and further reductions or reorganizations are possible. Uncertainty exists regarding the estimate of a 25–50 percent reduction in the Soviet offensive air force during the next five years.

c. *Operational Concepts*

Much discussion is being conducted currently by the military as well as civilian agencies of the USSR concerning tactics and operational concepts of the armed forces. Future tactics employed will probably vary with the objective of the armed forces. These tactics and operational concepts will be an uncertainty in each situation as it develops.<sup>18</sup>

52. *Survivability of NATO Tactical Air Forces*

There is uncertainty as to the survivability of NATO tactical aircraft on the ground in a conventional conflict. The United States has tentatively adopted a shelter design and made some commitments toward a shelter program. Neither completion dates nor the NATO development of a similar program is known.

The effectiveness of Soviet air defense systems and the attrition of NATO air forces in penetrating these systems is also uncertain. Aircraft attrition factors utilized in this study are based on the assumption that improved penetration aids and anti-radiation missiles will degrade Soviet Bloc air defense systems to permit air operations with reasonable attrition rates. A detailed WSEG study on this aspect of the problem is due for completion in October 1963 and should help to narrow the range of uncertainty in these planning factors.

53. *Target Acquisition Factors*

The mix of tactical nuclear weapons requirements for the land battle is sensitive to the ability to acquire targets. The target acquisition portion of the initial study under Project 23, elaborated in considerable detail on the problems of reconnaissance and acquisition of battlefield targets. The factors developed in this study<sup>19</sup> are indicative of the likely range of capabilities for the 1967 time period in the absence of unforeseen developments. Achievement of an improved level of capability will be dependent upon aggressive implementation of tactical air reconnaissance and battlefield surveillance programs currently under consideration within the military services.

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<sup>18</sup> See Appendix L.

<sup>19</sup> See Appendix D.

#### 54. *Other Areas of Uncertainty*

Listed below are a number of other areas of uncertainty which could have a significant influence upon tactical nuclear warfare. It is clear that these unknowns will have a major impact upon the requirement for forces and weapons to carry out NATO objectives.

- a. Psychological reaction of surviving forces and leaders in nuclear warfare.
- b. Attitudes within the alliance.
- c. Degree of warning and mobilization status.
- d. Effectiveness of command, communication and leadership in the employment of resources.
- e. Duration of hostilities.

#### CONSIDERED ALTERNATIVES

55. Two major alternatives to the employment of substantial numbers of small yield, short range weapons have been considered in this study. These are:

- a. *Place greater reliance upon larger yield [text not declassified] tactical nuclear weapons.*

Air delivered nuclear weapons, together with weapons systems such as SERGEANT and PERSHING, were examined in a variety of situations. The extent to which these longer range tactical nuclear systems could substitute for small yield, short range systems was considered.<sup>20</sup>

- b. *Place greater reliance upon long range strategic forces.*

The extent to which strategic forces might be expected to contribute to the action of the land battle under a number of assumed situations was examined.<sup>21</sup> The extent of civil damage from the strategic and tactical nuclear forces was also compared.<sup>22</sup>

56. As noted in the conclusions, it is evident that neither of these alternatives gives the United States and NATO a “full option” strategy, including a genuine capability for a forward defense, in Europe. A “facade” consisting of small numbers of tactical nuclear weapons would not suffice and would involve acceptance of high risk of prompt escalation to strategic nuclear warfare. In addition to other disadvantages such escalation would probably involve the loss of significant NATO

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<sup>20</sup> See Appendix A and Appendix F; see Land Battle Requirements Section of basic report.

<sup>21</sup> See Appendix C.

<sup>22</sup> See Appendix E.

territory if the USSR possesses battlefield weapons at the time of aggression.

57. Other measures have been proposed at one time or another as at least partial alternatives to the provision of a substantial number of small yield, short range weapons. They have not been specifically addressed in this study, but are listed below for reference:

a. *Increase the quantity and quality of conventional forces above MC 26/4 levels, including increased NATO-wide reliance on classified nonnuclear munitions, and implement a peacetime forward deployment concept.*<sup>23</sup>

b. *Place greater reliance upon chemical and biological warfare.*<sup>24</sup>

c. *Develop an extensive conventional barrier system.*<sup>25</sup>

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<sup>23</sup> See Appendix F for operational and cost comparison of conventional with classified nonnuclear munitions. The CJCS Special Studies Group is currently reviewing the whole problem of conventional defense of NATO with a reporting date of 1 Oct 63.

<sup>24</sup> See CJCS Special Studies Group Study, Project 64, Employment of Chemical and Biological Weapons in Nonnuclear war(s).

<sup>25</sup> See CJCS Special Studies Group Study, "Defended Barrier."

May 1963

**292. Memorandum from McNamara to President Kennedy,  
May 27<sup>1</sup>**

May 27, 1963

SUBJECT

Free World Tactical Air Capabilities (U)

As a result of your memorandum of November 9, 1962, we have again re-examined the adequacy of our tactical air forces for nonnuclear conflict. I thought it would be best to delay my reply to the questions you have raised until I could carefully review all the pertinent data and particularly the views of the Joint Chiefs of Staff.

As the Chiefs pointed out to me, the problem of tactical air power cannot be divorced from the over-all problem of our military posture generally. They correctly note that "the air situation in a military operation must be judged in conjunction with that of the ground and naval forces. Without considering the complementary capabilities of all forces to deal with the broad range of threats, it is impossible to arrive at a specific requirement for any single weapon system such as a fighter aircraft." The Chiefs also noted that even with regard to tactical aircraft, alone, other critical factors such as airfields and the disposition of the aircraft on those fields, the availability of trained pilots and support personnel, other means of air defense, electronics countermeasures, logistics support, POL and munitions must also be taken into account in evaluating the adequacy of our tactical air power.

With all of these factors in mind, I believe it is fair to say that we have sufficient tactical aircraft programmed to cope with the kinds of military conflicts we are likely to encounter anywhere in the world. NATO Europe offers certain special problems: vulnerability of the aircraft on the ground and the lack of nonnuclear logistical readiness; however, these problems cannot be solved by simply increasing our procurement of tactical aircraft. The procurement schedules incorporated in our fiscal year 1963 and 1964 budgets and the procurement programmed for the next few years will, in my judgment, assure a significant over-all qualitative and quantitative tactical aircraft advan-

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<sup>1</sup> McNamara's comments regarding adequacy of U.S. tactical aircraft capabilities. Attachments provide written analysis and comparison tables. Top Secret; Sensitive. 21 pp. Washington National Records Center, RG 330, OSD Files: FRC 71 A 3470, 452 Tactical 1963.

tage over the Sino-Soviet Bloc for the foreseeable future, providing the Bloc does not reverse the downward trend of its tactical aircraft force levels.

We have, of course, greatly increased our planned procurement of tactical aircraft over the number I reported to you in my memorandum of September 24, 1962, to which you refer in your memorandum of November 9, 1962. We previously planned on procuring 1,892 F-4 and RF-4 tactical aircraft for the Air Force and Navy; we now plan on 2,845, the increment being for the purpose of modernizing the Air Force, and increasing its reconnaissance capability. And, as you know, we are also starting the development of an even more advanced tactical aircraft, the F-111 (TFX), for both the Air Force and the Navy. As shown in Table I below, we have substantially increased the procurement of tactical and interceptor aircraft for modernization over the 1961 level, especially the higher performance aircraft.

TABLE I  
TACTICAL/INTERCEPTOR AIRCRAFT PROCUREMENT  
BY FISCAL YEAR

	<u>1961</u>	<u>1962</u>	<u>1963</u>	<u>1964</u>	<u>1965</u>	<u>1966</u>
F-111A/B					10	70
RF-111A						2
F-4A/B	72	147	123	132	132	132
F-4C		1	307	343	336	336
RF-4B/C		2	24	141	188	
F-105	180	231	107			
A-5 (A3J)	42	20	23	8		
F-8E (F8U-2NE)	94	102	90			
Subtotal—higher performance A/c	388	503	674	624	666	540
A-4C/E (A4D-2N/5)	180	200	180	120	120	120
EA/A-6A (A2F-1/1H)	12	24	55	60	57	48
TOTAL	580	727	909	804	843	708

In evaluating the adequacy of our over-all tactical force levels, we must take into account not only U.S. and Soviet forces but all tactical aircraft that are likely to be available to both the Free world and the Communist Bloc, now and over the next several years. While we know our own force projections and production schedules, we do not know as much about the plans of our Allies, and we have very little hard intelligence on what the countries of the Communist Bloc are likely to do in the next five years. Nevertheless, based on the best information available, the Free World and the Sino-Soviet Bloc are almost matched today in numbers of tactical aircraft assigned to operational units, and the United States and its Allies have a distinct edge over the Bloc with regard to quality and performance as shown in Table II.

A detailed analysis of the relative capabilities of the tactical air forces of the Free World and the Sino-Soviet Bloc is available if you wish further information on this subject.

**Robert S. McNamara**

TABLE II  
WORLD-WIDE SINO SOVIET AND FREE WORLD TACTICAL  
AIRCRAFT ASSIGNED TO OPERATIONAL UNITS

<i>Fighter/ Interceptor</i> <sup>1</sup>	1963		1965		1968	
	<i>U.S. &amp; Allies</i>	<i>Sino Soviet Bloc</i>	<i>U.S. &amp; Allies</i>	<i>Sino Soviet Bloc</i>	<i>U.S. &amp; Allies</i>	<i>Sino Soviet Bloc</i>
Advanced	214	20	797	400	2,044	1,820
Current	4,013	3,280	5,211	3,915	4,698	3,005
Obsolescent	5,101	7,950	2,723	5,195	2,143	2,375
Lt. Bombers & Prop	1,004	900	763	300	632	—
Asian Air Forces <sup>2</sup>	1,232	xx	1,162	xx	1,120	xx
TOTAL	11,564	12,150	10,656	9,810	10,637	7,200
Rev. Total <sup>3</sup>		12,965		10,590		6,980

<sup>1</sup> *U.S. and Allied*

Advanced: F-111, F-4B/C, Lightning

Current: F-105, A-5, F-100D, CF-100,  
F-104D, F-101, F-102, F-3, 8, 6,  
Mirage 111, F-5A

Obsolescent: F-84F, F-86H, A-4, G-91,  
Sabre, Scimitar, Hunter

Lt. Bombers & Prop: B-57, B-66, A-3,  
A-6A, P2V, Canberra, Lancaster

*Soviet Bloc*

Advanced: TF-66, AW-65, Fiddler,  
Flipper

Current: Fitter, Fishbed (Mig 21),  
Firebar A, Farmer (Mig 19), Fishpot,  
Firebar B

Obsolescent: Fresco, Fagot, Flashlight

Lt. Bombers & Prop: Beagle

<sup>2</sup> See Appendix, Table 8, for break-out by country.

<sup>3</sup> Based on NIE 11-4-63, approved March 22, 1963. The NIE showed minor variations in Sino-Soviet operational totals (7 per cent increase in 1963, 8 per cent increase in 1965, 3 per cent decrease in 1968), and that the Soviets are introducing somewhat fewer advanced type aircraft into operational inventories while retaining older aircraft longer. I agree with the Joint Chiefs of Staff that the variations noted do not warrant revision of the tables.

## Attachment

### ANALYSIS OF TACTICAL AIR CAPABILITIES OF FREE WORLD AND SINO-SOVIET BLOC

In addition to the roughly 11,500 aircraft shown on Table II for the U.S. and Allies, there are approximately 5,000 tactical combat aircraft

used for combat crew training and in the logistics pipeline. The corresponding number of such aircraft in the Sino-Soviet Bloc is unknown. While we are reasonably certain that no training aircraft are included in the 12,150 aircraft shown for the Sino-Soviet Bloc, we are by no means sure that the logistics pipeline aircraft are wholly excluded. From a preliminary review of the method by which intelligence on Bloc aircraft is collected, I do not believe that we can really distinguish between combat aircraft in operational units and those in the logistics pipeline. If we have indeed counted logistics pipeline aircraft in the Sino-Soviet Bloc total, we have understated the comparable figures for the Free World by approximately 3,000 aircraft, or about 25 per cent. In that case, the U.S. and our Allies may actually have about 20 per cent more tactical aircraft than the Bloc at the present time.

With regard to the future, it would appear that the Free World may have a slight numerical advantage by 1965 and a numerical superiority of almost 50 per cent by 1968. I should caution, however, that the 1968 figures for the Sino-Soviet Bloc are highly conjectural, considering the production leadtimes involved. The number of tactical aircraft the Sino-Soviet Bloc will have in operational units in 1968 depends upon decisions which may not yet have been made, and which need not be made until two years from now. Indeed, the estimated downward trend in the level of Soviet fighter forces could be reversed either through retention of currently active aircraft, by continuing production of aircraft longer than now estimated, by introducing new aircraft in quantity, or by a combination of these options. A complete reversal would be very difficult economically, but some reaction is probable in response to the buildup of U.S. tactical capabilities. Nevertheless, the best available information we now have on Bloc aircraft production, the age distribution of aircraft now in operational units, etc., indicates that the size of their operational force will decline substantially over the next five years.

Numbers of aircraft, alone, of course, are not the sole measure of effective air power. Equally important is the quality of performance of the aircraft. As shown in the tabulation above, the Free World now has a distinct advantage in this regard over the Sino-Soviet Bloc and, if our projections turn out to be correct, this margin of qualitative superiority will be considerably widened over the next five years.

Soviet tactical aircraft design appears to emphasize air defense and close support of ground forces in the manner of the World War II "Blitzkrieg". For these support missions, immediate responsiveness to the demands of the ground forces may be more important to the Soviet thinking than large bomb loads or combat ranges.

U.S. tactical forces have been developed to accomplish the entire spectrum of tactical tasks, but have particularly emphasized the long



range interdiction and counter-air missions. To achieve these long ranges, external fuel is carried on multiple (usually 4 or 5) fuselage and wing pylons. These same pylons can be used for carrying ordnance instead of fuel thereby increasing operational flexibility particularly in the close support role. Most Soviet aircraft have only two pylons. However, it may be possible for the Soviet Bloc to modify their aircraft to provide more pylons or multiple racks. Some representative examples of aircraft of comparable performance capability are listed below:

(1) In the advanced class, the F-4C, if used as an interceptor with four SPARROW III missiles has a combat radius of 280 miles at a maximum speed of 1350 knots. The FLIPPER, its Soviet counterpart, is slightly faster (1450 knots) but has a combat radius of only 100 NM at maximum speed. The F-4C, if used as a fighter-bomber, can only be compared with the Soviet FIDDLER, which has far less speed capability (900 knots) but has 10 per cent more combat radius at the same payload. Of course, both aircraft are subsonic with external ordnance. The F-4C has a combat radius of 325 NM with a 12,000 lbs payload, while the FIDDLER is estimated to be limited to only 2,200 lbs. In the dual fighter/interceptor role, the F-4C has no single counterpart in the Soviet inventory.

(2) Of the current aircraft, the F-105 can be compared with the FITTER and the FISHBED in speed capability; however, these aircraft have far less combat radius (67 per cent for the FITTER and 41 per cent for the FISHBED). The FIREBAR A, the primary Soviet tactical fighter-bomber aircraft, cannot match the F-105 in speed and again has only 66 per cent of its combat radius.

(3) In the older class of aircraft, the F-84 and the A-4 (A4D) have comparable maximum speeds but exceed the range of the FRESCO and FAGOT by a factor of three to five.

Table 1 of the Annex to this memorandum provides a more detailed breakdown of tactical aircraft assigned to operational units, Free World versus the Sino-Soviet Bloc, for the three years, 1963, 1965, and 1968. Table 2 shows the aircraft models included in each category. Table 3 shows the performance characteristics of the more important U.S. and Soviet tactical aircraft models. Table 4 provides a breakout of Sino-Soviet Bloc tactical aircraft by category and model for the three years, 1963, 1965, and 1968, and Table 5 shows the production estimates related to these force projections. Table 6 provides a breakout by category and model for U.S. and European Allied air forces and Table 7 shows U.S. production related to these force projections. Table 8 provides a summary of Free World Asian tactical air forces.

Although a direct comparison of U.S. and USSR tactical air capabilities is not as meaningful as a comparison between NATO and Warsaw Pact air forces, it is useful in bringing out the relative efforts being

made by the two principal antagonists. As shown below, the United States today has almost 50 per cent more tactical fighters and light bombers than the USSR, but the USSR has 50 per cent more air defense interceptors. (A more detailed breakdown is provided in Table 9 in the Annex.)

TABLE III

U.S. & USSR TACTICAL AND AIR DEFENSE AIRCRAFT ASSIGNED TO OPERATIONAL UNITS

Category	Mission	1963		1965		1968	
		U.S.	USSR	U.S.	USSR	U.S.	USSR
Tactical Aircraft Fighter							
I, II	Advanced	—	—	425	100	1359	700
III, IV, V	Current	1564	1175	1734	1300	1204	700
VI	Obsolescent	1449	925	1167	300	912	—
VII	Lt. Bomber & Prop.	681	400	538	—	545	—
	TOTAL	3694	2500	3864	1700	4020	1400
Air Defense Interceptor							
I, II	Advanced	177	20	309	300	525	1100
III, IV, V	Current	1950	1225	1696	1425	1466	800
VI	Obsolescent	373	2655	325	1175	325	—
	TOTAL	2500	3900	2330	2900	2316	1900
Total Aircraft Fighter/Interceptor							
I, II	Advanced	177	20	734	400	1884	1800
III, IV, V	Current	3514	2400	3430	2725	2670	1500
VI	Obsolescent	1822	3580	1492	1475	1237	—
VII	Lt. Bomber & Prop.	681	400	538	—	545	—
	TOTAL Aircraft	6194	6400	6194	4600	6336	3300

In total we are about even. However, in terms of modernization we are far ahead of the USSR in both tactical aircraft and air defense interceptors. Over the next five years our margin of superiority in tactical fighters and light bombers is estimated to increase and by 1968 current intelligence projections suggest that we may have three times as many aircraft in these categories as the USSR. In the case of air defense interceptors, by 1968 we should have a substantial numerical margin, although the USSR could have a qualitative margin at that time. This is, of course, highly conjectural since we cannot be sure whether the USSR will actually produce the number of advanced interceptors reflected in the above tabulations. There is no evidence of any development or production tooling to support the estimate of the 570 advanced interceptors and 580 advanced tactical fighters which are assumed to be in production beginning in 1964.

As I noted earlier, the area of principal concern with regard to tactical air power is NATO Europe. But here the problem is complicated by the fact that U.S. air forces must be planned in context with other NATO air forces in that area, and indeed in context with the entire military situation there, particularly the status of the ground forces. In that connection, I reported to you last year in my memorandum on the General Purpose Forces:

While the forces proposed will not provide adequate nonnuclear forces for NATO, the remedies lie primarily with the other NATO countries rather than with a major increase in U.S. forces. Although the political obstacles loom large, and many of the deficiencies require considerable time to overcome, I think we can demonstrate to our Allies that the NATO nonnuclear inferiority stems from specific remediable deficiencies.

Elsewhere in that memorandum I pointed out that to carry out the forward strategy desired by SACEUR, a substantial number of M-Day units should be relocated and others provided with means for more rapid deployment. This strategy cannot be implemented without air superiority and effective tactical air support.

Although the problem in Europe involves much more than the adequacy of our tactical air power, we may be far better off in that regard than we are with regard to ground forces. As indicated in Table IV below, the NATO nations now have in Europe a total of about 5,100 tactical aircraft, including interceptors, compared with about 3,850 for the Warsaw Pact countries, including interceptors in the Satellite countries. U.S. and USSR interceptors for Homeland air defense have been excluded since their use would degrade strategic capabilities.

The margin in our favor is likely to be maintained through 1965 and may widen considerably by 1968. If both sides were to deploy tactical aircraft from their respective homelands into the theater of operations, this advantage should still prevail or even increase. However, because of their geographical position, the Soviets could probably move their aircraft forward more quickly and more clandestinely than we could. Nonetheless, even if the Soviets were able to get all of their deployable aircraft into the theater of operations before we were able to deploy any of our own, which is highly unlikely in view of our ability to move over 600 aircraft to Europe within 7 days, NATO would still have a small quantitative advantage over the Warsaw Pact countries during 1963, and both a quantitative and qualitative advantage in 1965. By 1968, this over-all superiority could be very substantial, as shown in Table IV.

TABLE IV  
COMPARISON OF NATO REGION AND U.S. DEPLOYABLE AIRCRAFT WITH SOVIET BLOC AIR FORCES<sup>1</sup>

EUROPEAN CONFLICT													
NATO Forces													
	In-Place						Deployable		US		Total		
	Allied		US		Total	Aircraft	2	NATO	In-Place		Deployable		

Fighter/Interceptors										
Advanced	160	492	652	704	1356	10	420	430	280	710
Current	2038	353	2381	512	2893	640	380	1020	200	1220
Obsolescent	906	48	954	282	1236	1150	—	1150	—	1150
Light Bombers	87	48	135	119	254	—	—	—	—	—
Total	<u>3181</u>	<u>941</u>	<u>4122</u>	<u>1617</u>	<u>5739</u>	<u>1800</u>	<u>800</u>	<u>2600</u>	<u>480</u>	<u>3080</u>

<sup>1</sup> Excludes US and USSR Homeland air defense aircraft. Some portion of the USSR air defense west of Urals (1365 in 1963, 1100 in 1965, 565 in 1968) could be employed against Allied aircraft penetrating Polish air space at the expense of a degraded strategic posture.

<sup>2</sup> Numbers provided by JCS.

Table 10, in the Annex, provides a detailed breakdown of the Soviet Bloc air forces available for a European conflict. Table 11 provides a similar breakdown for the NATO forces. Table 12 provides further detail on U.S. deployable aircraft.

The Joint Chiefs of Staff have stated that 2,411 U.S. aircraft could be committed in 1963 to Europe with 90 days strategic warning. This includes 1,027 U.S. aircraft in place in Europe, augmented by an additional 1,384 aircraft deployable from CONUS.

Such a commitment of only 50 per cent of our deployable aircraft assures us of a significant strategic reserve, particularly when compared to the Soviet commitment in Europe of between 84 per cent and 92 per cent of deployable aircraft. The remaining 2,300 to 2,500 U.S. aircraft in operating units, together with the 1,500 aircraft of our Pacific Allies, should be more than adequate to counter the 2,000 to 3,000 Chinese Communist and North Korean aircraft, of which 90 per cent are obsolescent and considerably inferior to our tactical forces.

Although, over-all, including deployable aircraft, NATO now has and probably will continue to have a qualitative as well as quantitative advantage, the qualitative advantage derives primarily from U.S. efforts. By 1968, the Warsaw Pact is estimated to have 710 advanced type tactical aircraft out of a total of 3,080 tactical aircraft, or about 23 per cent. For the U.S., 1,359 out of 4,020 or 34 per cent will be of advanced types. However, at that time only 160 out of 3,181, or 5 per cent, of the non-U.S. NATO aircraft are now programmed to be of advanced types. About one-third of the Allied (non-U.S.) aircraft planned to be in the inventory in 1968 are considered obsolescent by today's standards.

The only aircraft to be produced in large numbers for Allied countries is the F-104G, constituting 34 per cent of the planned Allied air forces in 1968. This aircraft, which had its first flight in 1954 and which was last procured by the U.S. in fiscal year 1957, will probably not be able to meet the threat of Soviet attack aircraft of the 1968 time period. Its military effectiveness is restricted by its short range and limited ordnance carrying capability. The very limited radar range and the lack of all weather intercept capability limits its usefulness in the European environment where close ground control of the SAGE type is not available and cloud cover is prevalent.

Only 109 F-104's are left in the active U.S. forces. However, our European Allies plan to procure 1,300 of these aircraft between 1961 and 1965. To date, approximately 220 have been produced. Although the F-104 is cheaper than the F-4C, the effectiveness of NATO air forces could be increased through procurement of smaller numbers of a more effective aircraft. As the Joint Chiefs of Staff have stated, "For modernization, we might encourage military assistance sales of F-

4C's for our NATO allies." Nevertheless, the F-104G program was undertaken about four or five years ago with the encouragement of the United States, and the European Consortium is only now beginning to work smoothly. This problem will require more study and discussion with our Allies.

Quite apart from numbers of aircraft and their operational capabilities, the nonnuclear capabilities of NATO air forces are seriously deficient because of three critical factors. These factors can be changed much more easily and quickly than the number and performance of aircraft, and should be given a high priority by both ourselves and our Allies. The causes of our weaknesses in nonnuclear air capability in NATO are:

- (1) The vulnerability of aircraft on the ground;
- (2) The lack of nonnuclear logistics preparedness; and,
- (3) The requirement to be responsive to both nuclear and nonnuclear tactical air operations.

Although our tactical air forces are now and will increasingly be larger and better equipped than the Warsaw Pact forces, several recent war games and studies on nonnuclear conflict in Europe have concluded that the enemy could achieve air superiority in one to three days, with or without tactical warning even if we were to initiate preemptive attack. The principal reason is, of course, the vulnerability of our bases and aircraft to enemy air attack. Our active air defenses in Europe are just barely adequate against high altitude targets and are very incomplete and very inadequate against low flying aircraft. There are no active air defense missile or gun systems in local defense of our airfields and almost no passive defense measures are now being practiced. In view of the fact that our main operating bases in Europe are located within 7 to 25 minutes flight time from forward enemy bases, it is not surprising that a very large part of the NATO air forces in Europe could be destroyed on the ground in a surprise attack with little loss to the attacking force and without the use of nuclear warheads or surface-to-surface missiles.

I believe that the theater commanders can, within their own resources, effect some reduction in the vulnerability of our forces. Major improvement will require funds in addition to the \$30 million provided in the FY 1964 budget for aircraft shelters for protection against nonnuclear attack. I have requested the Air Force to conduct a detailed study of additional required measures and expect a final report by October 1, 1963. I recognize that effective protective measures will have manpower and balance of payments implications. We will keep these to a minimum. However, in view of the very large investment in personnel and matériel now unprotected, I believe we must face up to this issue.

In reply to your specific question, aircraft attrition under future combat conditions is indeed difficult to estimate. The average World War II fighter attrition was 0.9 per cent per sortie (9 losses per 1,000 sorties). Korean jet fighter (F-80, F-84, F-86) attrition averaged 0.3 per cent per sortie. However, historical data may not be a reliable guide in view of vastly improved air defense environments and ordnance. Any future conflict in Europe probably will lead to attrition rates greatly exceeding those previously experienced.

As high as attrition rates are likely to be, we must insure that: (1) enemy attrition rates are at least as high; and (2) enemy aircraft production acceleration capability is no greater than ours. We must take additional steps to assure that the enemy's inventory will decline as rapidly or more rapidly than ours, thus at least denying him air superiority. Second, we must increase our capacity to rapidly accelerate production in order to prevent his gaining air superiority at some later date. These measures promise to produce far more capability per dollar for sustained nonnuclear operations than a peacetime expansion of forces or of production.

The ability of our forces to sustain operations in an overseas theater is as much a function of logistics support and command and control as it is of numbers of aircraft and the ability to deploy.

Current USAFE plans provide for the use of 17 bases, and 15 are presently being used by U.S. forces. In addition, there are 39 bases for which the United States has entry rights or which otherwise could be made available. Thus, a sufficient number of airfields exists to accommodate about 2,200 U.S. land-based aircraft.

While these bases are capable of accepting sizeable tactical forces, they are not now equipped logistically to support such forces on a sustained basis. While tactical squadrons deploy with fly-away kits containing sufficient spare parts for 30 days consumption, they must rely upon the deployment area for fuel, war consumables, support equipment and communications. These are critical factors in continuous operations. Adequate pre-stockage of nonnuclear ordnance and other war consumables is not now available in Europe. Assuming free interchangeability between bases and depots, there is enough modern ordnance available to permit about five sorties per aircraft, and even including obsolete ordnance, there is enough for only about 40 sorties per aircraft. (Further details are provided in Table 13 of the Appendix.) This situation will improve as a result of the increased procurement funded since fiscal year 1962, but much more needs to be done.

The nonnuclear readiness position of our NATO Allies is much worse. For example, as of January 1, 1963, they had only 38,000 units of nonnuclear ordnance, almost all of which are obsolete napalm and World War II or Korean vintage general purpose bombs. Some coun-



tries report little or no stocks. None report any modern ordnance such as CBU and BULLPUP which we are buying in large quantities and which greatly reduce the number of sorties required to destroy a given number of targets. It appears that, at best, our Allies can support only about 10 sorties per tactical aircraft with the ordnance reported, even assuming free interchangeability between countries.

Another fundamental problem in NATO is the requirement to be responsive to both nuclear and nonnuclear tactical air operations, i.e., to be dual capable. Over the past decade, the orientation of our tactical forces has placed primary emphasis upon nuclear capabilities. Substantial progress has been made in some areas in realigning these forces. Tactical air forces, especially stimulated by the Cuban crisis, have increased their training and readiness for nonnuclear conflict. In Europe, currently only the 72 U.S. F-84 aircraft located in France are assigned to nonnuclear missions as their primary tasks; and these will return to the U.S. in June 1963. While the remainder of our aircraft are technically dual capable, under current war plans, 12 aircraft in each U.S. wing of 75 are on 15-minute nuclear Quick Reaction Alert (QRA), and an additional 23 aircraft in each U.S. wing are to be nuclear ready in less than 3.5 hours. Under SACEUR's Nuclear Strike Plan, the balance of the available aircraft are committed to follow-up on secondary nuclear missions. Within the Sixth Fleet, an average of 71 per cent of the deployed carrier-based attack aircraft are committed to nuclear strike operations.

While nuclear commitment does not entirely preclude their use in a conventional role, it is readily apparent that the attention of our air forces overseas is focused primarily on nuclear conflict. At the present time, almost one-half of the NATO committed attack aircraft are planned for employment in the nuclear strike mission and only a little over one-half are available for nonnuclear attack. (See Table 14 in the Appendix.) On the basis of present NATO planning, of the 1,800 attack aircraft expected to be assigned to NATO on 1 January 1965, about three-quarters would be assigned to the nuclear strike mission and only about one-quarter to nonnuclear attack.

I believe that a better balance can be achieved between the nuclear and nonnuclear uses of our tactical air power. As long as tactical aircraft are kept on nuclear alert, or are committed solely to nuclear strike missions, serious limitations in nonnuclear effectiveness have to be accepted. These limitations include reduced nonnuclear training, reduced flexibility in deployment and limitation in ordnance handling and storage. Maintaining aircraft on constant alert imposes a severe additional strain on manpower resources as well as equipment, reducing at the same time their availability for nonnuclear training. For carrier attack force operations, additional problems are generated by

the limited storage space, the special handling required for nuclear ordnance, and the deployment restrictions imposed by the timing coordination requirements for nuclear targeted carrier-based aircraft.

In our forward planning, we should consider some shift in the allocation of tactical air to nonnuclear uses, especially since the improvements planned for our Strategic Forces and the increases in NATO mobile missiles (e.g., PERSHING and POLARIS) will enable those forces to take over many, if not most, of the stationary nuclear targets of particular interest to SACEUR in the next two or three years. Soviet mobile missile system targets and targets of opportunity will continue the need for a small amount of tactical air delivery of nuclear weapons. (Table 15 shows the NATO nuclear target list by type, location, and attack force, as of 1 January 1962.) In the interim, we should consider assigning a large portion of our tactical units the primary mission of nonnuclear readiness, with nuclear capabilities retained for a secondary role. This would place proper emphasis on nonnuclear capabilities while retaining flexibility in the use of tactical nuclear weapons. At the same time the primary mission of the units is changed, they should be relieved of their nuclear alert commitments.

In summary, I believe that our current production and force levels will assure us a quantitative and qualitative advantage for the foreseeable future. Our critical weaknesses are in vulnerability on the ground, the lack of nonnuclear logistics readiness, and the conflicting requirement to be responsive to both nuclear and nonnuclear air operations. We have already taken some steps to correct these weaknesses. Other steps are being subjected to detailed analysis.

The broader aspects of our tactical air posture and its readiness for nuclear and nonnuclear conflict will require further study. Within the near future I will forward to you specific recommendations as to what steps need to be taken so that we and our Allies may confront our enemies at any level of provocation with an appropriate military response.

June 1963

**293. Memorandum from Gilpatric to McNamara, Bundy, and  
Rostow, June 3<sup>1</sup>**

June 3, 1963

SUBJECT

Cold War Strategy

Some time ago I asked Major General Lansdale to spell out for me a concept, which we had discussed together, for a review of U.S. cold war strategy. The attached paper is the result, and I think you will find it worth reading.

**Roswell L. Gilpatric**  
*Deputy Secretary of Defense*

**Attachment**

SUBJECT

A High-Level Look at the Cold War

What precise strategy will give the U.S. the win it seeks in the cold war?

After two and a half years of valiant effort by the Kennedy Administration, as well as with hindsight of the fifteen years of prior international strife since the cessation of World War II hostilities, the U.S. now has experience in depth to draw upon for a mature reappraisal and projection of U.S. strategy in the cold war. Such a reappraisal and projection, if done with calm wisdom and fortitude, should result in a clearly realistic blueprint of where we have been, where we are now, and where we should be going, in relation to both Moscow and Peking. This strategic blue-print would provide guidance for tactical or shorter-range actions, including practical definition of immediate U.S. objectives, and for the most effective and economic use of U.S. resources in the proper "mix" for sound teamwork.

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<sup>1</sup> Transmits Maj. Gen. Lansdale's strategy paper on the cold war for their information. Secret. 12 pp. Department of State, S/P Files: Lot 70 D 199, Pol & Psych Warfare.

## I. CONCEPT

The reappraisal and projection of U.S. strategy in the cold war could be undertaken best by men who have had great responsibilities in U.S. actions and who will be free enough of other demands to give this subject the thorough and reflective thought required. The concept is to have a small group of senior Americans appointed by the President to undertake this work, at the White House level, for several months. It is suggested that the group would work under the guidance of the President's Assistant for National Security Affairs and be supported by a working group selected from top staff levels of U.S. departments and agencies. (I hope that I would have the privilege of being the Secretary of Defense's staff representative to support this effort.)

## II. TOPICS FOR STUDY

While it is expected that the senior group would make its own outline of study, the following topics are noted for consideration:

*Our Communist Opponents.* We need to know, with considerable precision, the strategic blueprint being followed by the Communists—their exact, phased objectives, the mechanism employed to reach those objectives, and the relative time-table being followed. (It is probable that the group will find the U.S. intelligence community unable to provide ready information in the depth required; this should lead to sharper definition of U.S. collection needs, as an imperative task.)

In such a study, penetrating questions will be raised. What are the critical points to the Communists in their strategy, in their assimilation of a foreign people when they are most vulnerable (conversely, were there times when a small but determined U.S. action could have upset Communist moves in Tibet, Cuba, and Laos, for example)? Is there merit (for possible U.S. emulation in our own way) in training of selected foreigners for political action, such as that given at the Lenin and Sun Yat Sen Schools? What precise role do the Communists assign their diplomats and to international agreements?

These broader questions could be highlighted by pinpointing on one or more critical areas, illustratively. For example, how is Communist strategy progressing in Venezuela? If large U.S. resources are applied, directly and indirectly, to the elimination of a handful of Communist guerrillas in the hills, does this really hurt the Communist effort or is it merely a side-play, draining our resources? Are there a handful of key Communists and key planned moves which are more realistic targets for the U.S., which require the skilled work of a handful of Americans instead of a large and expensive U.S. mission and program? Is much the same true of Vietnam, of Brazil?

Is it feasible to maintain a Communist order of battle, country by country, including the duty assignments of key individuals and

biographic data indicating their capabilities and weaknesses? If this is feasible and can be studied in conjunction with an analysis of the Communist strategy, country by country, would this not permit far more realistic guidance to the U.S. in devising U.S. programs and in selecting the right U.S. personnel for carrying out those programs successfully? Even at this late date, U.S. Country Teams abroad are all too unwitting of exactly who are their opposite numbers. Deep in the American character is the will to win, particularly when the contest is understood and the opponents clearly identified. How can U.S. Country Teams really pitch in to win when they don't realize fully that they are on a battleground and have real, live opponents who are working hard to defeat the U.S. effort?

*Economics.* We also need to know, with similar precision, the probable Communist strategy in the economic field. Is there a point of maximum U.S. vulnerability in the outflow of gold for which the Communists are awaiting, to saturate the world economy with the gold amassed by the Soviets and apparently held in reserve for just such a strategic play? What would be the effects on the world position of the U.S.? What would we have to do to remedy this? To prepare for such an event? What would be the best U.S. mechanism to monitor international Communist economic moves and, more importantly, to ensure the inclusion of correct economic measures in U.S. strategy and tactics?

Shouldn't the international commodity market also be placed under the purview of such a U.S. mechanism? It is noted that the political/economic action theory of the faculty at the Lenin School in Moscow is based, where applicable—such as in Latin America, on the vulnerability of a nation's economic over-dependence on one single item: Venezuelan oil, Brazilian coffee, Bolivian tin, etc. A drop in world price, a manipulation in the commodity market, can create an ideal climate favoring Communist political, psychological, and paramilitary actions in a specific target nation.

As necessity impels the U.S. to embark upon vital fiscal programs abroad, such as underwriting Vietnam's war or insisting upon monetary reforms in Brazil and Colombia, how can such programs be best controlled: to give the U.S. policy decision level an exact fix on progress and status, to clearly define cut-off points, to assess realistically the political effects on local resources needed to reach long-range U.S. goals (for example, the effects upon small business which is integral to building a middle class, which in turn is an integral need for the political base we must have to reach the U.S. objective), and to establish parameters which give the U.S. sufficient room for tactical maneuver?

*Philosophy of Operations.* By this time, the U.S. has built up a large and complex body of practices in its cold war operations. The huge budgets and the equally huge effort required to flex the effort of mam-

moth organizations from an accustomed groove into a dynamic action on a newly discerned target evokes the thought that it might be high time we reconsidered how we use what we have in this struggle. Simply because we have the reassurance of dedicated leadership and the comfort of numbers going through vigorous activities, can we be truly certain that we are fighting the right war in Vietnam the right way? Is it truly and fundamentally a sophisticated shooting war for us, with great dependence upon material means and need for control organizations extending all the way back into Washington?

One of the great truths which the U.S. should heed, as it designs its cold war operations, was confided to me once in Vientiane by General Sananikone. We were discussing U.S. help in building a road in Laos. He commented: "I hope you won't build this road for us, but instead show us how to do it. In turn, I hope we have the wisdom not to have just some Lao Army engineers or a civil works group from the capital city build this road. The people out in the provinces must participate, voluntarily—when we make it plain to them how they will benefit. Once the people are involved, by their own will, the road becomes theirs. They will make sure that it is kept repaired. Every village will take pride in it."

This basic truth, of course, applies to more than building a road. If the phrase "teaching political principles" were substituted for "teaching road building," for example, a glimpse of how broad this thought actually is would be gained. A handful of Americans applied this rule and helped stabilize the independence of Vietnam in 1954–56 (now looked back upon as "the good old days," although the threat of disaster and the complexity of problems were at least equal to today's, if not more so). A handful of Americans (literally, since they could be counted on the fingers of one hand) applied this same rule in the Huk campaign in the Philippines, by making sound use of the credit or influential repute they had inherited as Americans from generations of Americans who had preceded them in the Philippines; as this handful of Americans was true to the best of their inheritance, deeply-rooted memories of U.S. motives were awakened in the Filipinos and they responded.

What do the people in a foreign nation really hope, in their innermost beliefs, to get in the way of help from the United States? They must have some ideal pictured in their mind's eye—and it must be quite different from the picture their forefathers had of the English adventures of the Pax Britannica, the conquistadores of the Pax Hispanica, or the legionaries of the Pax Romana.

Are we seen as unselfish believers in the rule of law and in representative government, or as naive or rashly impolitic nouveau riche who are viewed with jealousy or with the suspicion that our hidden motives are short-term and self-serving? How much do we hinder our

own effectiveness by self righteousness, by imposition of complex rules and organizations, by emphasis on the pragmatic at the expense of the spirit, by over-riding the need for empathy?

Are we treating each nation, where we are heavily committed, as a nation where our touch is so wisely deft and so wisely helpful that we can afford to let go in the foreseeable future—and rightly expect it to continue growing strong in a way to ensure that our children can live in peace and honor with its children? Is our true aim to create such a brotherhood of nations or only to defeat the Communists?

*The Human Factor.* Let us describe a “cold war battle” as the defeat of a serious Communist attempt to conquer one nation, by means other than traditional war; the defeat usually will be marked by tacit Communist acknowledgment, through ceasing the immediate attempt and switching to a less visible strategy with a longer-range time-table. Then let us ask, which Americans can win the described “cold war battle”?

It is possible that, if such Americans can be truly identified and then employed with executive genius, the U.S. will have found its most priceless instrument for bringing about a decisive change in the outcome of the cold war favorable to the highest U.S. interests. Such a possibility certainly indicates the value of giving extraordinary consideration to the feasibility of doing this.

The problem is far more complex than appears on the surface. Essentially it entails the picking of an elite, moving individuals in this elite outside the customary career patterns which are so firmly established in U.S. departments and agencies, and then placing them on the battleground in such a way that their effectiveness wouldn't be dulled or seriously hampered by elements of the usual U.S. institutional approach. Candidly, this would cross the immediate self-interest of much and of many in the U.S. government.

There are subtleties in the criteria for the selection of such persons which seem to be outside the intricate mechanisms we have established in the art of personnel management. The statement is made based on long personal experience in seeking an exact means of selecting such persons. The only true criteria found yet is: if he proves to be the right person by his performance on the battleground, then he's the right person. It's a bit like Ramon Magsaysay's question when selecting his officers for promotion: “How many Huks has he killed?”; our question is: “What battle did he win?” In other words, the Americans who can win in this half-hidden struggle are still rather rare and probably will need to be hand-picked by someone with both trusted judgment and experience in winning cold war battles. The initial number might be as small as 10, the maximum possibly not even 100.

After the selection of such an elite group, means will have to be devised to employ and deploy them correctly. It would be preferable



that they be volunteers. They should be protected from career penalties in their parent service (whether it be the Military Services, the Foreign Service, [text not declassified] so that they could perform this specialized duty and not fall behind their contemporaries who serve in normal duty capacities which are customary requisites for promotion. Tours of duty should be for the "duration" rather than for arbitrary time periods of rotation. (George Washington, plagued as he was with the arbitrary tours of Continental militia, would understand why you don't pull a man who can win off the battleground just because a time period is up.)

One method of deployment, for consideration, would be to form the elite into teams, so that a complete U.S. Country Team composed of such persons could be sent to a critical area at one time, replacing the regular institutionally aligned U.S. Country Team, with simple orders to win the U.S. goals there. When it had won the goals, it would return home for deployment elsewhere, as a team or split into cadres upon which several teams of elite could be built. It would leave behind, as an inheritance for the regular U.S. Country Team which had replaced it, a blueprint of the follow-up actions required to assure full progress being made on reaping the benefits offered by the victory.

While the above "human factors" have dealt mostly with the Executive Branch of the U.S. government, consideration also should be given to the human resource potential in the Legislative Branch of the U.S. government. A win in the cold war is heavily dependent upon the correct political action; often, this political action requires an "instinct for the political jugular" and the practice of sound ward-level politics. The inclusion of a few seasoned politicians, hand-picked in similar manner to the rest of the elite, would add priceless political know-how right on the battleground where it would be most helpful to the highest interests of the U.S. Inclusion in such an elite group might be a most fitting next step for unusually skilled political veterans who are active and alert, but ready for service to the country beyond the demands of periodic electoral campaigns.

*School for Action.* Just before he passed away in the Spring of 1963, Joseph Z. Kornfedder was urging that the U.S. found a "School for Political Action" to satisfy what he felt to be the most desperately urgent need of the U.S. in the cold war: the creation of skilled free world leadership for political action capable of completely defeating Communism. Since this urging has the testamentary weight of a dying man who had renounced Communism after high-level training and service in Communist political action internationally, it is offered as a topic worthy of consideration by a Presidential group.

Such a school, ideally, would permit the free world to have a continuing fresh input of younger men moving up into leadership who



would further strengthen our political concept of individual liberty, bring the free world nations into ever more stable relationships, and contribute significantly to the defeat of Communism. Whether this ideal is attainable is a major point for thought. Who would instruct? Would the program of instruction encourage chauvinistic actions of expediency with long-range penalties? How would the students be selected? These are a few of the questions which arise.

As peripheral considerations, drawn from personal experience, there are the needs for an adequate political text-book and for assuring the livelihood of dedicated patriots who serve their country at the expense of self. These deserve attention, as worth doing even if a formal school or system is never created. As caveats, two examples might serve. A suggestion (to the proper place in the U.S. government) that a modern case history text of democratic leadership in the free world, for use at leadership levels as a sort of U.S. version of "The Prince," could evoke only a tired, old, institutional, hack response in trying to produce it. As for assuring the livelihood of dedicated patriots, the spirit of man's freedom demands something more than a pension type of subsidy; the conscientious American who undertakes to get younger foreign patriots to serve their country selflessly in the best interests of the free world will discover that he has taken on lifetime responsibilities.

It is possible that other courses of action would produce much the same results as a formal, single school. The elite envisioned in the topic, "The Human Factor," above, would be undertaking considerable on-the-job education of U.S. and foreign officials as part of its winning on the battleground. It is possible that this role can be enlarged. Some present and past studies on the larger subject of the education or training of foreign personnel in the U.S. should contain clues on the means of getting a really sharp focus on practical, realistic training for action (in the sense meant by Kornfedder) within the present large U.S. programmed ventures. However, it should be borne in mind that trainees will be competing eventually against persons trained in the Lenin and Sun Yat Sen Schools; standards and discipline will have to be exceptionally high.

*Forward Motion.* There is much that goes against the grain of the American character in the way we have been fighting the cold war. Perhaps the hardest of all on us is the defensive role we adopted with the containment policy, in which we have tried to hold onto free territory against cunning and continuous aggression without once ever striking back into the Communist heartland with a telling blow. We are forever the nice little boy told to stay on our side of the street and not cross over and punch the bully who has hit us with rocks, mud, and taunts.

Here then is a basic piece of thinking to be done, as wise Americans examine our strategy. How best can we hit back, tellingly? Shouldn't we?

In this basic piece of thinking, it would be well to examine the whole gamut of the use of force, ours as well as our allies' supported by us. The range of examination should run from the more obvious actions on into the more imaginative actions. They all need surfacing, a hard look, and reflective thought. The more obvious actions are seen as including everything from the concept of a pre-emptive strike on down to armed raids into Communist areas of immediate threat to us (such as Cuba and North Vietnam). The more imaginative actions would be such operations as generating raids on Soviet nuclear stockpiles by Free Russian partisans or initiating a massive sabotage campaign in Eastern European satellites. In the middle of the spectrum of force would be actions against Communist China.

Then, hard thinking should be devoted to the crux of the matter: How do we truly defeat the Communists and emerge as a nation stronger than ever? As a nation born in a revolution based on principles long cherished by men through the centuries, would we not be deeply true to ourselves to use these same revolutionary principles to cause the overthrow of despots in Moscow and Peking and satellite capitals by their own citizenry? If this could be done, wouldn't we emerge stronger than ever as a nation and open the way for the world brotherhood which is the deep yearning in our national character?

Personal experience in defense of nations resisting Communist aggression taught me that the principles of the American Revolution, the promise in our Declaration of Independence, and the Rights of Man expressed in the first Ten Amendments of our Constitution are far more movingly dynamic to mankind than are the doctrines of Communism—and will be so chosen when there is a fighting chance to make the choice. A strategy based on this almost untapped U.S. national strength, a strength of the spirit dominant over the material, deserves the finest thinking we can muster.

A strategy based on American Revolutionary principles would call for moves causing Communist citizenry to break with the old and start constructing anew. The moves would have the strongest, almost instinctive, backing of not only the U.S. public but by people throughout the free world. For example, an opening move might well be to re-introduce the Holy Bible into the Soviet Union, where copies are non-existent even in churches and monasteries, let alone being unavailable to the public. The next move might well be to pick up the free world ends of the long ties reaching back behind the Iron and Bamboo Curtains, the ethnic groups—such as our immigrant communities of Russians, Ukrainians, Eastern Europeans, and Chinese—and give them a

more dynamic role in the introduction of ideas into the Communist heartland: the rights of man, truly representative and responsive government, free enterprise—so that we speak with the voice of the people, not the government, to the people.

The existence of similar ethnic ties in Asia, with tribal groups, cries for more initiative on our part, instead of our partial moves defending against skilled Chinese Communist use of these minorities. Is there some way to use the organizing genius with tribal groups of a Li Mi or of establishing a tribal center of our own, a 20th Century, politically-alert version of the Carlisle Indian School, in Southeast Asia? Here are tremendous human potentials for seizing the initiative.

The strategy of undertaking the political offensive, of course, needs far deeper consideration than indicated in the sketches of opening moves noted above. These sketches were included merely to indicate how “natural” and “right” it would feel to Americans to start attacking the Communist system where it is vulnerable. The strategy should consider not only the vulnerable points for political-psychological moves into the Communist heartland, but also consider the strong points of the U.S. heritage there—the legend remaining from such activities as the Hoover Relief Mission in the Soviet Union and our myriad social endeavors in China—and make full use of these strong points. Reflective thought will show that much more of the American spirit and integrity came through than the mere image of a rich uncle doing out a few presents.

The end objective of such a strategy would be the moment when the people of Moscow or Peking, much more than the people of Budapest or East Berlin or Hanoi, would say of their own will and in their own way: “Prudence, indeed, will dictate that Governments long established should not be changed for light and transient causes; and accordingly all experience hath shewn, that mankind are more disposed to suffer, while evils are sufferable, than to right themselves by abolishing the forms to which they are accustomed. But when a long train of abuses and usurpations, pursuing invariably the same object, evinces a design to reduce them under absolute Despotism, it is their right, it is their duty, to throw off such Government, and to provide new Guards for their future security.”

Is it not time to draw upon the great strength which gave us birth as a nation to provide the way to defeat the greatest enemy we have faced?

*The National Will.* In other wars remembered by living Americans, the United States declared war through the U.S. Congress exercising its power under Article I of the Constitution. This concentrated the will, energies, resources, and genius of the American people into winning the war, paramount above all other issues. Isn't it rational to assume

that much of the diffusion of U.S. effort has come about through the lack of our declaring cold war, through the U.S. Congress, and under the Constitution?

The Communist enemy has declared himself. We have never answered him with the single voice of all our citizenry . . . as we have our enemies in the past.

This difficult problem needs to be faced squarely by the proposed Presidential board. Admittedly, the subtle and not-so-subtle threats to our national security implicit in Communist moves are of a nature beyond that envisioned by the Founding Fathers. Yet they did endow us with a system capable of expressing the peoples' intent, strongly and clearly enough to unify the national will in times of great danger. We need to be wise enough now to find the way to do this. It might take the form of declaring our national aims in the cold war, identifying the character of precisely what it is that we find of utmost danger to us and the world, defining the boundaries over which such an enemy dare not step, and clarifying just whom we will help in this struggle, with the "how" and the "why" spelled out. Or, perhaps it might take some other form. But, the way needs to be found—and taken.

Once this step is taken, the Branches of the U.S. Government and our citizenry will be committed to the spirited teamwork in winning the goal which is the only true way the American people know how to fight—banded together and all out. The President will find the character of his leadership role firming up into a decisiveness, with the broad and dedicated support of the country, impossible to take up to now in the cold war—yet a decisiveness vital to the cause of freedom for mankind, now. Thus, again, the way needs to be found—and taken.

294. Memorandum from Johnson to Bundy, June 21<sup>1</sup>

June 21, 1963

SUBJECT

Answers to your Questions on Nuclear Expenditures

1. *Current Military Expenditures of the United States on Strategic Nuclear Weapons Systems.*

(in billions of dollars)

	<u>1962</u>	<u>1963</u>	<u>1964</u>
Defense	9.0	8.5	7.4
AEC	<u>.5</u>	<u>.5</u>	<u>.4</u>
Total	9.5	9.0	7.8

(The Defense figure appears on page 62 of the President's budget; the AEC figure is Restricted Data.)

Secretary McNamara used the \$15 billion figure in Athens. It was pulled out of the air, and has been causing trouble ever since. Hitch's staff can build up to a \$15 billion figure only by including approximately \$3 billion for the tactical air force, on the theory that it is nuclear-capable, and \$2 billion for carrier-based air. The figures I have given you are an over-all figure for all strategic retaliatory forces, including MINUTEMAN, POLARIS, all SAC forces, and all other emplaced strategic missiles.

The following is the comparison with NATO defense budgets—for Calendar 1962. NATO defense budgets total \$18.950 billion, including Canada, whose budget is \$1.650 billion. The comparable figure for total U.S. defense expenditures is \$54 billion.

2. *Aggregate Expenditure of the United States on Weapons Research and Development from the Beginning in the Nuclear Field.* The best figure the Bureau of the Budget can give me today is \$30 billion, of which about \$20 billion is DOD and \$10 billion is AEC. This goes all the way back to the Manhattan District, and covers all the lab work, testing, contract, R&D, etc. The Bureau says use this figure with care, because the real figure might be plus or minus several billion. Shapley thinks the \$30 billion is a little on the high side. A related figure that has been used is \$100 billion for the development of our strategic forces. This would include all R&D and the actual procurement of weapons, training of personnel, SAC airfields, communications, etc.

Charles E. Johnson

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<sup>1</sup> Provides information on expenditures for nuclear weapons systems. Secret. 2 pp. Kennedy Library, National Security Files, Meetings and Memoranda Series, CE Johnson 5/62–9/63.

July 1963

295. National Intelligence Estimate, NIE 11-9-63, July 15<sup>1</sup>

July 15, 1963

SOVIET CAPABILITIES AND INTENTIONS  
TO ORBIT NUCLEAR WEAPONS

THE PROBLEM

To examine Soviet capabilities and intentions to orbit nuclear weapons, probable Free World reactions to such a development, and Soviet reactions to various US responses.<sup>2</sup>

CONCLUSIONS

A. We have thus far acquired no evidence that the USSR plans to orbit a nuclear-armed satellite in the near term, or that a program to establish an orbital bombardment capability is at present seriously contemplated by the Soviet leadership. However, the USSR does have the capability of orbiting one or possibly a few nuclear-armed satellites at any time, and at comparatively small cost. (*Paras. 1-3, 15-16*)

B. The limitations of existing hardware and facilities are such that the nuclear weapons which the Soviets could orbit during 1963-1964 would not add significantly to their military capabilities. Currently operational Soviet ICBMs would be capable of delivering comparable payloads with greater effectiveness. (*Paras. 4-14*)

C. A variety of political motives, such as the desire to restore the image of the USSR as the preeminent world military power, might nevertheless impel the Soviets to orbit a nuclear weapon in the near term for demonstrative purposes. Such a move would be more likely if the Soviets were already committed to the eventual establishment of an orbital bombardment force, or if convinced that the US was so committed. However, in seeking to impress world opinion, they would

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<sup>1</sup> "Soviet Capabilities and Intentions to Orbit Nuclear Weapons." Printed in part in print volume as Document 134. Secret; Restricted Data. 24 pp. Johnson Library, National Security File, Intelligence File, National Intelligence Estimates.

<sup>2</sup> In this estimate, we concentrate primarily on multiorbit bombardment satellite systems, i.e., those designed to complete one or more revolutions of the earth prior to being detonated. We also have included, though at much abbreviated length, consideration of fractional orbit system, i.e., those designed to make less than one revolution of the earth before detonation. Although they do not follow a ballistic trajectory, fractional orbit systems are employed in a manner more closely related to that of an ICBM, and are therefore not germane to most aspects of the problem.

also encounter a variety of adverse reactions. Awe and alarm would be accompanied by resentment and dismay, and it would be charged in many quarters that the Soviets had extended the nuclear arms race into a new, more dangerous area. The Soviets would have to consider whether it would serve their interests to risk strong US countermoves, including an ambitious US military space program, and a general intensification of the cold war. (*Paras. 17–23*)

D. On balance, it appears to us that the disadvantages would outweigh the advantages, and we therefore believe that there is less than an even chance that the USSR will orbit a nuclear weapon in the near term. Nevertheless, the Soviets may weigh the balance differently than we do, and it remains possible that they will exercise their technical capability at any time. (*Para. 24*)

E. If the USSR should orbit a nuclear weapon for demonstrative purposes, it would almost certainly anticipate some form of US reaction. The Soviets would have to consider the possibility of a US attempt to destroy their satellite, and if the US threatened to do so, they would probably threaten retaliation against US satellites. They would be wary, however, of the risks involved in direct retaliation, including a possible “open war” on all satellites and the accompanying dangers of escalation. Official and popular opinion in most states allied with the US would expect and support US measures to counter the Soviet action. Opinion in the nonaligned states would favor some form of UN “solution.” The Soviets themselves might use the UN in an effort to deter US countermoves and to delay or forestall any US military program in space. (*Paras. 25–30*)

*Prospects for 1965–1970*

F. Based solely on considerations of cost and effectiveness as we now understand them, it would appear unlikely that the Soviets will during this decade deploy advanced orbital bombardment systems of military significance. We recognize, however, that the Soviets might reach different conclusions as to cost and effectiveness, or that other factors might be more weighty. Moreover, considering the pace of developments in the weapons field in general, it is extremely hazardous to estimate Soviet decisions for a period many years ahead. For these reasons, a firm estimate as to whether the Soviets will deploy an advanced orbital bombardment system within the 1965–1970 period cannot be made at this time. (*Paras. 31–34, 45–49*)

G. If the Soviets do proceed with an advanced orbital system, we believe that they are more likely to seek a small force of limited effectiveness than a very large and sophisticated one. The weapons of a small force could be maintained continually in orbit or could be held on standby on the ground for deployment as required. In any case,



developmental testing of an orbital bombardment system should be observable to us at least a year or two prior to attainment of an accurate, reliable system. (*Paras. 35–44, 50*)

## DISCUSSION

### I. INTRODUCTION

1. We have no direct evidence of any Soviet plan to orbit a bombardment satellite. However, we believe that the Soviets have a present and near term (1963–1964) capability to launch one or possibly a few such nuclear-armed satellites by employing existing hardware. With respect to the longer term (1965 and beyond), we are convinced that the Soviet leadership will, if it has not already, authorize feasibility studies and perhaps research and development tests on an orbital bombardment system.

2. Because of the lack of direct evidence, this estimate relies heavily on what is known of the Soviet and US states-of-the-art in the development of advanced missiles, space systems, and nuclear weapons. In employing this approach, we recognize that great uncertainties are involved, especially in the longer term. Knowledge of what is feasible and useful in the field of space weapons may change significantly as additional research and development work is performed in both countries. At present, however, the factors we can set forth with respect to Soviet capabilities for orbiting nuclear weapons include: (a) the known and theoretical capabilities of Soviet space and missile boosters if adapted to this purpose; (b) the estimated yields and effects of nuclear warheads detonated at various altitudes; (c) the techniques the Soviets might employ for orbiting and detonating such weapons; and (d) the likely accuracy, reliability, and costs of alternative techniques.

3. In considering the problem of this estimate, particularly with reference to the near term, we have sought to distinguish between the known performance characteristics and the theoretical possibilities of existing Soviet hardware and related equipment. We have, in addition, considered certain trade-offs the Soviets might also weigh, such as maximizing warhead payloads for higher yield detonations in orbit at the expense of lower altitude detonations with their greater ground effects. For the longer term, we have assumed continued Soviet development of large boosters and appropriate subsystems which could be employed for a variety of missile and space purposes, including an orbital bombardment system.

### II. SOVIET CAPABILITIES TO ORBIT NUCLEAR WEAPONS, 1963–1964

#### *Available Booster Systems*

4. The USSR could use any one of several launch vehicle systems it now possesses to orbit a nuclear weapon. The system considered



most suitable for the launching of such a weapon on the basis of known performance characteristics is the SS–6 ICBM booster, with either a Lunik or a Venik upper stage. Another launch system the Soviets conceivably could utilize is the SS–8 ICBM. We have not yet been able to determine whether the SS–8 is relatively small or very large.<sup>3</sup> If the SS–8 is very large, it could be used in conjunction with a Venik upper stage—a combination not tested to date—to provide the Soviets with their greatest present payload capability in a nuclear-armed satellite.

5. In addition, the Soviets could theoretically put a nuclear weapon into orbit with the SS–8 ICBM if it is relatively small, with the SS–7 ICBM, or with the SS–5 IRBM. However, their orbital payload capabilities would be much less than that of the SS–6. The use of these smaller boosters would probably require the development and testing of satellite or upper stage hardware of types not now known to be available.

#### *Warhead Yields and Effects*

6. Currently available evidence shows that the Soviets are interested in individual weapons of large megatonnage yields, for deterrence and intimidation as well as for actual military employment. The weight and thus the yield of a nuclear warhead which could be orbited by a given launch system would be dependent on the altitude at which the satellite was to be orbited, on whether or not the satellite was to be deorbited prior to detonation, and on other variables.<sup>4</sup> The highest yields could be achieved if the warhead were detonated while in orbit, because the satellite would need to have little on-board equipment other than the warhead. Using the SS–6, with a Venik upper stage, the Soviets could achieve a yield [text not declassified] in a weapon designed for orbiting and detonation at 100 n.m. altitude. If the SS–8 is large and was employed with the same upper stage, they might be able to attain [text not declassified] under the same conditions.

7. Our knowledge of the effects of high-yield warheads detonated at very high or orbital altitudes is subject to much uncertainty. We are confident, however, that if [text not declassified] were detonated at altitudes as high as 100 n.m., they would produce negligible blast, shock and fallout effects on the ground. Available data suggest that [text not declassified] at this altitude would create heat over large areas, provided that the atmosphere was clear, but this heat would not be of sufficient intensity to start fires or to cause second degree burns to

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<sup>3</sup> For a discussion of possible performance characteristics of the SS–8 ICBM, see NIE 11–4–63, “Soviet Military Capabilities and Policies, 1962–1967,” dated 22 March 1963, TOP SECRET, paragraphs 49–56 and Annex B, Table 1.

<sup>4</sup> For a tabular summary of the estimated yields attainable with possible Soviet launch systems under various conditions in 1963–1964, see Table 1.

exposed human skin. Such detonations might cause temporary black-out of communications and radar over thousands of miles, but we have insufficient data at present to measure such possible effects reliably and we think it unlikely that the Soviets themselves possess such data.

8. In order to produce effects on the ground, therefore, a bombardment satellite orbited with existing hardware would have to be designed to de-orbit its warhead. In a satellite designed to be orbited at 100 n.m. and then to de-orbit and detonate its weapon at an altitude on the order of 150,000 feet, the SS-6 with a Venik upper stage could deliver a warhead capable of [text not declassified]. The SS-8, if large, and employed with a Venik upper stage, however, could still theoretically deliver a weapon with [text not declassified] under these conditions. In clear weather, such bursts at this altitude would cause severe damage to cities and other soft targets over a fairly large area, primarily by means of fire, although blast effect could be significant against some soft targets.

9. Detonation at even lower altitudes would be required to damage soft or hard targets by means of blast, shock and nuclear radiation. This form of delivery would require heat-shielding and other on-board equipment which would further reduce the size of the nuclear payload. However, by using the SS-6/Venik, the Soviets could still orbit at 100 n.m. and bring down to several thousand feet for detonation, a weapon with a yield of [text not declassified]. If the requirement were imposed that the nuclear weapon be recoverable, this possible yield would be further reduced [text not declassified]. The SS-8, if large, and employed with a Venik upper stage, could [text not declassified] for low altitude detonation, or [text not declassified] if the weapon was recoverable. However, as great or greater yields could be obtained with these launch systems if employed as ICBMs; accuracy and reliability would also be better.

#### *Other Characteristics*

10. In designing a system, the Soviets would also have to consider other trade-offs between its characteristics and the nuclear payload which could be orbited with a given launch system. In the examples given above, we assumed that the Soviets would employ minimal orbital altitudes (100 n.m.) and shallow de-orbiting paths in order to maximize nuclear payload. Orbital altitudes higher than 100 n.m. would result in a longer orbital lifetime, but at the expense of payload. There would also be a trade-off between accuracy and payload. Steep de-orbiting paths would result in greater delivery accuracy, but the vehicle would require more propellant for retrorockets and thus have reduced weapon yield.

11. While we believe the Soviets are now capable of orbiting a nuclear-armed satellite without prior testing, they could not have much

confidence in its reliability and accuracy as a delivery system. The deductions we have made from Soviet missile and space technology point to a technical capability of achieving a CEP on the order of 5–10 n.m. with warheads, of the yields mentioned above, de-orbited on shallow re-entry paths.<sup>5</sup> Soviet recoverable earth-satellites have contributed some experience in accurate de-orbiting of space vehicles, but the greater accuracy required for weapon delivery would call for developmental tests with new components. To develop such accuracy and to establish the reliability of nuclear-armed satellites would probably require a series of tests over a period of at least a year after an initial launching.

12. The effective orbital lifetime of nuclear-armed satellites the USSR could launch in the near term into 100–300 n.m. circular orbits is estimated to range from a week or so at the lower altitude to several months at the higher. The de-orbit propulsion system probably would be equally reliable at either altitude, although the longer storage period in space might have adverse effects on this system. Further, the Soviets must recognize that loss of ground control would result in eventual decay at an unpredictable point along the orbit. Therefore, they would almost certainly take precautions to build into the satellite safety devices designed to deactivate or destroy the warhead system if control of the vehicle was lost.

13. Existing Soviet facilities probably are adequate to control the operation of a single or a few nuclear armed satellites. These facilities could readily be employed to detonate a warhead over Soviet territory or the open ocean for demonstrative purposes. The Soviets would experience few difficulties in detonating a nuclear warhead on a north to south pass over the US, since all the retrorocket ignition points fall within line-of-sight of the USSR. This would not be so on south–north passes, but a satisfactory system could probably be developed by using a timer, set while the satellite was over the USSR.

14. Based on the foregoing considerations, we judge that the USSR could orbit and detonate a nuclear-armed satellite at any time. Because of uncertainties as to its performance, the Soviets would presumably consider it no more than a dramatic demonstration of technical capabilities. If, however, a series of test launchings began in the near future, there is a possibility that by the end of 1964 the Soviets could have a small force of perhaps 5–10 nuclear-armed satellites with predictable reliability and accuracies on the order of 5–10 n.m. CEP. In addition to the necessary boosters, satellites and warheads, such a force would

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<sup>5</sup> As indicated above, a somewhat better accuracy could theoretically be achieved by employing steeper re-entry paths and sacrificing some payload weight, but we think this very unlikely in the 1963–1964 period.

probably require at least some additional ground facilities, which could be constructed concurrently.

#### *Cost Considerations*<sup>6</sup>

15. The Soviets could put one or more nuclear-armed satellites into orbit with present hardware, or acquire a standby capability to do so, at a cost on the order of \$50 million per satellite. Assuming an effective lifetime in orbit of several months, one such satellite could be maintained in orbit at all times at a cost on the order of \$100 million or more per year. Even with existing types of hardware, however, it would cost much more to develop weapons with predictable reliability and accuracy and to have a force of 5–10 such weapons in orbit at all times. To accomplish this, the Soviets would have to expend on the order of \$1 billion for test firings, hardware production, ground facilities, and other initial investment. Maintenance costs would probably be some \$½–1 billion per year thereafter. For purposes of comparison, total Soviet expenditures on long range attack forces of all types (bombers, ground-launched missiles, and missile submarines) are on the order of \$6–6½ billion per year, excluding research and development costs.

### III. LIKELIHOOD IN 1963–1964

#### *Current Evidence*

16. As indicated above, we have thus far acquired no direct evidence indicating that the USSR intends to orbit a nuclear weapon in the near term. To date, no test firings have been observed which can be identified with the development of such a weapon. We have, furthermore, no positive evidence that a program to establish an orbital weapon capability is at present seriously contemplated by the Soviet leadership. There have, however, been a number of public references by high ranking Soviet officials in the past two years with regard to the military uses of space. In these statements, they have frequently referred to “global rockets” and on a few occasions to their ability to launch rockets from orbiting satellites. Moreover, the Soviets have recently become increasingly critical of US space activities, focusing their comments on an alleged US intention to exploit space for military purposes.

#### *Potential Advantages and Disadvantages*

17. If only because of its high cost and limited effectiveness we believe it unlikely that the Soviets will deploy in the near term an

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<sup>6</sup> We have no information on the ruble costs of Soviet ICBM or space systems. All cost figures presented in this estimate represent calculations of what such weapons might cost if produced in the US.

orbital force which would maintain as many as five to ten nuclear weapons in orbit. They could launch one or a few such satellites at comparatively small cost, but these would have negligible military value. Thus, we believe a Soviet decision to orbit nuclear weapons during the next two years or so would be based in the main on political and psychological considerations. The Soviets might conceive of such a move as a dramatic demonstration of technical and military prowess, one designed essentially to bolster their international prestige. We have pointed out elsewhere that the Cuban crisis had the effect of altering to the disadvantage of the USSR the view generally held of the balance of military power and that the Soviets have a strong incentive to restore plausibility to their claims of military superiority. They would hope that the consequent enhancement of the USSR's image as a great power could be used to persuade or intimidate other states into making concessions.

18. If, for primarily military reasons, the Soviets decide over the course of the next year or so to begin a major space weapons program for later deployment they might use an initial developmental vehicle for demonstrative purposes, hoping in this way to achieve immediate political capital. (They acted in much this way in the late 1950's when claims of a significant ICBM capability followed the decision to develop an ICBM force but preceded the deployment of such a force.) Further, whether or not the Soviets are now committed to a space weapons program, they might seek to demonstrate their own prowess first if convinced that the US was committed to such a program. They might even seek to forestall or delay the US effort by launching their own weapon in an attempt to arouse world pressure, particularly in the UN, against the militarization of space. They could plan subsequently to offer to withdraw their weapon in exchange for US adherence to a ban on space weapons.

19. Reactions in the Free World to the USSR's launching of an orbital weapon would vary with time and place, and much would depend on the extent and promptness of the US response. Reactions would also depend in part on the nature of the Soviet demonstration, on the claims advanced by Moscow concerning weapons capabilities and potential use, and on the credibility of these claims. We think it highly unlikely that the Soviets would assert that they had launched an orbital weapon without actually having done so. Their claims would have the greatest credibility if the Soviets actually detonated a weapon, but they could probably be made persuasive even in the absence of a detonation. (A test ban would presumably preclude a detonation.)

20. The orbiting of a nuclear weapon might provide the Soviets with a potent psychological weapon, a "sword of Damocles" which seemed to hang over everyone's head in a way which, logic and military

technology aside, ICBMs do not. The feat would stimulate respect for Soviet scientific excellence—though scarcely of post-Sputnik I proportions—awe of Soviet power, and fear of Soviet intentions. If the Soviets offered to remove their weapon in exchange for Western concessions, many individuals and not a few Free World governments would view the offer with relief and might urge the West to meet Soviet demands.

21. In seeking to gauge popular and official reactions in the Free World, the Soviets would also have to consider possible unfavorable responses. Though the Soviets would almost certainly characterize their move as a necessary “defensive” measure, much world opinion would view it as a new source of international tension and as a further obstacle to disarmament. It would be charged in many quarters that the USSR had extended the nuclear arms race into a new and more dangerous area, and in doing so, moreover, had placed all countries, not merely its potential enemies, in peril. In Western Europe, where the population has long lived under the Soviet threat, many would probably be receptive in time to official assertions that the orbital weapon added little or nothing to existing Soviet capabilities.

22. On balance, we do not believe that a Soviet demonstration would generate any massive or enduring shift of public sentiment. Despite the probable creation of considerable initial alarm, particularly if the Soviet move occurred during a period of high tension, pre-existing inclinations would for the most part be likely to govern both popular and governmental reactions. Among elements in the West favoring a conciliatory approach to Soviet pressures, for example, fear and concern would probably lead to mounting demands for official concessions, and resentment at the Soviet “violation” of space might be channeled more against the arms race and the cold war in general than directly against the USSR. Conversely, among those who advocate a more belligerent posture vis-à-vis the USSR, militancy would be heightened and would be accompanied by demands for some form of direct action to counter what would be regarded as a new Soviet threat.

23. Finally, in assessing the consequences of an orbital weapons demonstration, the Soviets would have to weigh the possibility that their act might stimulate a fateful turn in world affairs. They would have to consider very carefully whether it would serve their internal and international interests to risk possible strong US countermoves, a general intensification of the cold war, and an acceleration of the arms race. Specifically, if as yet uncertain as to US plans, the Soviets would be concerned that the launching of an orbital weapon for essentially political purposes might spark an ambitious US military program in space.

#### *Near-Term Intentions*

24. Thus, the specific factors likely to be involved in a Soviet decision to orbit a nuclear weapon tend either to conflict with one or

another or to rest on such imponderables as the Soviet estimate as to the likelihood of a US military program in space. Further, they depend in part on the overall US posture, the international climate as a whole, and the tactical line of Soviet policy at any given time. Thus, we cannot assess with confidence the likelihood of the USSR's launching a nuclear-armed satellite in 1963–1964. On balance, it seems to us that the disadvantages would outweigh the advantages, and we therefore believe that the chances are less than even that the USSR will make such a move. Nevertheless, the Soviets may weigh the balance differently from the way we do, and it remains possible that they will exercise their technical capability at any time.

#### IV. REACTIONS TO SPECIFIC UN AND US COURSES OF ACTION

25. If the Soviets do in fact orbit one or a few nuclear weapons, they would probably expect some form of UN response. A UN resolution condemning the Soviet action and calling for the removal of the weapons would probably be strongly supported by all Western European and most Latin American governments. A majority of the Afro-Asian States would also probably support their removal, though many might be reluctant to support a clear-cut condemnation of the USSR. The Soviets, if willing to entertain the idea of removing their weapons, could be expected to insist on some form of *quid pro quo* from the US. In this event, they could probably count on support from many nonaligned states. The outcome would, of course, rest in part on US policy at the time and the USSR's tactics in regard not only to the issue at hand but also its foreign policies in general. We believe, however, that the chances are better than even that the UN would eventually pass some form of resolution which criticized the Soviet move and called for a permanent ban on weapons in space. It might also appeal to other powers, most notably the US, to negotiate with the USSR in an effort to secure the removal of the Soviet weapons.

26. Moscow would probably expect an appeal for the removal of its weapon. The USSR might agree to remove its weapon from orbit if the UN passed a resolution condemning any military use of space. It is more likely, however, that the USSR would counter with a broader resolution dealing with other disarmament and cold war issues, maintaining that it could not be deprived of a military advantage without some recompense from the West. Or, it might offer to withdraw its weapon in exchange for US agreement to refrain from orbiting observation satellites.

27. The Soviets would also probably allow for a direct US response. In addition to a vigorous protest, which they would almost certainly reject, they might expect the US to demonstrate a comparable capability in the minimum time possible. Moscow probably would not seek to



destroy a US weapon deployed under these circumstances. An offer from the US to withdraw its weapon in exchange for similar Soviet action would probably receive considerable support from world opinion and from the UN. The Soviets might be receptive to such an exchange if it appeared at that time that their political objectives had already been well served.

28. The Soviets would have to consider the possibility of a US attempt to destroy their satellite, and if they did, there are various ways in which they could seek to avoid such a US action. They need not reveal the nature of their satellite until after detonating it. If they did reveal the nature of the satellite while in orbit, they might detonate it after only a few orbits, perhaps before it passed over US territory, thus minimizing both US reaction time and anti-satellite capabilities. The Soviets might also seek to deter US action by statements threatening some form of retaliation, such as the destruction of US satellites.

29. Whether the Soviets would in fact seek to destroy US satellites in the event that the US destroyed the Soviet weapon would depend on a number of circumstances, including the general US stance and the international climate. The USSR's response would also depend upon Soviet estimates as to the consequences of inaction in terms of its international prestige in general, and its possible plans for future space activity in particular. If the US had orbited a nuclear weapon, the Soviets would probably seek to destroy it in retaliation. If the US had not orbited a weapon, the Soviets might view the US move as providing an opportunity to frustrate any future US military activities in space; at the very least, they could cite the US actions as a precedent and threaten to destroy any future US orbital weapons. Indeed, Moscow might believe the US action provided a good pretext for the destruction of US observation satellites. The Soviets, however, would be wary of the risks involved in direct retaliation, including a possible "open war" on all satellites and the accompanying dangers of escalation.

30. Both governmental and public opinion in most allied states would expect a vigorous US response to a Soviet deployment of orbital weapons. While there might be some preference for at least an attempt to secure UN action, US measures to counter the Soviet action would in general receive firm support; indeed, US failure to act (particularly after an unsuccessful attempt to deal through the UN) would probably lead to considerable dismay. Opinion in the nonaligned states would probably be most sympathetic to efforts to achieve voluntary grounding of the weapon by Moscow. US action to destroy the Soviet weapon would probably stimulate concern as to the consequences for world peace but—once a possible crisis had passed—probably few would view the US move as anything other than a legitimate reply to Soviet provocation. If, instead, the US launched its own nuclear weapons, the



nonaligned states would probably see in the US response merely an inevitable countermove. Pressures on the US and the USSR to desist from extending the arms race into space would be strong, at least for a time.

#### V. SOVIET CAPABILITIES, 1965–1970

31. The Soviets will be able to improve their capabilities in bombardment satellites throughout the present decade even if they employ only the launch vehicles available today. Advances in Soviet nuclear technology would increase the yields of the warheads which could be orbited. For example, assuming continued nuclear testing, by about 1970 the SS-6/Venik combination could probably place a weapon of [text not declassified] into a 100 n.m. orbit for detonation at about 150,000 feet, as compared with [text not declassified]. We also expect advances in the techniques of guidance and control in the normal course of continued Soviet ICBM and space development. Even with these improvements, however, one or a few such weapons would continue to have negligible military value.

32. Any orbital bombardment system of real military significance would require satellite vehicles in some number, and would accordingly be extremely complex and expensive. Important developmental progress toward such a system within the decade would require a major Soviet effort to perfect hardware and to develop advanced techniques. In considering whether to authorize such an effort, the Soviet leadership would examine the likely military value of orbital bombardment systems in relation to the mix of forces for long range attack they would hope to have in the late 1960's and beyond, and the costs of the alternatives open to them. Further, considerations relating to political reactions, the risk of intensifying the arms competition, and other similar factors discussed above would become even more complex and weighty in connection with such an effort.

33. Although we have only a general idea of the probable composition of Soviet long range striking forces some years hence, our present information supports an estimate of several broad trends in the future development of these forces. It appears quite likely that present Soviet schedules call for the acquisition of some hundreds of ICBM launchers for missiles with multimegaton yield warheads. Efforts to improve readiness and reaction times are evidently being carried out to increase the effectiveness of strategic attack forces for pre-emptive or retaliatory strikes. The hardening of a portion of the land-based missile forces and the development of advanced submarine-launched missile systems point to Soviet concern to have protected retaliatory capabilities. All these developments, together with the trend toward higher megaton yields which has been evident in the nuclear testing program, are

designed to enhance both the deterrent value and military capability of the Soviet striking forces.

34. None of the recent trends in the Soviet strike forces suggest, however, that the USSR presently contemplates forces capable of completely neutralizing US strike forces in an initial blow, nor do Soviet programs appear designed to match the US in numbers of delivery vehicles. Thus far, the Soviets appear to be counting on continued deployment of their large and reliable missiles and on the added threat provided by the testing of very high yield weapons to attain credibility for their deterrent. We think, therefore, that they would be likely to view the development of orbital bombardment systems primarily as a means of supplementing their existing types of forces in this role rather than visualizing such weapons as replacement or substitute systems. They would probably also consider them as one way of introducing additional complications into US defense planning. Finally, they would probably regard them as a qualitative advance in weapon technology which could support Soviet claims to parity or even superiority in total strategic capabilities.

#### *Technical Considerations*

35. There is a wide range of delivery techniques and types of orbital forces which might be sought by the Soviets, with considerable difference in developmental requirements, costs, and effectiveness. Because we have no direct evidence of Soviet objectives in the field of orbital bombardment systems, we can examine Soviet capabilities only in terms of the broad alternative types of forces the USSR might consider as supplementary strike systems. In all cases, we have assumed that the Soviets' evident interest in very high yield systems would lead them to consider orbital vehicles capable of carrying warheads with yields of at least 25 megatons, and preferably 100 megatons or more.

36. For employment in the period beyond 1965, the Soviets could consider several broad types of multiorbital bombardment force, each of them capable of providing a continuous and visible threat of attack on US and other Western targets. To provide a threat of retaliation against population centers, they might find a relatively small force with limited effectiveness sufficient. For such a force, hardened command and control facilities would be required, but near-simultaneity of weapon delivery would not be essential, nor would precise accuracy be needed with very high yield warheads. For pre-emptive employment against smaller or harder military targets, however, a sophisticated force with high accuracy, short times to target, and near-simultaneity of weapon delivery would be necessary.

37. Some possible characteristics of representative forces of these two broad types, and estimated Soviet capabilities to achieve them are

discussed in the following paragraphs. In general, however, because of present uncertainties as to the effects of nuclear weapons detonated at altitudes above the dense atmosphere, a desirable feature of any orbital system under present consideration (other than a token force) would be a capability to detonate weapons at whatever altitude was later found to be most effective. In addition, the orbiting vehicles would need to be long-lived and reliable, and to be protected against counter-measures. Finally, factors of safety and cost would probably dictate the incorporation of techniques to recover warheads within Soviet territory.

38. *A force of limited effectiveness* might be designed to maintain a small number of weapons in orbit, which, while they would not provide continuous target coverage would be capable of detonation on specified targets over a period of hours as their orbits passed near. A representative force of this type might be programmed eventually to maintain some 10–25 weapons in orbit at altitudes of several hundred miles, able to attack targets within a few hundred miles of their orbital planes. The Soviets would probably consider CEPs of 5–10 n.m. adequate for this purpose. To carry warheads of 100 MT or more which could be detonated at any altitude or recovered, the system would require advanced spacecraft weighing on the order of 20 tons. To orbit such vehicles, the Soviets would need to employ a new, large booster with a thrust of 1½–2 million pounds.<sup>7</sup> If such a booster becomes available for flight testing as early as 1964, and is adapted to an orbital bombardment system, it is possible that weapons of this size and weight could be orbited in the 1965–1967 period. Further testing over a period of a year or two after the initial launching would be required to establish accuracy and reliability.

39. Such a force could be deployed and maintained in orbit with relatively few launching facilities, and it might even utilize facilities constructed for other purposes, although some additional control facilities probably would be required. If the Soviets pursued development and deployment of such a limited force, we think they could have it fully operational by 1970.

40. *A very sophisticated force*, on the other hand, might be designed to maintain a large number of weapons in carefully spaced orbits, with guidance and control capable of programming weapons against a specified target system within minutes of a decision to attack. A representative force of this type might eventually be programmed to maintain some 80–200 weapons in orbit at all times so as to be able to attack some 10–25 targets in the US with 100 MT warheads over a

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<sup>7</sup> For a discussion of Soviet large booster development, see paragraphs 27–33 of NIE 11–1–62, “The Soviet Space Program,” dated 5 December 1962, SECRET.

period of an hour or two. Such a force would need to employ very advanced spacecraft with precise on-board attitude control and retro-rocket systems, and with side-ranging capabilities to attack targets several hundred miles from their orbital planes with CEPs approaching one n.m. Decoys and other measures to reduce vulnerability and mask the size and location of the force would be highly desirable.

41. The attainment of a force of this sort would require major Soviet advances in technology as well as a large-scale program to produce hardware and construct ground facilities. It is possible that the required spacecraft could be developed and proved out within the 1967–1970 period. In addition, however, a sophisticated force of this type would need to have numerous launching facilities, a very complex computation and control facility, and a substantial number of tracking and command stations spaced symmetrically across the USSR at the highest possible latitudes. Although the establishment of such a force could be in progress beginning as early as 1967, it seems highly unlikely, in view of the enormous complexities involved, that it could be fully operational until after 1970.

42. *Alternative systems* of a variety of types might be developed. For example, a somewhat smaller booster system could be employed to orbit spacecraft with advanced performance but weighing less than the vehicle required to deliver 100 MT weapons. If the SS-8 booster is large, and development of an advanced spacecraft is already underway, an initial developmental launching of [text not declassified] could probably occur in 1965.

43. It is also possible that a multiorbit bombardment force could be designed as a standby force, with some reduction in total vehicle requirements below those of a force of weapons in orbit at all times. Such a force would have its weapons stored at ground complexes, ready for launching at any time. If a standby force was intended solely for deployment during periods of international tension, hardening of ground facilities would not be necessary. On the other hand, if a retaliatory role was also assigned to a standby force, hardening of most if not all facilities probably would be required. A small standby force, with perhaps 10–25 weapons available for launching, might appeal to the Soviets as an alternative to a small multiorbit force which maintained the same number of equivalent weapons in orbit. As a practical matter, one launcher probably would be needed for each 2–4 standby weapons, so that launching of the entire force could be accomplished in a period of a few days. A large standby force of sophisticated weapons would not be a practicable alternative to a similar force maintained in orbit, primarily because of the exorbitant requirement for launch facilities.

44. Finally, we estimate that the Soviets are also capable of developing a fractional orbit<sup>8</sup> bombardment system within the 1965–1970 time period. A system of this type would be designed to launch weapons at the initiation of hostilities in a manner comparable to that of ICBM systems, but on near-global trajectories in an effort to avoid US warning systems. Fractional orbit weapons with yields ranging from 25 to 100 or more megatons could be developed with hardware comparable to that of multiorbit systems. Development time for the spacecraft could be somewhat shorter because on-board systems would be less complex. However, such a system would need very extensive and complex ground facilities, which could take at least as long to construct as those of a very sophisticated multiorbit force.

*Considerations of Cost and Effectiveness*

45. It is impossible to make any confident estimate about what sort of orbital bombardment system the Soviets are likely to develop, or even whether they will commit major resources to develop any such system. Indeed, it seems likely that they have not yet proceeded beyond the point of feasibility studies on advanced orbital bombardment systems, and of weighing the possible costs and effectiveness of such systems against those of other delivery systems capable of performing comparable missions.

46. The costs of orbital systems would depend on their size and sophistication, but in all cases they would be quite large when compared with ICBM costs. Rough calculations based on US experience suggests that the very sophisticated orbital system which we have described would require R&D expenditures on the order of \$2–3 billions. To establish and maintain a force of some 80–200 vehicles in orbit at all times would cost \$4–12 billions for initial investment and an equal amount annually thereafter for the life of the program, even assuming that the vehicles had an average orbital lifetime of 1 year. The force of limited effectiveness, with some 10–25 weapons continually in orbit, would probably require R&D expenditures of some \$2 billions, an initial investment on the order of \$½–1½ billion and an equal amount annually thereafter. This smaller force, however, even if its R&D costs were minimal, would over a five-year period cost more than five times the amount required to deploy and maintain for the same period an equal number of large, hardened ICBMs with 100 MT warheads.

47. A small, unhardened force, maintained on a standby basis, would be much less expensive than a force maintained in orbit. After an initial investment on the order of \$½ to \$1½ billion, operating costs

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<sup>8</sup> A fractional orbit system is one which is designed to make less than one revolution of the earth before detonation, but which does not follow a ballistic trajectory.

could be as little as 100 million dollars annually, a portion of which would be expended to conduct one or two reliability and confidence firings. Even so, such a force would be more costly than an equivalent ICBM force. It seems likely that the Soviet leadership would have to be well convinced of the value of an orbital system before making such a large commitment.

48. For accomplishing military missions, we think that during the 1965–1970 period, orbital bombardment systems will not compare favorably with ICBMs in terms of reaction time, average life, reliability, vulnerability, accuracy, or targeting flexibility. In addition to being less effective militarily, an orbital bombardment system will be considerably more costly than an equivalent delivery capability with ICBMs. Based solely on considerations of cost and effectiveness as we now understand them, therefore, it would appear unlikely that the Soviets will during this decade deploy advanced orbital bombardment systems of military significance.

49. We recognize, however, that the Soviets might reach different conclusions as to cost and effectiveness, or that other factors might in their view be more weighty. It is possible that the Soviet leaders would be strongly attracted by what an orbital bombardment system might do to reverse the impression that they are now inferior in strategic capabilities. Moreover, considering the pace of developments in the weapons field in general, it is extremely hazardous to estimate Soviet decisions for a period many years ahead; it is possible that the rapid progress of space technology could result in weapons developments whose feasibility is not now manifest. It is also possible that the Soviets are deferring a decision while awaiting more information on their own technical progress as well as on US capabilities and intentions with respect to military space programs. For these reasons, a firm estimate as to whether the Soviets will deploy an advanced orbital bombardment system within the 1965–1970 period cannot be made at this time.

50. If the Soviets do proceed with an advanced orbital system, we believe that they are more likely to seek a small force of limited effectiveness than a very large and sophisticated one. The weapons of a small force could be maintained continually in orbit or could be held on standby on the ground for deployment as required. In any case, developmental testing of an orbital bombardment system should be observable to us at least a year or two prior to attainment of an accurate, reliable system.

Table 1  
WARHEAD WEIGHTS AND YIELDS OF POSSIBLE SOVIET NUCLEAR-ARMED SATELLITES, 1963–1964<sup>a</sup>

LAUNCH SYSTEM <sup>b</sup>	NON-RECOVERABLE PAYLOAD FOR DETONATION IN ORBIT	NON-RECOVERABLE PAYLOAD FOR DETONATION ABOVE 150,000 FT.		NON-RECOVERABLE PAYLOAD FOR DETONATION AT ANY ALTITUDE		RECOVERABLE PAYLOAD FOR DETONATION AT ANY ALTITUDE	
		90° Range	30° Range	90° Range	30° Range	90° Range	30° Range
		Angle <sup>c</sup>	Angle <sup>c</sup>	Angle <sup>c</sup>	Angle <sup>c</sup>	Angle <sup>c</sup>	Angle <sup>c</sup>
<i>Orbital Altitude of 100 Nautical Miles</i>							
SS-6, with Lunik upper stage <sup>d</sup>	9,100 lbs/ [text not declassified]	7,200 lbs/ [text not declassified]	4,700 lbs/ [text not declassified]	5,700 lbs/ [text not declassified]	4,000 lbs/ [text not declassified]	5,400 lbs/ [text not declassified]	3,300 lbs/ [text not declassified]
	13,700 lbs/ [text not declassified]	11,100 lbs/ [text not declassified]	7,400 lbs/ [text not declassified]	9,100 lbs/ [text not declassified]	6,400 lbs/ [text not declassified]	8,700 lbs/ [text not declassified]	5,400 lbs/ [text not declassified]
SS-6, with Venik upper stage <sup>d</sup>	15,300 lbs/ [text not declassified]	12,500 lbs/ [text not declassified]	8,500 lbs/ [text not declassified]	10,200 lbs/ [text not declassified]	7,300 lbs/ [text not declassified]	9,700 lbs/ [text not declassified]	6,200 lbs/ [text not declassified]
	23,000 lbs/ [text not declassified]	19,000 lbs/ [text not declassified]	12,500 lbs/ [text not declassified]	15,000 lbs/ [text not declassified]	11,000 lbs/ [text not declassified]	14,000 lbs/ [text not declassified]	9,300 lbs/ [text not declassified]
<i>Orbital Altitude of 300 Nautical Miles</i>							
SS-6, with Lunik upper stage <sup>d</sup>	8,200 lbs/ [text not declassified]	6,300 lbs/ [text not declassified]	3,300 lbs/ [text not declassified]	4,800 lbs/ [text not declassified]	2,700 lbs/ [text not declassified]	4,600 lbs/ [text not declassified]	2,000 lbs/ [text not declassified]



LAUNCH SYSTEM <sup>b</sup>	NON-RECOVERABLE PAYLOAD FOR DETONATION IN ORBIT	NON-RECOVERABLE PAYLOAD FOR DETONATION ABOVE 150,000 FT.		NON-RECOVERABLE PAYLOAD FOR DETONATION AT ANY ALTITUDE		RECOVERABLE PAYLOAD FOR DETONATION AT ANY ALTITUDE	
		90° Range Angle <sup>c</sup>	30° Range Angle <sup>c</sup>	90° Range Angle <sup>c</sup>	30° Range Angle <sup>c</sup>	90° Range Angle <sup>c</sup>	30° Range Angle <sup>c</sup>
SS-6, with Venik upper stage <sup>d</sup>	12,300 lbs/ [ <i>text not declassified</i> ]	9,700 lbs/ [ <i>text not declassified</i> ]	5,300 lbs/ [ <i>text not declassified</i> ]	7,800 lbs/ [ <i>text not declassified</i> ]	4,500 lbs/ [ <i>text not declassified</i> ]	7,500 lbs/ [ <i>text not declassified</i> ]	3,600 lbs/ [ <i>text not declassified</i> ]
	13,900 lbs/ [ <i>text not declassified</i> ]	11,000 lbs/ [ <i>text not declassified</i> ]	6,000 lbs/ [ <i>text not declassified</i> ]	8,800 lbs/ [ <i>text not declassified</i> ]	5,100 lbs/ [ <i>text not declassified</i> ]	8,400 lbs/ [ <i>text not declassified</i> ]	4,100 lbs/ [ <i>text not declassified</i> ]
SS-8, if large, with Venik upper stage <sup>e</sup>	21,000 lbs/ [ <i>text not declassified</i> ]	16,500 lbs/ [ <i>text not declassified</i> ]	9,000 lbs/ [ <i>text not declassified</i> ]	13,200 lbs/ [ <i>text not declassified</i> ]	7,500 lbs/ [ <i>text not declassified</i> ]	12,500 lbs/ [ <i>text not declassified</i> ]	6,000 lbs/ [ <i>text not declassified</i> ]

<sup>a</sup> The megatonnage yields for nuclear devices of weights equivalent to those used in this table are expected to be higher in the post-1965 period. For example, while in 1963-64 a nuclear warhead weighing about 5,400 pounds could deliver a device with [*text not declassified*] a warhead of the same weight could in 1970-1972 deliver a device with a [*text not declassified*] assuming continued nuclear testing.

<sup>b</sup> In addition, the Soviets could theoretically put a nuclear weapon into orbit with the SS-8 ICBM, it is relatively small, the SS-7 ICBM or the SS-5 IRBM. However, even with upper stages, their orbital payload capabilities would be much less than that of the SS-6, and in some cases would be extremely limited even under optimum conditions. Further, it would probably require the development and testing of satellite hardware of types not now available.

<sup>c</sup> The use of a 90-degree range angle for de-orbiting provides for greater warhead weight at the expense of accuracy. Conversely, a 30-degree range angle would result in a lighter warhead but a better CEP. These two values represent reasonable maximum and minimum range angles in this time period. A 300-nm side range capability during de-orbiting has been assumed so as to provide some targeting flexibility.

<sup>d</sup> Tested and proven satellite launch system.

<sup>e</sup> For a discussion of possible performance characteristics of the SS-8 ICBM, see NIE 11-4-63, paragraphs 49-56 and Annex B, Table 1. The SS-8 has not yet been tested in a satellite-launching role nor has it yet been tested in combination with the Venik upper stage.



**296. Memorandum from Forrestal to Bundy, July 19<sup>1</sup>**

July 19, 1963

Although the limits of Kaysen's empire, like that of Darius were undefined and expanding, Bob Komer and I have attempted to de-limit them for the purpose of establishing our condominium.

So far as we know, Carl operated in the following general areas:

International Economic Affairs

International liquidity problems	(F)
Balance of payments	(F)
Trade	(X)

Planning

Strategic military planning	(K)
State Department policy planning	(K)
Long range economic planning (CEA)	(X)

Budget Review

Defense	(F) (K)
CIA	(F)

Arms and Arms Control

Disarmament	(Johnson)
Weapons systems	(Johnson)
AEC Tests	(Johnson)

Regional

Africa	(Brubeck)
Okinawa	(F)

Although there is no way of replacing from your present staff Carl's professional expertise in economic matters, we think that a very informal reshuffling of functions will give you coverage at least of his major responsibilities. In the two areas marked "X", you may want to use someone from the CEA.

Bob feels that with the help he is getting from Harold Saunders on his regional responsibilities (NEA), he can take on the functions marked "K" above. I think that if we can find some junior to help on my regional responsibilities (FE), I could take on the additional responsibilities marked "F" above.

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<sup>1</sup> Reassignment of Kaysen's portfolio. No classification marking. 2 pp. Kennedy Library, National Security Files, Meetings and Memoranda Series, Staff Memoranda, Carl Kaysen.

Since I do not have Carl's professional experience, my attempts to keep you abreast of the operations of the Treasury in international matters will have to be carried out in a somewhat different fashion. The result will be, I am afraid, that you will not have on your staff the strong kind of advocate for broad action in the balance of payments and international liquidity areas that you had in Carl. Since my background is more in line with that of Doug Dillon, it will be necessary to call more upon the staff of the Council to get the proper kind of balance.

Both Bob and I have over-lapping personal interests in getting into Defense Department matters; but I think that these can be sorted out in practical terms, given his talents on the planning and strategy side and my own proclivity for getting involved in the nuts and bolts.

Between us it is going to be more than we can do to fill Carl's shoes; but I think we can carry the operation along, at least well enough to protect you from too many surprises.

Incidentally, as a candidate for the Far East junior staff member, I would suggest that you consider Jim Thompson, who is now a special assistant to Roger Hilsman. He has a good academic background in Asian Affairs, and although he used to work for Chet Bowles, I think he is pliable enough to fit into our kind of operation. But you may have better ideas.

Bob has seen this and approves.

**Michael V. Forrestal**

**297. Special National Intelligence Estimate, SNIE 13–2–63,  
July 24<sup>1</sup>**

July 24, 1963

COMMUNIST CHINA'S  
ADVANCED WEAPONS PROGRAM

THE PROBLEM

To assess Communist China's progress toward acquisition of a nuclear weapons and missile capability and to estimate the effects of such a development on Chinese policy.

NOTE TO READERS

Since our most recent estimate on Communist China's advanced weapons program<sup>2</sup> we have received a considerable amount of new information, mainly from photography. This evidence leads us to believe that the Chinese, with Soviet assistance, had embarked in the latter 1950s on a more ambitious advanced weapons program than we had earlier thought likely. We further believe that they are still working on that program though forced to slow its pace materially since 1960. Nevertheless, the gaps in our information remain substantial and we are therefore not able to judge the present state or to project the future development of the Chinese program as a whole with any very high degree of confidence. Specific judgments given below about the stage likely to be reached by the Chinese program at particular dates should be read in the light of this general caution.

CONCLUSIONS

A. Peiping has given high priority to the development of nuclear weapons and missiles. Recent aerial photography has revealed a number of developmental facilities indicating a broad program which diverts Communist China's limited scientific and technological resources from other parts of the economy. (*Paras. 2–15 and 19*)

B. We have found what we believe to be a plutonium production reactor in China, located at Pao-t'ou. This reactor probably could not have reached criticality before early 1962. If it did go critical at that time, the earliest a first device could be tested, based on plutonium

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<sup>1</sup> "Communist China's Advanced Weapons Program." Printed in part in print volume as Document 138. Secret; Controlled Dissem. 16 pp. Department of State, INR/EAP Files: Lot 90 D 99.

<sup>2</sup> NIE 13–2–62, "Chinese Communist Advanced Weapons Capabilities," dated 25 April 1962. (TOP SECRET)

from this reactor alone, would be early 1964. If the Chinese run into even a normal number of difficulties, this date would be postponed to late 1964 or 1965. If the reactor reached criticality later than early 1962—or has not yet done so—the detonation would be even further delayed. Beginning the year after a first detonation the reactor could produce enough material for only one or two crude weapons a year. The Chinese have a few bombers which could carry bulky weapons of early design. (*Paras. 4–6 and 17*)

C. We believe that the eventual Chinese program calls for nuclear weapons containing both U-235 and plutonium. Such a program would require more plutonium production facilities than the one reactor that has been identified. Neither photographic coverage nor other significant evidence have disclosed another production reactor in China. The possible existence of another reactor cannot be ignored however, nor the possibility that one may be in production. We therefore cannot exclude the possibility that the Chinese could achieve a first detonation at any time. (*Para. 7*)

D. The gaseous diffusion plant at Lanchou will probably not be able, under the most advantageous circumstances, to produce weapon-grade U-235 before 1966. Considering the great technical difficulties involved and the large amount of additional construction needed, a more likely date for such production is 1968–1969. (*Paras. 2 and 3*)

E. Peiping is probably concentrating initially on a medium-range ballistic missile (MRBM) system of basically Soviet design, either the 630 mile SS-3 or the 1,020 mile SS-4. We do not believe that missiles would be ready for deployment before 1967. Because of the time and difficulties involved in producing a missile-compatible warhead, we believe China is not likely to develop such a warhead until 3 or 4 years after a first detonation. (*Paras. 16 and 18*)

F. The detonation of a nuclear device would boost domestic morale. Although it is possible that the leadership would experience a dangerous degree of overconfidence, we think it more likely that Peiping will concentrate on furthering its established policies to: (1) force its way into world disarmament discussions and other world councils; (2) overawe its neighbors and soften them for Peiping-directed Communist subversion; and (3) tout Chinese-style communism as the best route for an underdeveloped nation to achieve industrial and scientific modernity. In pursuing its policies, Peiping's increased confidence would doubtless be reflected in its approach to conflicts on its periphery.<sup>3</sup> (*Paras. 20–27*)

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<sup>3</sup> "The Acting Director, Bureau of Intelligence and Research, Department of State, believes that China's leaders would recognize their limited capabilities had not altered the real power balance among the major states and could not do so in the future. In particular, they would recognize that they remained unable either to remove or neutralize the US presence in Asia and would not become willing to take significantly greater military risks."

## DISCUSSION

## I. PROSPECTS FOR COMMUNIST CHINA'S ADVANCED WEAPONS PROGRAM

A. *The Nuclear Program*

1. Soviet assistance was an important factor in the Chinese nuclear program until 1959, ranging from participation in uranium prospecting and processing through the supply of a research reactor and cyclotron to assistance in constructing a major facility for the separation of U-235. Strains in Sino-Soviet relations, however, disrupted this program and by mid-1960 we believe the Soviets had stopped providing technology and equipment for China's nuclear program and had withdrawn Soviet nuclear technicians. These blows have greatly retarded the Chinese nuclear program. The Soviets could not, however, undo what had already been done, and construction of the gaseous diffusion plant at Lanchou, for example, was already well under way.

*The Gaseous Diffusion Plant*

2. This gaseous diffusion plant is similar to such plants in the USSR. Photography of September 1959 shows that the exterior of the present main building was largely completed by that time, but the facility lacked a power supply. Photography of March and June 1963 shows that the nearby hydroelectric plant, which was apparently designed to supply the diffusion plant, has made some progress, but much work remains to be done. In the meantime, some power is available. Two transmission lines, one of which appears to be complete, connect the diffusion plant with a thermal electric plant at Lanchou. A substation has been built at the diffusion plant, and installation of transformers alongside the main building has begun, though only two of a probable 38 were shown in place in the latest photography.

3. The building at Lanchou is big enough to permit the production of low enrichment U-235, suitable for use in reactors. However, at least twice as much floor area as that provided by the present main building would be required to produce weapon-grade U-235. There is an adjacent area inside the security fence apparently intended for such expansion, and there is some sign that work may be beginning there. Even if work is under way and all of the highly specialized separation equipment was promptly available, the earliest date at which weapon-grade U-235 could be produced would be in 1966. Considering the great technical difficulties involved and the large amount of additional construction needed, a more likely date for such production is 1968–1969. It is extremely unlikely that the Chinese have developed alternative processes for quantity production of U-235.

*The Plutonium Production Reactor*

4. Recent photographic coverage of the Pao-t'ou area of Inner Mongolia has revealed an installation with elaborate security arrangements. This installation includes what we believe to be a small air-cooled plutonium production reactor, of about 30 megawatts capacity, with associated facilities for chemical separation and metal fabrication. An air-cooled reactor has the significant advantages of inherent simplicity of design and construction and less stringent purity requirements for the graphite moderator and uranium fuel. We have no knowledge of Soviet work with reactors of this type, but both the United Kingdom and France built such reactors for their initial production of plutonium and considerable unclassified design and operating data on air-cooled reactors has been available since 1955.

5. The chief disadvantage of an air-cooled reactor is its low productivity. The reactor at Pao-t'ou, when in full production, would be able to turn out only enough plutonium for one or, at most, two crude low-yield weapons a year. Peiping may have selected this sort of reactor as the quickest and surest way within its capabilities to achieve a nuclear detonation and acquire at least a token weapons capability. A sizable weapons program based on plutonium alone would require greater quantities of plutonium than can be expected from the Pao-t'ou reactor.

6. We cannot determine from the 1963 photography whether or not the Pao-t'ou reactor is now in operation. If it is in operation, we believe it could not have reached criticality before early 1962. After reaching criticality, one year would be needed for fuel element irradiation within the reactor and an additional 9 to 12 months for cooling of the irradiated fuel, chemical separation of the plutonium and fabrication of a device. Therefore, the earliest a first device could be tested, based on plutonium from this reactor alone is early 1964. However, this schedule assumes that virtually no problems arose in the achievement of reactor criticality or will arise in the operation of the separation and metal fabrication plants or in the fabrication of a nuclear device. Running into even a normal number of difficulties would postpone the date to late 1964 or 1965. If the reactor reached criticality later than early 1962—or has not yet done so—the detonation date would be even further delayed.

7. We believe that the eventual Chinese program calls for nuclear weapons containing both U-235 and plutonium. For such a program, the amount of plutonium which Pao-t'ou could produce would be far too small to be compatible with the amount of weapon-grade U-235 which Lanchou could produce when and if completed. Hence, we believe that the Chinese must at least have planned other plutonium production facilities. We have had photographic coverage of many of

the likely areas for reactor sites without identifying another production reactor, and there is no significant collateral evidence indicating the existence of such a reactor. Nevertheless, it is possible that there are other plutonium production facilities under construction elsewhere in China or, indeed, that such facilities may be in production. In these circumstances, we cannot exclude the possibility that the Chinese could have a first detonation at any time.

#### B. *The Missile Program*

##### *The Research and Development Facility*

8. A missile research and development facility was under construction in the spring of 1959 at Chang-hsin-tien, 16 miles southwest of Peiping. Construction appears to have moved ahead at a good pace since then. Its size indicates that the Chinese are aiming at a substantial independent missile program. It now includes three large static test stands with two large assembly/checkout type buildings, and what appears to be a propellants area. Adjacent areas contain ancillary buildings including several buildings suitable for research and development work. The facility appears suitable for developing surface-to-surface ballistic missiles of up to at least MRBM size and is large enough to permit limited production of missiles. Photography indicates that construction is sufficiently far along for the facility to be in at least partial operation.

9. We do not have comparable evidence on the state of the machinery and instrumentation inside the buildings nor on the ability of Chinese industry to supply the necessary materials and components for a missile development program. The electronics industry is the most advanced of China's technical industries and should be the least hard pressed to supply missile components. More difficulties might be expected in providing special alloys for rocket engines, and high-specification nonelectronic parts.

##### *The Test Range*

10. The second major element of the missile development program is the complex at Shuang-ch'eng-tzu, which includes a missile range, a major airfield and related facilities. The complex appears to be designed to permit the testing of surface-to-air missiles (SAM) and of surface-to-surface missiles (SSM) up to MRBM distances. Handling facilities and instrumentation at the Shuang-ch'eng-tzu airfield are similar to those used in the USSR for testing air-to-air (AAM) and air-to-surface (ASM) missiles. These facilities suggest that AAM and ASM programs were planned by the Chinese but there is no evidence as to the present status of these programs. The complex was started in early 1958 and by mid-1960 the range was far enough along to permit initial

firings for purposes of checking out the missile facilities and range instrumentation and for training Chinese personnel. Construction on the range has been continuing.

11. We do not know the extent to which the USSR was involved in the development of the Shuang-ch'eng-tzu complex. However, the facilities at the complex generally follow Soviet design. We believe that by mid-1960, when the major withdrawal of Soviet technicians had been accomplished, the Soviets had provided the Chinese with some SA-2s, cruise missiles, and SSMs, possibly up to SS-4s (1,020 n.m.).

12. There is no reliable evidence of flight-test firings of missiles occurring much before late 1961 except for some possible firings of shortrange tactical missiles in 1960. We believe some firings occurred in 1962 and 1963 (Photography of June 1962 showing a large crater about 1,500 yards from one of the pads indicates one rather spectacular failure), but the rate of firing can at most have been sporadic and very limited. No evidence of SS ballistic missile deployment has been found.

#### *Defensive Missiles*

13. Sites for coastal defense cruise-type missiles have recently been located at Lien-shan on the Gulf of Liaotung and possibly in an area near Port Arthur. The former may date back to 1959; the latter was still apparently incomplete in May 1963. The missile system at the Lien-shan site is apparently one which the Soviets adapted from their AS-1 missile and which is also being used at Cuban coastal defense missile sites. In March, 1963, there were photographed some 50 crates at Lien-shan which we believe to have contained cruise missiles. Review of earlier photography indicates that at least some of these crates were at Lien-shan in March, 1962. In May, 1963, only 21 crates were photographed. We believe Lien-shan is a training and development area rather than an operational site.

14. Ground photography of February 1963 revealed a probable KOMAR class guided missile patrol boat in Shanghai. KOMARs are equipped with two cruise missiles with an estimated range of 10 to 15 nautical miles and capable of carrying a warhead of 500 to 2,000 pounds of high explosives. We do not know if the Soviets supplied this craft, as they have done for the UAR, Indonesia, and Cuba, or if it is a Chinese-produced version. We have no evidence of a Chinese program to produce KOMARs, but to do so is probably within Chinese capabilities.

15. Communist China has at least 10 SAM sites designed for Soviet SA-2 missiles, not all of which are occupied. We believe that the SAMs now in Chinese hands were supplied earlier by the Soviets. Evidence is scanty but we believe the Chinese are not now producing this type of missile, though they probably plan to produce them in the future.



*C. Prospects*

16. About a year after an initial detonation the Chinese could probably produce their first crude weapon and thereafter produce one or two crude fission weapons a year. This would be the maximum rate unless and until production from the present Pao-t'ou reactor is supplemented from other facilities. The kind of testing program required to develop a missile warhead would consume most of the fissionable material likely to be available from that reactor for the next several years. Further, there are technical problems involved in achieving the reduced weight and size required. Consequently, we think it unlikely that the Chinese will be able to develop a fission warhead for missiles until three or four years after their first nuclear detonation. This could be even longer if the Chinese have only the Pao-t'ou reactor as a source of plutonium.

17. Even before missiles are available Communist China would have some capability for delivering an early unsophisticated nuclear weapon. It has around 15 TU-4 (BULL) piston driven aircraft with large bombbays and a bomb weight capacity of about 20,000 pounds. It has two TU-16 (BADGER) jet medium bombers which, if they are operational, could handle bulky bombs and carry a maximum of about 22,000 pounds. It is not likely that its 315 or so IL-28 (BEAGLE) jet light bombers could handle a bulky, early stage weapon, but they would be usable as more sophisticated weapons were developed.

18. Analysis of existing Chinese facilities and recognition of Pei-ping's need to concentrate its limited resources lead us to believe that the ballistic missile effort will focus initially upon a medium-range system of either the 1,020 n.m. SS-4 type or the 630 n.m. SS-3 type. The range and the facilities at the rangehead are of a scale which suggests an intention to test missiles of this size. Either of these systems would give the Chinese adequate coverage of peripheral targets. Even if the Chinese concentrate on a single system and give the program continued top priority in scientific and technical resources, we do not believe that the missiles would be ready for deployment before 1967. It is unlikely that a compatible nuclear warhead would be available by that date.

*II. IMPLICATIONS FOR CHINESE POLICY**A. Domestic Impact**Economic Burden of the Program*

19. China has relatively few top-flight scientists and is generally short of technical talent and deficient in industrial technology. The advanced weapons program has probably been a heavy drain on these limited resources. Only a very small part of this effort would contribute,

even indirectly, to the other sectors of an economy as underdeveloped as China's now is. In the meantime, other priority industrial programs in China's troubled economy have lagged. It is probable that at least some difficulties would have been eased had China's limited technical capabilities not been channeled so heavily into the weapons program.

#### *Rewards of Success*

20. The detonation of a nuclear device and subsequent moves toward acquiring a nuclear weapons capability would be intensively exploited inside Communist China in an effort to raise morale and increase nationalistic fervor. All the many forms of Peiping's pervasive propaganda apparatus would be put to work extolling the virtues of communism and the capabilities of the Chinese people to "progress without outside help." There would surely be a resultant increase in morale, especially among party members, youth, and the educated classes. Probably the mass of the peasantry would be little affected.

21. Although the Chinese Communist leadership might become intoxicated by its own propaganda following a nuclear detonation and adopt unrealistic domestic policies which could do great damage to the economy, it is much more likely that the effect on domestic programs would not be great. The pressing need for agricultural expansion remains so critical that it will almost certainly continue to receive considerable emphasis, as will industries supporting agriculture. However, the Chinese leaders will almost certainly continue to devote substantial effort to the development and production of advanced weapons, even though the cost of such programs may rise at a faster rate than overall economic growth.

#### *B. Military Policy*

22. Chinese Communist propaganda has generally played down the importance of nuclear weapons in war. The Soviet Union did likewise in the late 1940s, before it had nuclear weapons. This, of course, changed drastically after the USSR became a nuclear power. After Peiping has achieved a detonation and is on its way to getting weapons, it too may change its public attitude on their importance. This slowly developing capability will increase Communist China's already considerable military advantage over its Asian neighbors. However, even if it completes the program we believe was contemplated in the late 1950s, for the foreseeable future Communist China will not approach the advanced weapons might of the US or USSR, particularly in the field of long-range striking power. For this reason, among others, Peiping would be unlikely to attribute a decisive importance to modern weaponry. The regime would probably still rely primarily on its huge ground force and, unless confident of Soviet support, would try to avoid hostilities which might escalate into nuclear war. Considering

the chances of retaliation, it is difficult to conceive of any situation in which Peiping would be likely to initiate the use of nuclear weapons in the next decade or so.

*C. Foreign Policy*

23. Peiping will be sure to exploit its achievements to the hilt in its extensive propaganda. It will probably try to confuse the distinction between a simple detonation and a weapons capability and between having a small weapons capability and being a major nuclear power. Also the Chinese might well use a prototype MRBM, with one or more additional stages, to place a satellite into orbit. This could be accomplished some time before an MRBM was operable and well before such a system was nuclear armed. The purpose, of course, would be to give the impression of much greater strength than had actually been acquired and to persuade the people of neighboring countries that Peiping was riding the wave of the future which it was futile to resist. At the same time Peiping would work to persuade audiences in other underdeveloped countries that Chinese-style communism provides the most effective and rapid way to become a modern industrial, scientific, and military power.

24. A Chinese Communist nuclear detonation would increase the momentum of Peiping's drive for great-power status and acceptance in international councils. Peiping would argue that it is less dangerous to have a nation with nuclear arms in the UN and other international bodies than to keep it isolated, and would be in a position to claim persuasively that substantial progress toward world peace and disarmament was seriously hampered unless it participated in negotiations. Peiping has already gone on record as not being bound by any agreements made without its participation. It would demand international recognition, UN membership, or other prerequisites as the price of its participation. In any event, Communist China would reject a comprehensive nuclear test ban treaty.

25. We do not believe that the explosion of a first device, or even the acquisition of a limited nuclear weapons capability, would produce major changes in Communist China's foreign policy in the sense that the Chinese would adopt a general policy of open military aggression, or even become willing to take significantly greater military risks. China's leaders would recognize that their limited capabilities had not altered the real power balance among the major states and could not do so in the foreseeable future. In particular, they would recognize that they remained unable either to remove or neutralize the US presence in Asia.

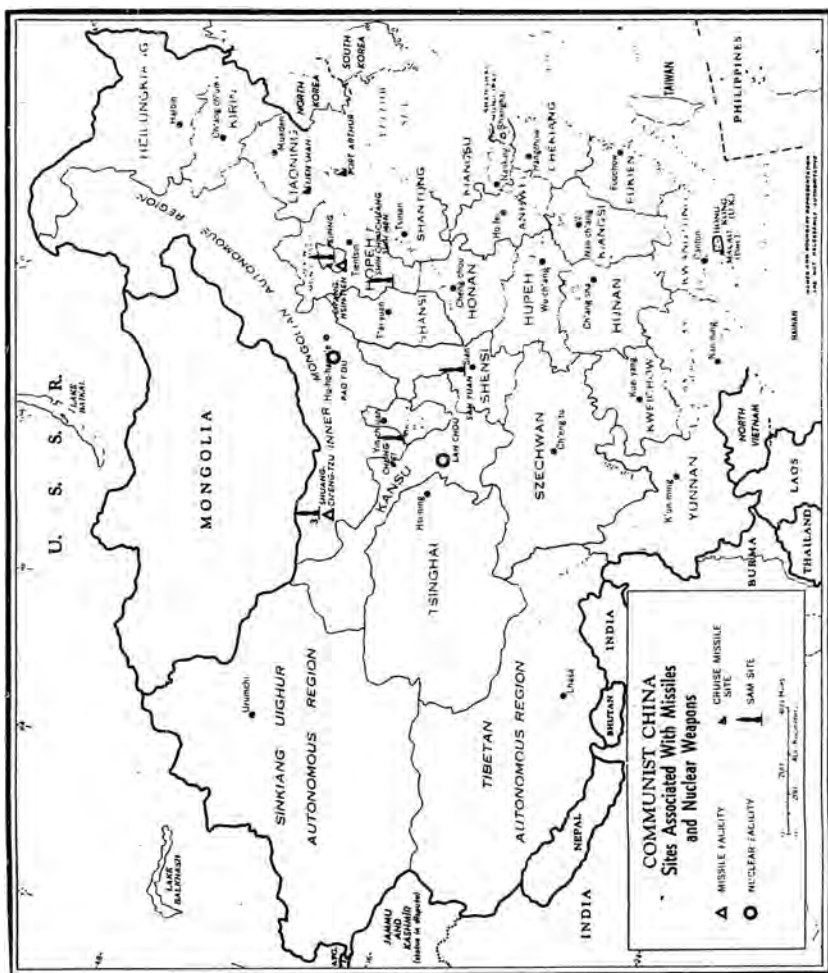
26. Nevertheless, the Chinese would feel very much stronger and this mood would doubtless be reflected in their approach to conflicts

on their periphery. They would probably feel that the US would be more reluctant to intervene on the Asian mainland and thus the tone of Chinese policy would probably become more assertive.<sup>4</sup> Further, their possession of nuclear weapons would reinforce their efforts to achieve Asian hegemony through political pressures and the indirect support of local "wars of liberation." Such tactics would probably acquire greater effectiveness, since the Chinese feat would have a profound impact on neighboring governments and peoples. It would alter the latter's sense of the relations of power, even if it made little immediate change in the realities of power, and to a greater or lesser degree would probably result in increased pressures to accommodate to Chinese demands.

27. The foregoing assumes that the Communist Chinese leaders will react rationally to their nuclear and missile achievements. On balance we believe that they will. Nevertheless we do not exclude the possibility that Peiping's leadership might overestimate China's capabilities dangerously and embark on radical new external courses.

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<sup>4</sup> "The Acting Director, Bureau of Intelligence and Research, Department of State, feels that the first two sentences of this paragraph are inconsistent with paragraph 25 and that there is insufficient evidence to warrant such a definite statement about the Chinese appraisal of our intentions."



**298. Paper Prepared by Unknown Drafter, July 31<sup>1</sup>**

July 31, 1963

## SUBJECT

Defense Intelligence Agency (DIA)

Historical events having a bearing on the integration of military intelligence and on the ultimate establishment of DIA included: the 1946 Congressional Hearings on Pearl Harbor, which criticized the Army and Navy for not coordinating their intelligence effectively; the Doolittle Committee Report of 1954 and the Hoover Commission Report of 1955, both of which suggested the need for greater unification of intelligence efforts within the Defense establishment; the Reorganization Act of 1958, which established the Joint Chiefs of Staff in the chain of command running from the President through the Secretary of Defense to the JCS and then directly to the commanders of the unified and specified commands; the 1958 recommendation of President Eisenhower's Foreign Intelligence Board that a single office be established within the Department of Defense for all official dealings between Defense and CIA for the planning of both hot war and cold war operations having military implications; the Joint Study Group Report of December 15, 1960, which called for the establishment within OSD of a focal point for exerting broad management review authority over military intelligence programs and for providing over-all coordination of all foreign intelligence activities conducted by various Defense components; the January 1961 recommendation of President Eisenhower's Foreign Intelligence Board that military intelligence be brought into conformity with the Defense Reorganization Act of 1958; the approval by the President on January 18, 1961 of a National Security Council Action which called for the establishment, after study by the Joint Chiefs of Staff, of an integrated intelligence entity under the Secretary of Defense; and the July 1961 recommendation of President Kennedy's Foreign Intelligence Advisory Board that the President endorse the proposals which the Board had considered for the consolidation and centralized management of a variety of military intelligence activities through the establishment of a Defense Intelligence Agency in the Department of Defense.

Based on the foregoing, the Secretary of Defense on August 1, 1961, issued a directive establishing the DIA effective October 1, 1961.

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<sup>1</sup> Provides background information on the Defense Intelligence Agency. No classification marking. 2 pp. Kennedy Library, National Security Files, Departments and Agencies Series, CIA Gen, 4-3/63.

Following the issuance of the basic directive by the Secretary of Defense, steady progress has been made by the DIA in meeting two of the major objectives involved: (1) the exercise by DIA of over-all management and direction of the intelligence activities of the Department of Defense, and (2) the strengthening of the intelligence capabilities of the unified and specified commands. While the assumption of DIA's total responsibility is an evolutionary one, improvements in the military intelligence posture are already in evidence in such areas as the reduction of undesirable duplication of effort among Defense intelligence elements; the central processing of the intelligence needs of the military services and commands; the close coordination of military intelligence activities with other components of the total U.S. intelligence effort; and the economical and effective consolidation of intelligence training and orientation previously provided by the several military services.

Under the guidance of the Secretary of Defense and the Joint Chiefs of Staff, and in keeping with Presidentially-approved recommendations of the President's Foreign Intelligence Advisory Board, measures continue to be taken by the DIA on a phased basis with a view to establishing and maintaining the capability to discharge its responsibilities for the integration, management and control of a consolidated military intelligence program geared to meet the requirements of national defense and security.

September 1963

299. Memorandum from Maj. Smith to Gen. Taylor,  
September 20<sup>1</sup>

September 20, 1963

SUBJECT

State of the World

1. Mr. Rostow has written an extremely interesting and provocative paper dealing with two questions: (1) What accounts for the odd state of affairs of the world today, and (2) what should we do about it? I have redlined its key portions.

2. Mr. Rostow attributes the present situation to five factors: (1) the diffusion of effective power away from both Moscow and Washington; (2) the easing of tensions following the Berlin and Cuba crises; (3) the impact on the rest of the world of recent US-Soviet negotiations; (4) reduced fear of communism as a result of Khrushchev's setbacks in his post-SPUTNIK adventures; and (5) the Sino-Soviet split.

3. To meet this changed situation, Mr. Rostow suggests: (1) continuing an even greater US military presence abroad; (2) increased use of foreign aid for political purposes; (3) continued muted ideological conflict to dramatize the limits of the *détente*; and (4) more Western collective enterprises, including continued support for the MLF, moves toward a common strategy, and increased NATO political consultation.

4. Mr. Rostow's analysis of the present state of the world is better than his suggestions as what we should do about it, his description better than his prescription. As he admits, only one of the trends he mentions seems long term—the diffusion of power; the remaining items are essentially manifestations or derivatives of this central trend. Nonetheless, the diffusion of power thought is so compelling and on the mark that alone it provides an adequate base point for describing the unfolding state of the world. The US is confronted with a centrifugence of power, thus the disappearance of the bipolar world; and we must learn how better to deal with the new environment.

5. With respect to Mr. Rostow's prescriptions, intuitively there seems something wrong with suggestions which add up to a conclusion that we should face a changed world situation with policies of "more

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<sup>1</sup> Comments on Rostow's paper on the present state of the world. Confidential. 3 pp. National Defense University, Taylor Papers, 40B2-B4.



of the same.” It implies that we have a “policy for all occasions”, one capable of handling any contingency, one like the proverbial speech, available to influence any audience on any subject. To me, such a condition can only mean (1) that our policies have been wrong in the past, (2) that they are so general in nature that they are not very useful at any particular time, or (3) that they are wrong for the future. I tend to accept the last alternative.

6. Few of the key policies mentioned by Mr. Rostow seem to recognize the diffusion of power, of which he speaks. Redistribution can only give smaller nations more latitude in their policies. Governments which want freedom of choice will not accept the firm political commitments to the West inherent in the permanent stationing of US forces on their soil. Nations in the middle will see themselves increasingly in a buyer’s market with respect to aid; they will choose the product with the fewest political strings. Finally, the MLF cannot satisfy the major European’s desire for a greater voice in nuclear matters unless the present US proposal is modified. Stripped to its essentials, our present MLF proposal is nothing more than an effort to extend the life of the US veto over the nuclear forces of NATO, while making the Europeans pay part of the nuclear bill.

7. Rather than planning to ride tired horses faster for another decade, we should seek new approaches. One approach would be to go the route of diffusion, accepting it and trying to mold it to our own purposes. Under this alternative, we should more and more substitute mobility exercises and temporary appearances for permanent military presence. We should accept that foreign aid will be increasingly used for economic rather than for political purposes; indeed, we should encourage this trend to diminish any growing political influence at our expense of our Allies, whom we wish to share a larger burden of economic (and eventually military) assistance, but whose policies may diverge from ours. We should support, if not encourage, measures which give Europe nuclear interdependence rather than nuclear servitude; the alternative is their aloof independence. We should slowly seek to expand trade between East and West within the limits of economic and political prudence, recognizing that this could have a multiplier effect on our Allies. (Economically, it used to be said that if we sneezed, Europe got pneumonia. This same effect may work in reverse with trade.) We should investigate international monetary mechanisms available to help solve the problems for other nations we will create by improving our own balance of payments position.

8. The fundamental rationale for such a policy is that, with the winds of change in the air, a policy of *status quo* that is blown over can only create greater uncontrolled change and chaos than could be the case. We should instead seek controlled instability through policies

accepting and encouraging moderate change. Key elements of such a policy as outlined in the previous paragraph would be greater engagement with the East, a further melting of the cold war, and fewer permanent overseas forces and bases.

9. An alternative to the policy described above would be to continue to apply, indeed even increase, pressure on the Bloc and thus attempt to maintain a bipolar world in all important matters through the medium of allocating such enormous resources to the East-West conflict that the efforts of the rest of the world would be dwarfed. The diffusion of power would be exploited to make the Bloc more subject to piecemeal attack—politically, and if necessary, in some cases, e.g., Red China, perhaps militarily. Our policy would in some respects resemble the course we followed in the World War II mobilization. We would make large material sacrifices in the short run to assure ourselves greater freedom in the long run. The over-all objective would be to place such strains on the Bloc's already precarious economic balance that the principal regimes would collapse from within. We would then be prepared to step in with a Marshall Plan to rehabilitate the Bloc in a non-communist image.

10. One or the other of the courses above—developed and refined—which recognizes and uses the changing distribution of power, would seem preferable to Mr. Rostow's suggestions. Given our American ethic, the first alternative seems the only acceptable route, but the second merits evaluation.

W.Y.S.

October 1963

**300. Memorandum from Gen. Taylor to Members of the Special Group, October 15<sup>1</sup>**

CM-946-63

October 15, 1963

SUBJECT

U.S. Support of Foreign Paramilitary Forces

1. Developments inimical to the best interests of the United States which have recently occurred in Vietnam and in Honduras may be attributed in some measure to the existence and improper employment of paramilitary units, other than the regular armed forces, which have been developed with U.S. support. In Vietnam, elements of the Special Forces have been used by the Diem regime as a political police for purposes of repression. In Honduras, the Civil Guard has been regarded as a political army of the ruling Liberal Party. In the latter case, the basic conflict of interest between the politically oriented paramilitary force and the regular armed forces appears to have been a substantial factor in the overthrow of constitutional government.

2. The fact that the Honduran Civil Guard was a political instrument of the Liberal Party was not unknown to the United States, nor was the fact that serious friction, involving armed clashes between personnel of the Civil Guard and the armed forces, had existed for some time. Nevertheless, U.S. training and material assistance were still provided for continued development of the Guard.

3. The events which have now taken place in Honduras bring into question the advisability of our having pursued a policy leading to the development of rival centers of armed power within the country, and suggest that U.S. programs in other countries should be reviewed to determine whether similar potentially dangerous situations are being fostered. I recommend that such a review of programs in countries on the critical list be accomplished by the interagency working groups which monitor internal defense plans, and that the results be reported to the Special Group.

**Maxwell D. Taylor**  
*Chairman*  
*Joint Chiefs of Staff*

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<sup>1</sup> Recommends a review of U.S. programs in support of foreign paramilitary forces. Secret. 1 p. Department of State, S/S Files: Lot 70 D 258, SGCI General 1963.

**301. National Intelligence Estimate, NIE 11-8-63, October 18<sup>1</sup>**

October 18, 1963

**SUBJECT**

Extreme Sensitivity of NIE 11-8-63, "Soviet Capabilities for Strategic Attack"

1. In accordance with the wishes of the President, dissemination of NIE 11-8-63 has been carefully limited because of the extreme sensitivity of the information therein.

2. In this connection, I wish to stress that there be absolutely no reproduction of this Estimate, and that no revelation of its existence be made to unauthorized persons.

**John A. McCone**  
*Director*

**Attachment****SOVIET CAPABILITIES FOR  
STRATEGIC ATTACK****THE PROBLEM**

To estimate probable trends in the strength and deployment of Soviet weapon systems suitable for strategic attack, and in Soviet capabilities for such attack, projecting forward for about six years.<sup>2</sup>

**SUMMARY AND CONCLUSIONS***Trends in Strategic Attack Forces to Mid-1965*

1. The Soviet leaders look upon long range strike forces as a major element of their strategic position, intended to support their political objectives, to deter the West from resort to military action, and to fight a war should one occur. The available evidence supports the view that they are attempting to build forces which they regard as appropriate to these objectives rather than forces with which they could launch a

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<sup>1</sup> "Soviet Capabilities for Strategic Attack." Printed in part in the print volume as Document 144. Top Secret; Restricted Data; Controlled Dissem. 58 pp. CIA Files, Job 79R01012A, ODDI Registry.

<sup>2</sup> The weapon systems considered are ground-launched missiles with ranges of 600 nautical miles or more, submarine-launched missiles, heavy and medium bombers, air-to-surface missiles, and advanced delivery and supporting systems such as orbital and suborbital vehicles.

deliberate attack on the West and count on reducing retaliation to levels that would be in any sense tolerable. (Paragraph 34)

2. Current Soviet military doctrine holds that a general war could begin with little or no warning, stresses the critical importance of the initial period in determining its outcome, and asserts that enormous advantages accrue to the side striking the first blow. However, the official doctrine also holds that the initial nuclear exchange might not determine the outcome, and that in any event large theater forces are necessary to prosecute a general war successfully. These views, when related to the strategic capabilities now deployed and programmed by the West, impose high and complex requirements upon the Soviet military establishment. Among the chief constraints in meeting these requirements are cost and skilled manpower. The Soviet strategic posture has also been heavily influenced by a concentration on the Eurasian theater, and by an apparent lag in military thinking on the implications of advanced weapons. Soviet military policy and doctrine have been considerably modified in recent years, and the process of change is continuing. However, for the immediate future, Soviet forces for long range attack will be characterized by capabilities against Eurasia far exceeding those against North America. (Paragraphs 35–37)

3. *ICBM Forces.* Evidence acquired during the past year has led us to modify our estimates as to the size and composition of the Soviet ICBM force in the near term. The most important single development was the interruption of the deployment program during the summer and fall of 1962. The primary reasons for this interruption appear to have been technical, including a probable modification to the second-generation SS-7 ICBM system and persisting difficulties in development of the SS-8. Whatever the reason, however, it is clear that 1962 was a year of reappraisal, in which Soviet planners apparently made important new decisions with respect to their ICBM program. Some of these, for example curtailment of SS-8 deployment, are already evident. For the near term, the result is a somewhat smaller force than previously estimated. (Paragraphs 39–40)

4. We have now identified a total of 18 ICBM complexes, all of which were begun before December 1961. The complexes now contain a total of about 220 launchers in various stages of construction. We estimate that 105–120 ICBM launchers, including about 20 hard silos, were operational as of 1 October 1963.<sup>3</sup> An additional 15 launchers were probably operational at Tyuratam.

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<sup>3</sup> The Assistant Chief of Staff Intelligence, USAF, estimates that 145–160 ICBM launchers were operational as of 1 October 1963. See his footnote on page 15 at paragraph 60.

5. Of the three Soviet ICBM systems now in the field, the SS-7 has been the most successful in development and is the most widely deployed. Deployment of the large, first generation SS-6 was limited to four launchers at one complex. Deployment of the SS-8 had extended to four complexes before the program was interrupted. However, SS-8 deployment has now been curtailed, and it is believed that expansion of the ICBM force over the next year or so will be primarily in terms of the SS-7.

6. We estimate the number of Soviet ICBM launchers operational in mid-1964 at 205–235, and in mid-1965 at 250–350 (these totals include some 20–25 launchers at Tyuratam).<sup>4</sup> The force in this period will consist almost entirely of second-generation ICBMs; a few new type ICBMs could be operational by about mid-1965. We now believe that the SS-8, which we previously considered might be a very large missile, is comparable to the SS-7 in payload capacity.<sup>5</sup> At present, both of these ICBMs probably carry [text not declassified] warheads; initial deployment of [text not declassified] warheads with these ICBMs could begin in 1964. If new nosecones are developed, improved second generation missiles armed with higher yield warheads [text not declassified] could enter service by 1965, and the few SS-6's in the field could be retrofitted to carry [text not declassified]. Thus, it is probable that the great bulk of the Soviet ICBM force through mid-1965 will carry warheads in the 3–6 MT range. By mid-1965, the accuracy of the bulk of the force can probably be improved to about 1.0 n.m. CEP; if new guidance systems are introduced, some portion could achieve CEP's of 0.5–1.0 n.m.

7. The Soviet ICBM force represents a formidable nuclear delivery capability, but cannot maintain a constant readiness state approaching its US counterpart, and is vulnerable since about 80–85 percent of the present force is in soft sites. Successive modifications of soft sites have probably brought some improvement in reaction time, but procedures are still relatively slow, cumbersome, and complicated. We estimate that by mid-1965, about one-third of the ICBMs will be in hard silos, enhancing both the survivability and the reaction time of the force.

8. *MRBM/IRBM Forces.* We have now identified about 675 launch positions for the 1,050 n.m. (SS-4) MRBMs and 2,200 n.m. (SS-5) IRBMs,

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<sup>4</sup> The Assistant Chief of Staff Intelligence, USAF, estimates 215–250 operational ICBM launchers by mid-1964, and 300–350 by mid-1965. See footnote, page 15.

<sup>5</sup> The Director, Defense Intelligence Agency and the Assistant Chief of Staff, Intelligence, USAF, believe that a confident selection between possible SS-8 delivery capabilities cannot be made at this time. In their opinion, available evidence and analysis do not permit excluding the possibility that the SS-8 may carry a nosecone of 10,000 lbs or a little more. [text not declassified]

of which almost 600 are soft and the remainder are deployed in hard silos. Considering the target coverage and geographic disposition of the force, together with evidence of a cessation or slowdown in site construction, we believe that deployment of MRBMs and IRBMs in the USSR is about complete. We therefore estimate that by mid-1964 this force will have levelled off at about 700–750 launch positions, including 90–110 in hard silos. Soviet MRBMs and IRBMs can presently carry warheads with maximum yields of 2–3 MT.

9. We continue to have difficulty in understanding the Soviet rationale for building such a massive capability to attack European targets. One factor influencing Soviet decisions was undoubtedly the strategic emphasis on Europe, and the concept of a hostage Europe probably played a part. Soviet planning to strike a wide variety of targets, including some in support of the theater forces, may also have exerted an upward pressure on the size of the force, particularly if most of these missiles were to be equipped with kiloton warheads. Finally, a contributing military factor may have been a desire to attain survivability through numbers. (Paragraph 65)

10. We now believe that virtually all MRBM and IRBM launch sites are primary firing positions, i.e., positions which are manned and equipped to participate in an initial salvo. There has been much evidence that the Soviets intend to provide a substantial refire capability for this force, and our evidence on missile production indicates that, by mid-1965, each soft site could have a second-salvo missile available. The same operational deficiencies which characterize the Soviet ICBM force—vulnerability, slow reaction time, and cumbersome procedures—appear in Soviet MRBM and IRBM forces. These have been alleviated somewhat by deployment of a part of the force in hard silos. A further improvement may be made by introduction of an improved missile system. We believe that a new MRBM could be operational in small numbers by mid-1965. (Paragraphs 68–73)

11. *Submarine Missile Forces.* Current Soviet submarine missile forces are the outgrowth of decisions taken in the middle 1950's to develop quickly a fairly extensive but unsophisticated capability. The USSR now has about 50 ballistic missile submarines, including 11 of the nuclear-powered H class; all are equipped with short range (350 n.m.) missiles capable of delivering warheads of [text not declassified]. The mission originally envisaged for these submarines probably included participation in initial strategic attacks. However, they have now evidently been assigned to second-strike roles, partly because of the growth in numbers of ground-launched systems, but probably also because of Soviet recognition of their limitations. Although this force represents a considerable potential threat, its operational effectiveness is limited by the small number of missiles per submarine (2 or 3), the

short range of the missiles, the need to surface before launching, the operational limitations of the diesel-powered units, and the unreliability of some nuclear powered units. These shortcomings probably account for the continued absence of essential operational training cruises to likely combat areas. (Paragraphs 74–76)

12. There is evidence that the Soviets recognize these deficiencies and that improved missiles and submarines will become operational in the near future. Development is far advanced on a new 700 n.m. ballistic missile designed for submerged launching. This missile will almost certainly be incorporated in any new class of ballistic missile submarine which appears in the near future; it could possibly be retrofitted into existing types as well. While we have no direct evidence, it seems probable that at least one new submarine class (either nuclear or diesel-powered) is under development to employ the new missile and that the first units could enter service in the near future. It is likely that new designs will incorporate more than the three missile tubes carried by the older classes. We estimate that by mid-1965 the Soviet force of ballistic missile submarines will have grown to a total of 55–65, including some 15–20 nuclear-powered submarines. (Paragraphs 86–87, 88–89)

13. In addition to ballistic missile submarines, the USSR now has operational some 19 submarines capable of surface launching 300 n.m. cruise missiles. Six of these are nuclear-powered E class, each equipped with six launchers; the rest are diesel-powered units equipped with two or four launchers each. This system was designed primarily for low altitude (1,000–3,000 feet) attack on ships at sea, but it can also be employed against land targets. We believe that the Soviets may now be placing additional emphasis on the cruise missile submarine program. We estimate that by mid-1965 this force will have grown to 25–30 submarines, including 10–12 nuclear-powered. (Paragraphs 82–85, 88–89)

14. Thus, we believe that in the near future the Soviets will bring into service submarine weapon systems better suited to attacks on Eurasian and North American land targets as well as Western naval forces at sea. Further, we continue to believe that by the mid-1960's at least some Soviet missile submarines will be engaging in routine patrols in open ocean areas. (Paragraphs 75, 90–93)

15. *Long Range Bomber Forces.* Continued investment in improving Long Range Aviation indicates that the USSR plans to maintain sizable bomber forces for at least the near term. Improvements over the past few years include introduction of a new medium bomber, introduction of air-to-surface missiles, and improved aerial refueling capabilities. Maritime reconnaissance is a secondary role of Long Range Aviation, and the use of both heavy and medium bombers in this role has been increasing. (Paragraph 94)



16. We estimate that Long Range Aviation comprises about 180–205 heavy bombers and tankers and 940–975 medium bombers and tankers. The heavy bomber force includes 95–105 BISON jet bombers and 85–100 BEAR turbo prop bombers. Of the medium bombers, about 40–50 are BLINDER, with supersonic dash capability, and the remainder are BADGERS. There are an additional 360–370 BADGERS and 10–20 BLINDERS in Naval Aviation. BLINDER is the only bomber known to be in current production, but there are indications that there may be some new production of BEAR in addition to modification. Although research and development on heavy aircraft is under way, no replacement for BEAR or BISON is in sight, and we consider it highly unlikely that a new heavy bomber could enter inventory before 1966. We estimate that in mid-1965 Long Range Aviation will comprise 170–200 heavy bombers and tankers and 825–925 medium bombers and tankers.<sup>6</sup>

17. Soviet Long Range Aviation, by reason of its equipment, basing, and deployment, is much better suited for Eurasian operations than for intercontinental attack. The capabilities of the BISON and BADGER aircraft which make up the bulk of the force are restricted by their limited range. The emphasis on aerial refueling and Arctic training of the past several years reflect Soviet efforts to overcome this limitation on capabilities for intercontinental attack. (Paragraphs 99–104)

18. In view of the training patterns of recent years, the capacity of the principal Arctic staging bases, and the range capabilities of Soviet bombers, we believe that an aircraft attack against the US (except Alaska) would involve heavy bombers almost exclusively. Considering the requirements for Arctic staging and refueling, and allowing for non-combat attrition, we estimate that, by committing their entire heavy bomber force to this mission, the Soviets could put 90–115 of these aircraft over the US on two-way missions. The scale of an initial intercontinental attack could be increased by the use of refueled BADGERS on two-way missions. Considering all operational factors, we estimate that the Soviets could put up to 150 of these medium bombers over target areas in Greenland, Canada, Alaska and portions of north-

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<sup>6</sup> The Assistant Chief of Staff Intelligence, USAF, estimates the medium bomber/tanker force level for mid-1965 at 925–1025 aircraft. He considers the heavy bomber/tanker force will remain at approximately 200 aircraft although the BEAR/BISON mix may vary somewhat. Introduction of a longer endurance aircraft based on the BEAR could begin in late 1964 or early 1965. See his footnote to Page 23, paragraph 98 of the Discussion.

western US. Initial attacks would probably be mounted in successive waves and extend over a considerable number of hours.<sup>7</sup>

*Trends in Strategic Attack Forces, 1966–1969*

19. No well-defined strategic concept appears to have governed the long range strike forces which the Soviets have deployed to date, but a number of characteristics can be discerned in the building of these forces. Research and development programs have been vigorous. In contrast, the scale and pace of deployment programs have been uneven. This behavior has reflected, in part, technical problems and economic constraints, but it also suggests that the USSR is willing to tolerate a condition of limited intercontinental capabilities and considerable vulnerability over a long period of time. (Paragraph 125)

20. Perhaps the most consistent patterns apparent in Soviet policy toward long range strike forces over the past several years are to be found in the increased allocation of resources to this mission, the numerical expansion of these forces, the improvement of various weapon systems for long range attack, emphasis on high yield weapons, and continuing interest in diversified capabilities. During this period, emphasis has shifted from weapon systems best suited for Eurasian use to intercontinental systems. Our estimates for the next two years suggest, in the main, a continuation of these broad trends. The forces which we project for mid-1965 are stronger, both numerically and qualitatively, but they represent no substantial change in the overall strategic posture of the USSR *vis-à-vis* the West. (Paragraphs 126–128)

21. The prospects for the later 1960's are far less clear. We believe that the desire for an effective deterrent will remain one of the primary concerns of Soviet policy. None of the evidence available to us suggests, however, that the USSR contemplates forces designed to neutralize US strike forces in a single blow, nor do the Soviets appear to be seeking to match the US in numbers of delivery vehicles. Other programs, particularly strategic defense and space, will continue to compete with strategic attack programs, not only for resources but for scarce skills and quality materials. In general, we believe that the USSR would have great economic difficulty in pursuing a policy which called for antimissile defenses of major cities, competition with the US in space,

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<sup>7</sup> The Assistant Chief of Staff Intelligence, USAF, considers this paragraph seriously underestimates the manned aircraft threat to the continental United States. In the event war should eventuate and the USSR attacks the United States with nuclear weapons, he believes this will be an all-out effort aimed at putting a maximum number of weapons on US targets. He would therefore estimate that the number of aircraft, including BADGERS on one-way missions, could exceed 500. See his footnote to Page 22, 23, Paragraph 102 of the Discussion.

and the higher sides of our estimates for long range strike forces which appear below. (Paragraphs 130–135)

22. Soviet long-range strike forces could also be heavily affected by political factors. In the present and prospective strategic situation which confronts the USSR, there is much which argues for a policy of safeguarding national security through some fairly moderate level of military strength or even, more radically, through international agreements to limit or reverse the arms race. Moreover, Khrushchev's advocacy of higher priority for certain civilian economic programs appears to be growing stronger. These political and military considerations suggest, not that the Soviets will cut back on their strategic programs, but rather that they are unlikely to undertake large-scale programs on a crash basis. Indeed, current trends in development and deployment indicate that in the absence of an arms limitation agreement, the Soviets will continue improving their capabilities, but at a moderate pace. In framing the estimates which follow, we have attempted to take into consideration the various factors—strategic, economic, military, political, and technical—which could influence the size and composition of Soviet long range strike forces deployed by mid-1969. (Paragraphs 136–138)

23. *The ICBM Force.* Our analysis of Soviet programming to date, and of the possible impact of new systems as well as other factors, indicates that by mid-1969 the USSR probably will have acquired a force of some 400–700 operational ICBM launchers.<sup>8 9</sup> Currently operational systems will still make up the largest part of the force, but it will probably also include significant numbers of follow-on or improved ICBMs. In general, any new ICBM systems to be deployed in quantity during the 1960's would need to be under development already or to begin development shortly. (Paragraphs 139–141, 151, 155, 164)

24. We believe that the Soviets are most certainly engaged in both improvement of existing ICBM systems and development of new systems, as well as to a continuing space effort. However, the available evidence does not indicate the specific nature of planned improvements to existing ICBMs or of follow-on systems. Our views on the Soviet need to correct current deficiencies, on tendencies in Soviet missile

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<sup>8</sup> The Assistant Chief of Naval Operations (Intelligence), Department of the Navy, believes the force level is likely to be toward the low side (400) of the estimate presented here. See his footnote to paragraph 153, page 33, of the Discussion.

<sup>9</sup> The Assistant Chief of Staff Intelligence, USAF, considers the Soviet ICBM force by mid-1969 could range from 600 to as high as 1,000 operational ICBM launchers, depending on whether a new, small, easily-deployed system is introduced in the 1965–1966 period. See his footnote to the Table on page 33, paragraph 153 of the Discussion.

design, and on Soviet technical capabilities heavily affect our judgments about likely new and improved systems.

a. *Very Large ICBMs.* We continue to believe that the Soviets are developing a large vehicle (with a million or more pounds of thrust), which could be used as a space booster, as a "global" rocket, or as a carrier for warheads yielding up to 100 MT. If test firings begin within the next few months, such a large vehicle could probably have an initial operational capability as an ICBM in the period mid-1965 to mid-1966. Initial deployed sites would probably be soft, but the Soviets might find it feasible to incorporate hardening at some stage in the program. (Paragraph 144)

b. *Standard-Size Follow-on ICBMs.* We believe the Soviets would consider the primary qualitative improvements needed in the bulk of the ICBM force to be increased survivability, shorter reaction time, higher accuracy, and decreased logistic and personnel support. These requirements can probably be met almost as well, and at much lower cost, by improvement to the SS-7 as by a follow-on system in its general weight class. Improved SS-7's may be deployed in new configurations, possibly including semi-hard or single-silo hard sites. (Paragraphs 145-146)

c. *Smaller Follow-on ICBMs.* Soviet development of an ICBM system similar to the US Minuteman would run counter to trends thus far discernible in Soviet long range missile systems, and Soviet technology necessary for large grain solid propellants is weak. However, some of the operational attributes of the Minuteman concept would reduce the main deficiency in the Soviet force—namely its vulnerability to US attack—and might also reduce maintenance requirements. A new missile somewhat smaller than SS-7 and using improved propellants could reach operational status during the period. We believe it likely that such a new smaller missile would be deployed in hard sites. We believe that test firings of such a new smaller missile would not start for about a year and that operational launchers would not exist at deployed sites until 1966-1967. Should the Soviets elect to deploy a new missile in soft or semi-hard sites, test firings could begin in the near future, with an initial operational capability occurring in about mid-1965. (Paragraphs 147-148)

25. We believe that deployment of currently operational missiles in soft launch sites will cease by the mid-1960s. The low side of our estimate for 1969 (400 launchers) assumes that, in addition to deployment of a few very large ICBMs which begin to enter operational inventory in mid-1966, the Soviets will at about the same time introduce either a new, somewhat smaller ICBM or an improved SS-7, possibly in single-launcher hard sites. A moderate buildup of this sort, with emphasis on hardening, would in our view be consistent with a Soviet

effort to maintain and improve the credibility of its deterrent. The reasons why the Soviet force might develop in this manner include such economic considerations as the need to devote more resources to the civilian economy or to anti-missile and space programs as well as political factors. (Paragraph 151)

26. The high side of our estimate for mid-1969 (700 launchers), takes into account the possibility that the deployment of soft launchers, perhaps including some semi-hardened sites, is carried somewhat further than in the preceding alternative; that a very large system is introduced somewhat earlier than 1966; and that over 200 launchers of a new type—an improved SS-7 or a new, somewhat smaller hard system, possibly in single silo sites—are deployed. Such a buildup might reflect not only a Soviet concern for deterrence, but also an effort to put the USSR in a somewhat better position to undertake a preemptive attack if a Western strike appeared imminent and unavoidable. (Paragraph 152)

27. Although the force levels indicated by the upper and lower limits of the range are derived from technical and strategic considerations, other force compositions and force levels within this general range are equally possible. The Soviets would recognize that forces within this range fell far short of those required for a preemptive attack which might reduce devastation of the USSR to an acceptable level, but in any case, the force would include a protected component capable of devastating retaliatory blows if it survived. (Paragraph 153)

28. *MRBM and IRBM Forces.* We believe that Soviet MRBM IRBM force levels will remain fairly constant in the 1966–1969 period at about 700–750 launchers. The developments which we can foresee in Western forces are not likely to add to potential Soviet MRBM IRBM targets in a major way, although we do not exclude the possibility that a general strengthening of NATO forces would result in some incremental expansion. Improvements in Soviet MRBM IRBM capabilities in this period are more likely to be qualitative than quantitative. The Soviets may be developing a new MRBM, and it is possible that they also contemplate a new IRBM. If two separate systems are developed, the IRBM would probably phase in a year or so after the MRBM, i.e., in about 1966–1967. It is also possible that the Soviets have elected to work toward a single follow-on system which could cover all MRBM and IRBM ranges. In either event, follow-on systems are likely to feature hard or possibly mobile deployment. If, as we estimate, the size of the force remains fairly stable, improved systems will be deployed to supersede present systems, and may have largely replaced currently operational MRBMs by 1969. (Paragraphs 154–158)

29. *Submarine Missile Forces.* We think that the Soviets will continue to consider missile submarines an important adjunct to their ground-

launched missile capabilities, and we expect the requirement for capabilities to attack surface naval formations to continue. Thus we estimate continued construction of both ballistic missile and cruise missile submarines in this period. Although we have no specific evidence, we believe that longer range submarine-launched ballistic missile systems could become operational in about the 1966–1967 period. We do not anticipate significant technical changes in the cruise missile submarine force. (Paragraphs 159–163)

30. The size of Soviet missile submarine forces will depend upon a number of factors including the availability of militarily competitive but less expensive delivery systems (especially hardened ICBMs), construction capabilities, and allocation of nuclear submarines to other naval missions. Considering all factors, including estimated construction programs and the possibilities for improved systems, we believe that by 1969 the Soviets will have 65–80 ballistic missile submarines operational, of which 25–35 will be nuclear-powered. At that time, we estimate a cruise missile submarine force of 40–60 of which 20–30 will be nuclear-powered. (Paragraph 164)

31. *Long Range Bombers.* We estimate that by 1969 Long Range Aviation will have gradually declined in total strength to about 130–175 heavy bombers and tankers and 400–650 medium bombers and tankers. We believe that it will still consist of aircraft types now in service: BISONs, BEARs, BADGERs, and BLINDERs, with the last of these comprising about half of the medium bomber force. Considering the types and quantities of missile delivery systems they are likely to have, as well as the probable continued availability of existing heavy bomber types, we think it unlikely that the Soviets will bring any follow-on heavy bomber to operational service in the period of this estimate. However, the Soviets have the technical capability of developing and producing new, high-performance military aircraft of intercontinental range for operational use in the 1966–1969 period, should they come to consider this necessary or worthwhile. In the later 1960s they would probably employ bomber forces in follow-on, rather than initial attacks, and for increasingly specialized missions.<sup>10</sup> (Paragraphs 165–166)

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<sup>10</sup> The Assistant Chief of Staff Intelligence, USAF, disagrees with this paragraph since he thinks that the Soviets will continue to consider manned strategic aircraft an important adjunct to their ground launched missile capabilities. He estimates that the USSR will introduce a follow-on heavy bomber. He further estimates the heavy bomber force will remain at about 200 or somewhat larger, depending on the timing of an expected follow-on bomber, and that by mid-1969 the medium bomber/tanker force probably still will include about 900 aircraft. See his footnote to the Table on page 36 and to paragraph 167.

32. *Space Weapons*. On the basis of evidence presently available, we are unable to determine the existence of Soviet plans or programs for the military use of space. However, we believe that the USSR almost certainly is investigating the feasibility of space systems for military support and offensive and defensive weapons. For accomplishing military missions, we think that during the 1966–1969 period, orbital weapons will not compare favorably with ICBMs in terms of cost and effectiveness. Based on these considerations as we now understand them, it would appear unlikely that the Soviets will during this decade deploy orbital bombardment systems of military significance. Moreover, we believe that the USSR would probably recognize that a Soviet deployment of nuclear weapons in space would produce an unfavorable reaction in other countries and strong US counteractions. Further, if the Soviets enter into a formal obligation to refrain from orbiting nuclear weapons, this will constitute still another factor inhibiting such deployment. (Paragraphs 168–171)

33. We recognize, however, that the Soviets might reach different conclusions as to cost and effectiveness, and in some future phase of East-West relations, political inhibitions might lose their effectiveness. Moreover, considering the pace of developments in the weapons field in general, it is extremely hazardous to estimate Soviet decisions for a period many years ahead. For these reasons, a firm estimate as to whether the Soviets will deploy an orbital bombardment system within the 1966–1969 period cannot be made at this time. (Paragraphs 172–173)

## DISCUSSION

### I. SOVIET POLICY TOWARD STRATEGIC ATTACK FORCES

34. The Soviet leaders look upon long range strike forces as a major element of their strategic position, intended to support their political objectives, to deter the West from resort to military action, and to fight a war should one occur. The available evidence supports the view that they are attempting to build forces which they regard as appropriate to these objectives, rather than aiming at forces which they could launch a deliberate attack on the West and count on reducing retaliation to levels that would be in any sense tolerable.

35. Soviet policy toward long range strike forces is heavily affected by the Soviet view of the character of future war. This Soviet view has become increasingly complicated in the last several years as the result of a continuing debate over the implications of modern weaponry for military doctrine. This debate persists, and may lead to further important changes, but at the present state it has produced several official conclusions which bear on long range capabilities:

(a) General war might begin in a variety of ways, including circumstances which provided very short warning times.



(b) The initial period is of critical importance and might determine the outcome.

(c) Enormous advantages accrue to the side striking the first blow.

(d) But the initial nuclear exchange might not determine the outcome, and in any event large ground campaigns would follow.

36. These propositions, when related to the strategic capabilities now deployed and programmed by the West, impose high and complex requirements upon Soviet long range strike forces. Among the chief constraints in meeting these requirements are cost and skilled manpower, which pose distinct problems to Soviet decision-makers. One of these problems is the proper balance of expenditure among military needs, the space program, and the civil economy. Another is the proper allocation of military funds among the various force components. This problem is made particularly acute by the insistence of the military leadership that all arms of service, including large theater forces, are necessary to prosecute a general war successfully and to provide the USSR with flexibility in a variety of possible circumstances.

37. Two other main factors have been involved in the past decisions which have determined present Soviet capabilities for long range attack. One is a concentration on the Eurasian theater, which is traceable to traditional Soviet preoccupation with this area as well as to the higher costs and greater technical complexity of intercontinental weapon systems. The other is an apparent lag in military thinking, which seems to have been relatively slow in working out some of the more sophisticated implications of advanced weapons. Both these factors are now changing, but for the immediate future Soviet forces for long range attack will be characterized by capabilities against Eurasia far exceeding those against North America, and by a considerable deficiency in certain performance characteristics—chiefly survivability and reaction times—relative to corresponding US forces.

38. A continuing Soviet emphasis on high yield weapons for long range striking forces was indicated by the 1961–1962 nuclear test series. The USSR's nuclear testing program has provided it with a wide variety of weapons for strategic delivery, with yields up to 100 MT. As new weapons enter the inventory they will progressively improve the total nuclear delivery capabilities of the strategic striking forces.

## II. *INTERCONTINENTAL BALLISTIC MISSILE FORCES, 1963–1965*

39. The Soviet ICBM program continues to be marked by change, innovation, and shift in emphasis. New aspects of the Soviet ICBM program include: (a) an interruption of the Soviet launcher construction program during the summer and fall of 1962; (b) further evidence that SS-8 has approximately the same delivery capability as the SS-7; (c) apparent curtailment of SS-8 deployment; (d) continued starts of soft sites and a continued low ratio of hard to soft sites.



40. Activity at the Tyuratam test range leads us to believe that new or modified systems are now under development and could reach flight test stage in the near future. Construction of operational launch sites for a new ICBM system could begin even before the first test firing, as was the case in other Soviet missile programs, but it is unlikely that more than a few missiles of new types could be operational before mid-1965.

*A. Deployed ICBM Complexes, Sites, and Launchers*

41. We have now identified a total of 18 ICBM complexes, all of which were begun before December 1961. We doubt that there are additional complexes, although we do not exclude the possibility that one or two unidentified complexes may exist. Any unidentified complexes which do exist probably have not progressed to the point of having more than a few additional launchers as yet.<sup>11</sup>

42. The 18 complexes now contain a total of about 220 identified launchers in various stages of construction, of which about 145 are soft and about 75<sup>12</sup> are hard. We cannot determine any “typical” number of launchers which each complex will ultimately contain.

43. We believe that about 100–115 of the identified ICBM launchers, including about 20 in hard silos were operational on 1 October 1963.

*B. ICBM Systems Deployed<sup>13</sup>*

44. Soviet ICBM development and deployment has emphasized a high degree of concurrency between system testing at the range and construction of operational sites in the field. The USSR has in the past five years developed three different ICBMs of the liquid-fueled type, together with the ground support equipment for each. At least some deployment has been undertaken for all three, with construction of deployment facilities beginning fairly early in the R&D phase. It now appears that in 1962 there were slippages and modifications in the deployment program for both of the second generation ICBM systems. The growth of operational forces has evidently been delayed once again, though not as seriously as was the case in 1958 when the SS-6 program was cut back. Thus concurrent programming, practiced successfully by the USSR in some other missile programs, has not resulted in a smooth and uninterrupted build-up in ICBM capabilities.

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<sup>11</sup> For the view of Assistant Chief of Staff, Intelligence, USAF, see footnote to Table at page 13, paragraph 55.

<sup>12</sup> We have identified 25 hard sites, each containing at least two and probably three launch silos.

<sup>13</sup> For details of estimated characteristics and performance, see Annex A, Table 4.

*SS-6 Program*

45. The first generation SS-6 was deployed only in limited numbers, i.e., about four launchers. In addition there are two at Tyuratam. The SS-6 is believed to be equipped with [text not declassified] warheads at present.<sup>14</sup>

*SS-7 Program*

46. The SS-7 is the most successful Soviet ICBM in development, and it is the most widely deployed. Thirty-six of the last 38 test firings of this missile have been generally successful. Although the SS-7 is much smaller than the SS-6, it is comparable to the US Titan in size and probably carries a warhead of [text not declassified] at present. The currently operational Soviet force consists almost entirely of SS-7s. The SS-7 is deployed in both soft and hard (probably silo-type) configurations. We believe that the rate of SS-7 launch site initiation, and hence of launcher activation, has been uneven, and that an interruption occurred during 1962.

47. Although some uncertainty remains, we now believe that each of the hard SS-7 sites probably contains three launch silos, rather than two as previously estimated. We cannot definitely determine the degree of hardening, but on the basis of present evidence and analysis we believe these sites can probably withstand overpressures up to 100–300 psi. We estimate construction time for hard sites at 22–24 months.

48. We believe the SS-7's maximum nuclear payload will probably be increased [text not declassified] with initial deployment of the higher yield warhead beginning in 1964.

*SS-8 Program*<sup>15</sup>

49. In earlier estimates we were unable to determine whether the SS-8 was a very large missile or a relatively small one. Among the reasons for believing that the SS-8 might be very large was our judgment that the Soviets would want a missile delivery vehicle for a 100 megaton warhead and a new space booster. The case for a very large SS-8 has been weakened by the continued failure of the Soviets to use the SS-8 as a booster in the space program. Although there are still

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<sup>14</sup> For the estimated maximum yields of Soviet long range delivery systems, see Annex A, Table 6.

<sup>15</sup> The Assistant Chief of Staff, Intelligence, USAF does not concur in the analysis contained in paragraphs 49 thru 51. He considers that the evidence can also be interpreted to show that the SS-8 is relatively large, capable of delivering a nosecone within the probable weight limits of 10,000 to 18,000 pounds to ICBM ranges. He believes that although strong arguments can be made for either a large or a small missile, the available evidence is so anomalous and subject to interpretation that a firm judgment is not possible at this time.

insufficient data to definitely determine the size of the SS–8 nosecone, the data available indicate that even if large, the SS–8 could carry to ICBM range a nosecone of only about 10,000 lbs. or somewhat more [*text not declassified*]. Such a booster would increase Soviet space payload capabilities only moderately, if at all, as compared with the SS–6 booster.

50. Considering all the technical and deployment evidence now available, we estimate that the SS–8 is a relatively small missile, i.e., one with about the same payload capacity as the SS–7, capable of carrying a nosecone of about 4,500 lbs. and a warhead [*text not declassified*].<sup>16</sup>

51. Renewed firings of the SS–8 at Tyuratam in 1963 [*text not declassified*] lead us to believe that an initial operating capability could have occurred in about mid-1963. We judge that the Soviets have decided to curtail deployment of the SS–8 and that, if any new sites are started in the future, they will probably be in limited numbers at existing complexes.

#### *C. Estimated Force Levels Through mid-1965*

52. Our estimate of the number and type of operational ICBM launchers through mid-1965 takes account of a variety of factors including the apparent trends in composition of the force, and the probable timing of deployment of follow-on systems. The estimate reflects a range of uncertainty regarding the scale and pace of deployment activity, and consequently regarding the Soviet strength in operational launchers, which increases as we project into the future.

53. *Soft Launchers.* SS–6 deployment is complete, and the SS–8 soft site program has probably been curtailed. Thus, expansion of the ICBM force for the next year or so will be primarily in terms of the SS–7. The high side of the estimate assumes that soft sites will be initiated at a fast pace through mid-1964, and that there will be no delays or slip-pages in their construction. The low side of the estimate assumes that almost all of the soft launchers programmed for second generation missiles are already under construction.

54. *Hard Launchers.* We believe that hard launchers now constitute only about 15 percent of the operational launchers in the field but that they comprise nearly half of the launchers now under construction. Since hard launch sites require 22 to 24 months for completion, launchers to be operational in mid-1965 must have already been under con-

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<sup>16</sup> The Director, Defense Intelligence Agency, believes that a confident selection between possible SS–8 delivery capabilities cannot be made at this time; available evidence and analysis do not permit excluding the possibility that the SS–8 may carry a nosecone of 10,000 lbs. or a little more.

struction by mid-1963. The estimate is based on the probability that each hard site contains three, rather than two launch silos.

55. The table below summarizes our estimate of Soviet ICBM force to mid-1965:

ESTIMATED SOVIET OPERATIONAL ICBM LAUNCHERS\*  
MID-61 TO MID-65

	MID- 1961	MID- 1962	MID- 1963	1 OCT- 1963	MID- 1964	MID*- 1965
Soft Launchers						
1st Generation	4	4	4	4	4	4
2nd Generation	0	30	70-75	80-95	140-160	150-225
Hard Launchers						
2nd Generation	<u>0</u>	<u>0</u>	<u>15</u>	<u>20</u>	<u>40-50</u>	<u>75-90</u>
TOTAL	4	35	90-95	105-120	185-215	230-320
DEPLOYED LAUNCHERS (rounded)						
Tyuratam Test Range						
Soft	5	9	9	9	11	15
Hard	<u>0</u>	<u>0</u>	<u>6</u>	<u>6</u>	<u>9</u>	<u>9</u>
GRAND TOTAL (rounded)	10	45	105-110	120-135	205-235	250-350

\* A new ICBM, perhaps capable of carrying very high yield warheads, could begin to enter inventory by mid-1965, and the force may include a few improved second generation missiles in semi-hardened sites.

\* The Assistant Chief of Staff, Intelligence, USAF considers the estimate of current ICBM strength unrealistically low for two reasons:

1. The majority estimate makes insufficient allowance for the existence of unidentified launchers. How large the factor for "unidentified" launchers should be is debatable, but in view of the deficiencies in available intelligence, the Assistant Chief of Staff, Intelligence, USAF considers that the absolute minimum figure for such launchers should be 10 percent. Since some 220 launchers have been identified, of which about 100-115 are judged to be operational, a minimum of 11 operational launchers should be added to this total to compensate for unidentified launchers. The actual number of such launchers may well prove to be several times this many.

2. The majority estimate does not consider that some launchers nearing a full operational status would have an emergency combat capability and could support missile firings if the need arose. The ACS/I, USAF believes some 20 launchers fall into this category.

Both of the above comments exclude 15 probable launchers estimated to be operational at TTMTR. On the basis of the foregoing, the Assistant Chief of Staff, Intelligence, USAF believes the minimum number of launchers which should be estimated as operational on 1 October 1963 is 145-160, and he would project this as follows:

1 Oct 1963	Mid-1964	Mid-1965
145-160	215-250	300-350

*D. Operational Characteristics of the 1963–1965 Force*<sup>17</sup>

56. About 80–85 percent of the 1963 operational Soviet ICBM force is in soft sites. System characteristics and operational procedures at these sites make it a slow reaction force. Soviet soft site deployment concepts adversely affect both reliability and reaction time because of horizontal storage and check-out with subsequent movement to launchers. We estimate that roughly one-third of the ICBMs will be in hard silos by mid-1965, enhancing both survivability and reaction time.

57. *Reaction Time.* At the great preponderance of ICBM soft sites, an alert can be maintained indefinitely with the missiles and nosecones mated in the ready buildings near the launchers, propellants and ground support equipment at hand, and duty crews nearby. This is readiness condition 3,<sup>18</sup> and it appears to be the most likely normal state of readiness capable of being maintained by the force. From this state of readiness, the bulk of the force would require three or four hours to fire. From the highest state of readiness, with missiles erected and fueled, some 5 to 15 minutes would probably be required for launch. This state of readiness can be maintained for a number of hours, depending on weather conditions and other factors. At the hard sites, readiness condition 2 is most likely normal, with a reaction time of about half an hour. In general, therefore, the Strategic Rocket Troops are not believed to be able to maintain a constant readiness state approaching US systems, but there is evidence of Soviet concern for this deficiency. Some improvement in reducing reaction times for initial firings has probably been achieved by the successive modification of SS-7 soft sites.

58. *Simultaneity.* It appears that a missile from each launcher at an individual site could be fired within 5–10 minutes. Theoretically, the entire force could be launched within about 10 minutes. We believe, however, that even under the most favorable conditions and with a time to fire given sufficiently in advance, such portion of the deployed missile force as the Soviets could bring to Readiness Condition I probably could be launched in a salvo extending some 15 to 30 minutes from launch of the first missile. Lack of direct evidence as to the reliability of Soviet deployed missiles makes it impossible to estimate with confidence what portion of the total deployed force actually could participate in this salvo.

59. *Refire.* One additional missile is probably assigned to each soft ICBM launcher, providing a refire capability in about 10 hours for

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<sup>17</sup> For detailed estimates of ICBM characteristics and performance, see Annex A, Table 1.

<sup>18</sup> For descriptions of Soviet missile readiness conditions, see Annex A, Glossary of Missile Terms.

SS-7 and about 16 hours for SS-6. It is unlikely that hard launchers have a refire capability.

60. *Reliability and accuracy.* Soviet SS-6 and SS-7 ICBM systems have apparently had excellent reliability and accuracy records under test range conditions. However, the effects of Soviet operational concepts and troop training standards are at least as important as technical characteristics in determination of system reliability, and we have no reliable basis for estimating these effects. We believe that the reliability of Soviet ICBMs would be considerably reduced under operational conditions. Operational accuracies can probably be improved so that by mid-1965 the bulk of the force could achieve CEP's of about 1 n.m. with a standard product improvement program; assuming improved guidance systems are introduced, some portion of the force could probably achieve CEP's in the 0.5-1.0 n.m. range at that time. We believe that there would be a considerable time lag before these improvements could be incorporated into existing deployed sites.

61. *Warheads.* The bulk of the Soviet ICBM force through mid-1965 will carry warheads in the 3 to 6 MT range. By 1965, the SS-7 and SS-8<sup>19</sup> might be modified to make them capable of delivering significantly larger nosecones, possibly with warhead yields [*text not declassified*]. Such an increased payload capability could be achieved by employing the missiles at somewhat reduced ranges. The SS-6 is capable of being equipped with [*text not declassified*] warheads for delivery to ranges of about 4,500 n.m. We believe that the Soviets would first have to test fire appropriately modified nosecones for any of these missiles.

### III. MEDIUM AND INTERMEDIATE RANGE BALLISTIC MISSILE FORCES, 1963-1965

62. About 675 launch positions for 1,050 n.m. (SS-4) MRBMs and 2,200 n.m. (SS-5) IRBMs have now been identified. Of these, almost 600 are soft positions deployed four to a site. We estimate that there are about 80 hard silos, deployed two to a site, but there is some evidence to raise the possibility that there are three launch silos per hard site.<sup>20</sup> Virtually all of the soft sites and most of the hard sites are operational at present.

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<sup>19</sup> For differing views as to the warhead delivery capability of the SS-8, see the footnotes of the Director, Defense Intelligence Agency, and of the Assistant Chief of Staff, Intelligence, USAF, page 12.

<sup>20</sup> If MRBM and IRBM hard sites in fact contain three launch silos, there are about 40 more hard launchers.

*A. Development and Deployment*

63. The massive capability for attack on Eurasian targets which present Soviet MRBM and IRBM forces represent has been developed by the USSR in several overlapping stages:

(a) Beginning in 1957, a 650 n.m. (SS-3) MRBM was probably deployed in modest numbers, initially employing a field-type configuration without fixed sites. This system probably also occupied some early fixed sites. [*text not declassified*] it has probably been phased out of the operational inventory in favor of the SS-4.

(b) The construction of fixed, soft sites for the 1,050 n.m. SS-4 was undertaken at an intensive pace from late 1958 to about mid-1961, when about 350 launch positions were available. Since then this deployment has proceeded more slowly and has been supplemented by the construction of hard SS-4 silos, which now comprise slightly less than 10 percent of the total of about 575 identified MRBM launch positions. Very few MRBM sites have been started since the spring of 1962.

(c) In 1961, a less extensive program to deploy IRBMs in both soft and hard positions was undertaken. In this program, greater emphasis was placed on hardening, and about 40 percent of the nearly 90 identified IRBM launch positions are hard silos. This program, too, is evidently now slackening. Deployment of hard silo slowed and may have ceased early this year.

64. More than 90 percent of the MRBM and IRBM force is deployed in a broad belt in western USSR, stretching from the Baltic to the Black Sea. Other sites provide the USSR with potential coverage of other targets of particular importance in Europe, North Africa, and Middle and Far Eastern areas, and isolated sites can attack key installations in Greenland and Alaska.

65. We continue to have difficulty in understanding the Soviet rationale for building nuclear delivery capabilities of this magnitude against European target areas. One factor influencing Soviet decisions was undoubtedly their strategic emphasis upon Europe, evident from the size of the medium bomber program and the theater forces, and reflected in many Soviet military writings. The concept of holding Europe hostage while Soviet capabilities against the US were small probably played a part. The apparent Soviet intention (revealed in classified documents) to strike a wide variety of targets may also have exerted an upward pressure on the size of the force, particularly if the USSR planned to equip most of these missiles with kiloton warheads. Finally, contributing military factors may have included attaining survivability through numbers and meeting requirements for support of theater forces as well as for strategic attack.

66. Considering the target coverage and geographic disposition of the present MRBM and IRBM forces, together with the evidence of



slowdown or cessation in new site construction, we now believe with greater assurance than in our last estimate that the USSR has about completed the expansion of its SS-4 and SS-5 forces for employment against Western targets. We anticipate no important further increase in primary soft launch positions although we expect to identify a few additional sites with the passage of time. All hard sites that we know about will be operational by mid-1964. We think, however, that from time to time the Soviets may construct positions in additional locations to cover new targets or to supplement existing coverage.

67. We estimate as follows the number of operational launch positions for SS-4 and SS-5 missiles in the USSR through mid-1965:

	MID-1963	1 OCT-1963	MID-1964	MID-1965
1050 n.m. SS-4				
Soft	540-550	550-560	550-560	550-560
Hard Silo <sup>a</sup>	40-50	40-50	40-50	40-50
2000 n.m. SS-5				
Soft	60-70	65-75	70-80	70-80
Hard Silo <sup>a</sup>	20-30	40-50	50-60	50-60
TOTAL SOFT	600-620	610-635	610-640	610-640
TOTAL HARD <sup>a</sup>	60-80	80-100	90-110	90-110
GRAND TOTAL	660-700	690-735	700-750	700-750

<sup>a</sup> These estimates assume two launch silos per hard site.

68. In addition to the foregoing systems, the Soviets began in December 1962 to test fire a new missile to ranges of about 1,000 n.m. at Kapustin Yar. The pace of the testing program has been slow, with only about five firings to date. We know little about the new missile, except that it has unusual propulsion characteristics which could indicate either a liquid or a solid-fueled system. The new vehicle may form part of a follow-on development program for either MRBMs, IRBMs or both. It may be for ground or submarine launching, or both.

69. If a normal development cycle is followed with good success, a follow-on system of MRBM range could probably be operational in small numbers by mid-1965. Such a system might be designed to have better accuracy than existing MRBM IRBM systems (perhaps about 0.5 n.m.). In such a new system, the Soviets are also likely to be seeking simplified maintenance, reduced manning requirements, survivability, and fast reaction time. An improved liquid-fueled system might be designed for long service in a high readiness condition in hard silos, or for greater flexibility and security of deployment in a mobile configuration. A solid fueled system would be well suited to silo or submarine deployment, but its weight might make it impractical for road-mobile use in the USSR and East Europe. In any event, we think it likely that a follow-on system entering service in about 1965 would begin to



replace the older SS-4, rather than adding to the gross size of the MRBM/IRBM force.

*B. Operational Characteristics of the 1963–1965 Force*<sup>21</sup>

70. Documentary evidence on the original Soviet concept for deployment of MRBMs revealed that the USSR once contemplated a system of alternate sites to increase survivability. This concept apparently was not pursued extensively, and we believe that virtually all MRBM and IRBM launch positions, including those of soft sites, are primary positions manned and equipped to participate in an initial salvo.

71. There are probably exceptions to the general rule that soft sites are fully equipped. These sites would resemble those constructions in Cuba and fit the description of alternate MRBM launch positions in classified Soviet documents of 1960 and 1961, which indicated that MRBM units were to move to such sites for protection under certain conditions, usually after firing a first salvo from the primary site. It seems likely that some such sites will be constructed by the Soviets to improve the chances of survival of the MRBM force.

72. Firing procedures appear to be largely manual. We believe that even under the most favorable conditions and with a time to fire given sufficiently in advance, the bulk of the force could probably be launched in a salvo extending over a period of some 15–30 minutes from the time the first missile is launched. Reaction times are long, but are probably better for hard silos than for soft positions. We cannot definitely determine the degree of hardening at hard MRBM/IRBM sites, but on the basis of present evidence and analysis we believe these sites can probably withstand overpressures up to 100–300 psi.

73. There has been much evidence that the Soviets intend to provide a substantial refire capability for their MRBM/IRBM force. Based in part on information from classified Soviet documents, we believe that the soft sites are intended to be supplied with two missiles for each launcher. It is highly unlikely that hard silos are intended to have a refire capability. We now have fairly good evidence on Soviet production of MRBMs and IRBMs, which leads us to believe that a full second salvo is probably available to all IRBM soft positions, but not yet to all MRBM soft positions. This evidence also indicates that production is continuing despite the cutback in deployment of new sites, and we believe that by mid-1965 each soft MRBM position could have a second-salvo missile available to it.

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<sup>21</sup> For detailed estimates of characteristics and performance, see Annex A, Table 1.

#### IV. SUBMARINE-LAUNCHED MISSILE FORCES, 1963–1965

74. Current Soviet submarine-launched missile forces are the outgrowth of decisions taken in about 1954–1955 to develop quickly a fairly extensive but unsophisticated capability. The USSR now possesses a considerable number of diesel-powered submarines and a much smaller force of nuclear-powered submarines equipped with missiles. The majority of these are designed to carry ballistic missiles suitable for employment against land targets; the remainder are equipped with cruise missiles, which were evidently designed primarily for use against surface ships but can also be employed against land targets.

75. Both public and classified Soviet statements indicate that the initial mission of the ballistic missile submarines was “to carry out strikes deep in enemy territory and to support ground force operations.” The advent of ground-launched systems in operationally significant numbers, together with limitations in the capabilities of the submarine systems, evidently led the Soviets in the late 1950’s to reconsider the role of the submarine missile force. Information from Soviet classified military writings as well as the operational practices of the force indicates that it is probably not now assigned the mission of participating in initial strategic attacks. Evidence indicates that both ballistic and cruise missile subs are to disperse and protect themselves in the event of war, and then to participate to the extent feasible in attacking Western targets. At about the time this concept was defined for the existing forces, however, the Soviets also initiated the development of more advanced missile submarine systems. We believe that in the near future these programs will give a new dimension to Soviet missile submarine forces, by bringing into service weapon systems better suited to attacks on Eurasian and North American land targets and Western naval forces at sea.

##### *A. Developments in Ballistic Missile Forces*

76. As of October 1963, the USSR possesses about 50 operational submarines capable of surface-launching 350 n.m. liquid-fueled SS-N-4 ballistic missiles. This force includes 11 nuclear-powered H class and 31–33 diesel-powered G class submarines, each of which is probably capable of launching its complement of three missiles within about 5–8 minutes after surfacing. Another 7 diesel-powered Z class submarines were converted to carry and launch two such missiles each. The 140–145 missiles of this force can carry warheads yielding [text not declassified] at present, and we believe that maximum yields of [text not declassified] could be introduced within the next year or so. Although this force represents a considerable potential threat, its operational effectiveness is limited by a number of factors: (a) the small number of missiles per submarine; (b) the short range of the missiles and the need to surface

before launching; (c) the operational limitations of the diesel-powered units, which comprise the bulk of the total force; (d) the unreliability of the propulsion systems of some nuclear-powered units; and (e) the continued absence of essential operational training cruises to likely combat areas.

77. Development is far advanced on a new ballistic missile designed for submerged launching. Our evidence on this system (now designated SS-N-5) remains very fragmentary, and there are critical uncertainties as to its size and the submarine class or classes for which it is designed. However, we estimate that SS-N-5 has a range of  $700 \pm 50$  n.m.

78. Because the G and H classes of submarines were designed in 1954–55, it is probable that both were designed to employ the 350 n.m. SS-N-4 surface-launched missile. The unusual height of their sails suggests that these subs carry their missiles in tubes which do not penetrate down into the pressure hull of the ships, but we do not know that this is the case. If the 700 n.m. SS-N-5, is about the same diameter as the 350 n.m. missile, it would probably need to be longer in order to carry a payload in the megaton range. Even greater tube length would probably be required to accommodate ejection gear for submerged launching if this gear were attached to the missile at its base.

79. We are unaware of any submarine project which we can point to as a candidate for a new class designed to employ the SS-N-5 missile. We continue to believe that there are probably one or more new submarine classes at some stage of development. Assuming that development schedules have paralleled that of the SS-N-5, an initial Soviet operating capability with this weapon system (in either nuclear or diesel-powered subs or both) could exist in the near future.

80. The SARK was displayed in Moscow parades in November 1962 and May 1963, and the Soviets described it as a submerged-launch missile. We cannot determine whether the SARK, a missile 48 feet in length and apparently equipped with ejection gear at its base, is the 700 n.m. submerged launch missile. Some calculations suggest that a missile of SARK's size and configuration could have a range of about 1,000 n.m.

81. We have again examined the possibility of retrofitting 700 n.m. submerged-launch missiles into existing G and H class submarines. If the SARK is the 700 n.m. missile, retrofitting would require such extensive modification to these submarines as to make it seem quite impractical. The incorporation of any missile longer than the SS-N-4 would require changing the basic design of the submarines if their tubes do not extend into the pressure hull, and this would be an expensive and difficult change. However, there is enough uncertainty in the evidence regarding tube configurations and the size of the 700 n.m. missile to raise the possibility that at least some submarines of the G and H

classes will be retrofitted with the new missile. As between the two, we think this possibility is somewhat greater for the H class because it is larger and nuclear powered.

#### *B. Developments in Cruise Missile Forces*

82. In addition to ballistic missile submarines, the USSR now has operational some 18 submarines capable of the surface-launching of 300 n.m. SS-N-3 cruise missiles. Of these, 12 are converted diesel-powered W class submarines, about half of them equipped to carry four missiles each and the remainder two each. The other six are nuclear-powered E class submarines, which carry six such missiles.

83. A new diesel powered submarine was sighted recently and has been designated the J class. Analysis of available evidence indicates that it is probably a cruise missile submarine and may carry two pairs of missile tubes similar to those carried by the E class.

84. The Soviet policy decision to acquire a cruise missile submarine force was made in 1956 or before. These systems were designed primarily to attack carrier task forces and other surface naval vessels, but can also be employed against land targets. Their low altitude flight profile (1,000–3,000 feet) and Mach 1 speed would complicate defensive problems. However, for attacking targets at ranges beyond the radar horizon the effectiveness of the system is limited by the requirement for a forward observer, such as an aircraft, ship, or submarine, to provide target data to the launching submarine.

85. The Soviets could add flexibility to the SS-N-3 system by programming the missile for high altitude flight, thereby extending its range to about 450 n.m. Such a development would provide greater diversification in the system's capability to attack both land and sea targets. There is also a possibility that the Soviets will incorporate a terrain-clearance guidance system to permit flight at 1,000 feet altitude over rugged terrain. Such a capability could be incorporated into operational systems within the next year or so, and could enable Soviet cruise missile submarines to direct either high or low altitude attacks at inland targets.

#### *C. Estimated Force Levels Through mid-1965*

86. The USSR will continue to expand its missile submarine forces, and improved missiles and submarines will probably become operational in the near future, but there is much uncertainty as to the scope and direction of the Soviet missile submarine programs at present. We believe that construction of G class subs ended in 1962, but it is possible that there will be additional construction of a modified version or a successor diesel-powered ballistic missile class. By this means the Soviets could increase the size of their force of ballistic missile submarines

even if there are continued limitations on their production of submarines with nuclear power.

87. Shipyard deliveries of nuclear submarines have been relatively constant at about 7–8 units per year since 1960, but we believe that this rate can be increased to some 10 or more per year. The Soviets have divided this output among ballistic missile, cruise missile, and torpedo attack classes, and we believe they will desire additional units of all three types in order to meet their varied operational requirements. It seems probable that, if a new nuclear powered ballistic missile class has in fact been developed to employ the 700 n.m. submerged-launch missile, the H class construction program is giving way to it.

88. With respect to cruise missile classes, we estimate continued construction of the nuclear-powered E class, and we believe that the appearance of the new J class means that additional diesel-powered units will also be built. We expect construction to be at least at the rates previously observed for building submarines of these general types, and it is possible that the Soviets may now be placing additional emphasis on the cruise missile program because of the capability of this weapon system for attacking both land and sea targets.

89. In the table below, the ranges arise not only from our uncertainty as to the scale and pace of introduction of additional missile submarines, but also from uncertainty as to whether new classes of ballistic missile subs are in fact under construction to employ 700 n.m. submerged-launch ballistic missiles. We have no basis for estimating the exact number of missiles which new classes of ballistic missile submarines will carry, but we think it likely that such designs would incorporate more than the three missile tubes carried by the older classes. It is also possible that there will be some retrofitting of G and H class subs with 700 n.m. missile over the next year or so. We estimate as follows the size and composition of Soviet missile submarine forces to mid-1965:

ESTIMATED SOVIET OPERATIONAL MISSILE SUBMARINES, 1963–1965			
	1 OCT 1963	MID- 1964	MID- 1965
Ballistic			
Nuclear			
H-class <sup>a</sup> and/or Successor <sup>b</sup> (3 or more tubes)	11	13–15	15–20
Diesel			
Z-class (2 tubes)	7	7	7
G-class <sup>a</sup> and/or Successor <sup>b</sup> (3 or more tubes)	<u>31–33</u>	<u>32–35</u>	<u>34–38</u>
TOTAL DIESEL	38–40	39–42	41–45

## Cruise

Nuclear, E-class (6 tubes)	6	8-9	10-12
Diesel, W-class (2 and 4 tubes)	12	12	12
J-class (4 tubes)	1	3-4	5-8
TOTAL DIESEL	13	15-16	17-20

<sup>a</sup> Some H and G class units possibly will be retrofitted with 700 n.m. submerged-launch missiles. G class, if retrofitted, may have two launch tubes.

<sup>b</sup> Successor classes would be equipped with 700 n.m. submerged-launch missiles.

*D. Operational Capabilities*

90. The pattern of submarine deployment indicates assignment of the bulk of the ballistic missile force to operations in the Atlantic and assignment of the preponderance of the cruise missile force to the Pacific area. At present, some 40 of the 50 operational ballistic missile submarines are part of the Northern Fleet, while the remainder are assigned to the Pacific Fleet. On the other hand, most of the cruise missile submarines (including all the nuclear-powered units) are with the Pacific Fleet.

91. Whereas the diesel-powered ballistic missile submarines could perform patrols of limited duration off the coasts of the continental US, the diesel-powered W-conversion cruise missile submarines would require regular replenishment at sea in order to perform extended anti-shiping patrols. All the nuclear-propelled subs possess adequate range for any operation, but engineering difficulties have plagued the H class since its introduction into the fleet. On at least five occasions in the past four years (the most recent known to us is October 1962) propulsion plant failures aboard nuclear submarines have necessitated their being towed back to base. The propulsion system aboard the nuclear H class is very noisy, and the normal operating depth limit of the submarine is estimated to be only about 800 feet, whereas the depth capability of the G class is estimated at about 900 feet.

92. A key missing ingredient in the development of operational capabilities continues to be the conduct of realistic patrols to potential launch areas. We know of no routine patrols off the US or even off Western Europe. However, routine patrols to these areas could begin at any time. We believe that by the mid-1960's at least some Soviet missile submarines will be engaging in routine patrols in open ocean areas.

93. According to Soviet classified documents, the main mission of cruise missile submarine forces is to aid in countering Western naval nuclear strike forces, particularly US carrier task forces. It is clear, however, that a capability exists to attack land targets, and recent missile improvements are enhancing this capability. We still do not

understand the exact method of employment of these cruise missiles. Soviet documents indicate that submarines and aircraft will be used to locate ship targets. Homing guidance against such targets is probably provided by active radar aboard the missile, perhaps supplemented by passive techniques. We do not know how the missile would be directed at any particular unit in a large task force.

*V. LONG RANGE BOMBER FORCES, 1963–1965*

94. Continued investment in improving Long Range Aviation (LRA) indicates that the USSR plans to maintain sizable bomber forces for at least the near term. Improvements over the past few years include introduction of a new medium bomber, introduction of air-to-surface missiles, and improved aerial refueling capability. Maritime reconnaissance is a secondary role of LRA, and maritime activity involving both heavy and medium bombers of LRA has increased during the past year or so.

*A. Force Levels and Equipment*

95. Soviet LRA, by reason of its equipment, basing, and deployment, is much better suited for Eurasian operations than for intercontinental attack. The bulk of the force is deployed in the Western USSR, the Ukraine, and the southern portion of the Soviet Far East. BLINDER is the only bomber known to be in production, but there are indications that there may be some new production of BEAR in addition to modification. The evidence also indicates a relatively stable number of medium bombers in inventory over the past two years or so. As of October 1963, LRA is estimated to comprise about 180–205 heavy and 940–975 medium bombers and tankers. The heavy bomber force includes about 95–105 BISON jet bombers and 85–100 BEAR turbo-props. Of the medium bombers, about 40–50 are BLINDER, with supersonic dash capability, and the remainder are BADGER. There are additional 360–370 BADGERS and 10–20 BLINDERS in Naval Aviation.

96. Recent trends point to little change in the aircraft strength of LRA over the next two years. While we cannot exclude the possibility that Khrushchev will institute a drastic reduction in the numbers of BADGERS in LRA, we believe that a phase out in BADGER strength is more likely and that it will be compensated in part by the further introduction of BLINDERS.<sup>22</sup> This aircraft has appeared in two configu-

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<sup>22</sup> For a differing view see Assistant Chief of Staff, Intelligence, USAF footnote to Table at page 22, paragraph 98.



rations: the BLINDER "A", a bomb carrier, and the BLINDER "B", a missile carrier. Although only the BLINDER "B" has been observed with a refueling probe, a refueling capability could be developed for BLINDER "A" at any time. The small-scale deployment of BLINDER and relatively low rate of production lead us to believe that a modest force will be deployed in the next two years.

97. Although research and development on heavy aircraft is under way, no replacement for BEAR or BISON is in sight. Notwithstanding Khrushchev's recent assertion that the USSR has no strategic bombers in production and continued indications of Soviet emphasis on missiles for strategic attack, there is considerable evidence to support continued Soviet research on large manned aircraft, although no follow-on bomber program can be identified. BOUNDER, a large, supersonic bomber design of medium range, is apparently being used as a test bed and we doubt that it will enter inventory as an operational bomber. In any event, the lack of advanced testing or production evidence leads us to consider it unlikely that a new heavy bomber could enter the operational inventory of Long Range Aviation before 1966. Further modification and improvement of existing heavy bomber types is possible, and perhaps even some new production of BEARs.

98. We estimate as follows the probable composition of LRA through mid-1965:

ESTIMATED STRENGTH OF SOVIET LONG RANGE AVIATION, 1963-1965*			
	1 Oct 1963	MID- 1964	MID- 1965
Bombers and Tankers			
Heavy			
BISON	95-105	95-105	90-100
BEAR	<u>85-100</u>	<u>85-100</u>	<u>80-100</u>
TOTAL	180-205	180-205	170-200
Medium			
BADGER	900-925	800-850	700-750
BLINDER	<u>40-50</u>	<u>75-100</u>	<u>125-175</u>
TOTAL	940-975	875-950	825-925

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\* The Assistant Chief of Staff, Intelligence, USAF sees no reason to expect reduction of the BADGER force in the 1963-65 period. He believes the medium bomber force will be quite stable in size, and might expand somewhat as the BADGER units attrit at a somewhat slower rate than BLINDERS are introduced into the force. Such a program would retain an established capability while re-equipment proceeds with new aircraft, a practice which has been noted before in Soviet aviation. The Assistant Chief of Staff,



Intelligence, USAF estimates the near-term medium bomber strength of the USSR as follows:

	1 Oct 1963	Mid-1964	Mid-1965
BADGER	900–925	850–900	800–850
BLINDER	<u>40–50</u>	<u>75–100</u>	<u>125–175</u>
TOTAL	940–975	925–1000	925–1025

He further believes the heavy bomber force will remain at approximately 200 bombers in this period, although the BEAR/BISON mix may change somewhat. Introduction of a longer-endurance aircraft based on the BEAR could begin in late 1964 or early 1965.

99. The Soviets have provided the BEAR aircraft with a standoff capability through the introduction of the Kangaroo (AS-3), a supersonic cruise missile with a maximum range against land targets of 350 n.m.<sup>23</sup> The AS-3 was probably designed for use against land targets, but may have limited effectiveness against naval formations, with greatly reduced accuracy and range. A major modification program has been under way since 1959 to equip BEARs for delivery of the AS-3, and 40–60 BEARs have been so modified to date.

100. We believe that all LRA medium bombers equipped with anti-shipping ASMs have been transferred to Naval Aviation. Both BISON and BEAR heavy bombers have conducted reconnaissance over US carrier task forces, and some of these aircraft were specially equipped for the reconnaissance role. This use of long range bombers was advocated in classified Soviet military writings, in which naval officers urged the use of these aircraft, particularly the BEAR, for maritime reconnaissance. In view of the naval reconnaissance missions performed by BEAR aircraft we cannot exclude the possibility that some BEARs will be transferred to Naval Aviation. However, we believe that attack on land targets remains the primary mission of most BEAR aircraft, and have made no allowance for transfers in our estimate of the future composition of Long Range Aviation.

101. A new supersonic ASM, the KITCHEN (AS-4) is being developed for the BLINDER “B.” Evidence on this missile is limited. It is either a boost glide or a sustained cruise missile. It was probably developed for use against land targets but some evidence indicates naval use as well. It could be operational by mid-1964.

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<sup>23</sup> For estimated characteristics and performance of these and other Soviet air-to-surface missiles, see Annex A, Table 4.

### B. *Operational Capabilities*<sup>24 25</sup>

102. A major obstacle to the development of capabilities for intercontinental attack by LRA has been the limited range of the BISON and BADGER aircraft which make up the bulk of the force. The emphasis on aerial refueling and Arctic training of the past several years reflect Soviet efforts to overcome this limitation. The USSR has not developed an aircraft specifically for use as a tanker. Instead, BISONs and BADGERs are converted for use as tankers with their bomber counterparts. BLINDERS could possibly also refuel from these tankers, but because of their shorter range probably would not be used against the continental US, except Alaska.

103. Some BEARs are now being modified for in-flight refueling. This modification was probably undertaken because of the range penalty involved in carrying the AS-3 missile, and possibly to increase endurance for a reconnaissance mission. About 15 BEARs have been modified for probe and drogue refueling, and we believe that additional BEARs will be so modified. BEAR is probably refueled by a BISON tanker.

104. Even with aerial refueling, the capabilities of LRA for intercontinental attack remain limited. Refueled BADGERs would be able to reach targets in the extreme northwestern portion of the continental US on two-way missions from Arctic bases, but they would have little flexibility of routing and tactics. However, BADGERs on two-way missions could provide coverage of many targets in Alaska, Canada, and Greenland. An operating manual for the BADGER indicates that the range of this aircraft is less than we have estimated. These data are presently under intensive study. The BISON would require both Arctic staging and inflight refueling to cover the bulk of US targets on two-way missions. Unrefueled BEARs could reach many targets in northeastern US directly from their home bases, but would probably stage

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<sup>24</sup> For detailed estimates of the characteristics and performance of Soviet medium and heavy bomber weapon systems, see Annex A, Table 5, Annex B, maps.

<sup>25</sup> The Assistant Chief of Staff, Intelligence, USAF differs in part from the argument in paragraphs 107 through 115. He believes attention should be focused on how many bombers could reach targets in the United States if, as could be expected in wartime, the USSR made an all-out effort to augment its still-small ICBM capability with strategic bombers. Such an all-out effort would appear particularly likely in view of Soviet concern over the importance of the initial nuclear exchange.

Considering all factors except combat attrition, the Assistant Chief of Staff, Intelligence, USAF estimates the USSR could put more than 300 bombers over North American targets on two-way missions and still leave several hundred medium bombers to attack targets in Eurasia.

Since the BADGER can carry a bomb with a yield four times as large as that of the warhead of an SS-7 missile, the Soviets might utilize BADGERs on one-way missions as part of the initial attacks, and in this case the number of bombers reaching the United States could exceed 500.

through the Arctic when equipped with AS-3 or bomb loads of 25,000 lbs. or more, in order to gain extensive coverage of US targets. Refueled BEARs carrying AS-3 could reach many US targets directly from their home bases.

105. Training patterns and range capabilities of Soviet bombers indicate that aircraft attack against the US (except Alaska) would involve heavy bombers almost exclusively. We have previously estimated that the Soviets would commit their entire heavy bomber force to this mission as weapons carriers and tankers. Considering the requirements for Arctic staging, refueling, and non-combat attrition factors, the Soviets could put 90–115 heavy bombers over target areas in the United States on two-way missions. However, the increasing use of Soviet heavy bombers in maritime reconnaissance roles leads us to believe that a few such aircraft might be diverted to this mission.

106. The scale of the initial bomber attack could be increased should the Soviets choose to commit BADGER medium bombers to two-way intercontinental missions. Considering the probable use of less suitable Arctic airfields as staging bases, refueling, and noncombat attrition factors, we believe that up to 150 medium bombers could arrive over North American target areas on two-way missions. These bombers could attack Greenland, Canada, and Alaska, and portions of northwestern United States.

107. The Soviets could further increase the number of bombers arriving over North America should they resort to one-way unrefueled attacks with medium bombers. In order to conduct such attacks they would need to use BADGER crews which had not participated in Arctic training. With the growing Soviet ICBM and missile submarine forces this use of the medium bomber force becomes increasingly unlikely.

108. We consider it probable that initial attacks would be mounted in successive waves and extend over a considerable number of hours.

#### VI. SPACE WEAPONS SYSTEMS

109. We examined in NIE 11-9-63<sup>26</sup> the military, economic, and political considerations involved in a Soviet decision on the orbiting of nuclear-armed satellites. At that time it appeared to us that, for the near term, the disadvantages to the USSR would outweigh the advantages, and we estimated that the chances that the Soviets would orbit a nuclear weapon during the next two years or so were less than even. The course of subsequent events, including the USSR's acceptance

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<sup>26</sup> NIE 11-9-63, "Soviet Capabilities and Intentions to Orbit Nuclear Weapons," 15 July 1963, SECRET, RD. This estimate contains an examination of Soviet technical capabilities for orbital bombardment systems and the characteristics of various systems which the USSR might deploy in various time periods.

of a limited nuclear test ban and its cultivation of an atmosphere of relaxed international tensions, has strengthened this view. Gromyko's remarks before the UN in September 1963 suggest that the USSR may be willing to enter into a declaratory agreement with the US in which both sides undertake not to deploy nuclear weapons in space. Even if no formal agreement is reached, we think it unlikely that the Soviets will decide to orbit nuclear weapons in 1963–1965.

110. Should the Soviets nevertheless choose to place nuclear weapons in orbit during the next two years, we estimate that, using the SS-6 booster with suitable upper staging, they could assemble and launch a fractional or multi-orbit nuclear-armed satellite at any time without prior testing. The attainment of predictable reliability and accuracy, however, would require a series of tests extending over at least a year after an initial launching. With such testing, the USSR probably could deploy a small number of bombardment satellites with CEP's on the order of 5–10 n.m. and orbital lifetimes ranging up to several months. The nuclear payload could be *[text not declassified]* if a combination of the SS-6 ICBM and a Venik upper stage were used for launching.

111. While we think that the Soviets are unlikely to orbit a nuclear weapon in the next two years, we believe that they will continue to investigate the feasibility of orbital bombardment systems, weighing the possible costs and effectiveness of such systems against those of alternative delivery systems. We have observed no test activity or other indications that the Soviets are working along these lines, but we would not necessarily detect and recognize such work prior to an initial launching. Even without any special efforts, their capabilities in this field will improve in the normal course of continued development of nuclear technology, ICBMs, and space projects.

## VII. MAJOR SUPPORTING ELEMENTS

### A. *Command and Control*

112. During the past two or three years the Soviet military high command structure has apparently been modified to speed the process of initiating or responding to strategic nuclear attack. The growth of nuclear and missile forces on both sides has almost certainly persuaded the Soviets to establish the command and control channels necessary for the swift initiation of military operations upon the decision of the political leadership. Our information does not permit a firm assessment of the flexibility of response and operational control which the Soviet high command could exercise over long range striking forces during the course of combat operations, but the general picture is one of less sophistication and precision than in comparable US forces.

113. Khrushchev's position in the military command structure corresponds roughly to that of the President of the US. We have informa-

tion, some of it from classified documents and some from public statements, about both a Supreme Military Council and a Supreme High Command; Khrushchev is chairman of the Council and Supreme High Commander. The Council, a body of high-level party, government and military officials, has existed since before World War II to provide a forum for discussion and decision on major issues of military policy. The Supreme High Command directed military operations during World War II with Stalin at its head, but was disbanded thereafter. Such information as we have suggests that steps have been taken in recent years to designate membership in the Supreme High Command and to develop procedures to permit the quick assumption by this body of top level control of military operations under Khrushchev should events so dictate.

114. At the present time, there is not, so far as we know, a single, unified military command for all elements of the Soviet long range striking forces. Coordination of operations among the three long range striking forces is the responsibility of the Ministry of Defense, whose General Staff is responsible for planning and probably targeting for the entire military establishment. Long Range Aviation is a major air command, missile-launching submarines and some medium bombers are assigned to Soviet fleets, and the missile forces have been designated a separate main component of the armed forces. Documentary information indicate that low-echelon units of missile forces, bombers, and submarines can be operationally controlled directly from Moscow.

115. We have no reason to suppose that there are any major weaknesses in the communications and control of long-range bombers or of Soviet missile submarines. Long Range Aviation has existed as a separate command throughout the post-war period, and missile submarines have been assigned to fleets for about five years. Thus, both bombers and missile submarines are attached to older commands which have had a number of years to develop and refine their communications and control arrangements. On the other hand, the Strategic Rocket Forces have new and pressing requirements in this field which are shared by neither bombers nor submarines. Classified Soviet documents have indicated that as recently as 1961, these requirements were not being met, and that serious shortcomings existed in communications, control, and data-processing within the Strategic Rocket Forces. These shortcomings probably stemmed both from the newness of the organization (announced in 1960) and the novelty of its command and control requirements. They were probably aggravated by the relatively rapid pace of missile deployment in 1961, and evidently by shortages of data-handling equipment at unit level. At that time the Soviets were dissatisfied with communications and control procedures as they affected the reaction time of missile units, and they have been attempt-

ing to speed them up through automation. We believe that these deficiencies have been largely overcome.

*B. Long Range Reconnaissance*

116. We believe that the USSR has devoted considerable effort to pinpointing potential targets for strategic attack in the US and elsewhere. The Soviets are probably able to achieve satisfactory target location data without employing overhead reconnaissance. High competence in geodetic mapping provides the USSR with an excellent base; we currently estimate that the Soviet geodetic error in location of US missile launch sites is on the order of 500–1,000 feet. By exploiting the wealth of open source material available in the US and adding refinements through clandestine operations, the USSR can probably locate Minuteman silos, for example, within a general range of 300 to 1,000 feet. Considering the combination of probable geodetic and target location errors, we estimate that, in general, the USSR is able to locate US targets within a total error of less than half a mile.

117. Continuous and up-to-date information on the location and movement of key Western forces is a high priority Soviet requirement. In peacetime, this requirement is probably met in large part by the extensive Soviet direction-finding effort, which permits location of Western communications circuits and the units employing them. The Soviet direction-finding effort could retain a high degree of effectiveness under wartime or alert conditions in the absence of strict Western communications security measures and electronic emission control. The USSR supplements this effort by such means as the exploitation of open sources, clandestine observation, and signal intercept by a variety of means including trawlers.

118. Reconnaissance in support of Soviet long range striking forces could be further improved by the use of satellites employing electronic, optical and infrared sensors. We believe that in the past year the Soviets have employed the "Cosmos" satellites launched from Tyuratam on photographic missions. We cannot estimate detailed characteristics for this system, but the payload capability of these satellites (about 10,000 lbs.) provides a considerable potential for experimentation and growth.

119. In conducting any long range attack, the Soviets would desire to learn as rapidly as possible which targets had survived their initial strikes. We have no direct evidence on the Soviet approach to this problem. In theory, existing high-frequency back-scatter antennas located within the USSR could rapidly determine the general areas and yields of large nuclear explosions in the US. However, the Soviets could probably not be sure in advance whether this remote detection technique would be able to distinguish the exact locations and yields of a large number of nuclear warheads detonating over the US within

a short period of time. In any event, the information obtained would probably not be precise enough to be used for retargeting ICBMs. It might assist in programming post-attack reconnaissance more effectively.

120. For more precise post-attack reconnaissance, the USSR would probably use manned aircraft which would have the advantage of being able to seek out and strike at targets missed in the first phase, or targets of uncertain location, without having to relay information to other attack components. The Soviets have developed a high-altitude, reconnaissance aircraft (MANDRAKE), similar to the U-2, which has an operating radius suitable for use against Eurasian targets. In addition, some of their present bombers could be employed in a reconnaissance role. Unmanned reconnaissance of targets in Eurasia might be performed by surface-to-surface aerodynamic vehicles. Such vehicles could become operational within the next two years. More comprehensive damage assessment could be achieved by employing reconnaissance satellites.

### *C. Electronic Warfare and Countermeasures*

121. Soviet capabilities to disrupt Western strategic and tactical communications are considerable. The Soviets have developed a wide range of active and passive ECM equipment including improved chaff, radar, and communications jammers and various deceptive devices to counter Western defensive electronic systems, such as communications, air defense radar, and navigation aids. The USSR's present capability covers all the significant frequencies used by the West, from low frequencies up to 10,000 mc/s and possibly higher. Existing Soviet capabilities, however, are not likely to be effective against some of the more advanced US communications systems, such as those employing ionospheric and tropospheric scatter. The Soviets are continuing to enhance this capability, and equipment that will probably become available in the future will include such improvements as greater power and more sophistication.

122. *Airborne Systems.* The Soviets would probably employ some bombers in an ECM role. All units of Long Range Aviation are probably equipped and trained in the use of both mechanical and electronic ECM. All Soviet bombers can be equipped to carry chaff, and they have demonstrated capabilities for its employment under a wide variety of operational conditions. Air-to-surface missiles designed to home on radar transmitters, air-launched decoys to simulate bomber radar returns, and infrared decoy flares to counter heat-seeking air-to-air missiles could also be made available provided the Soviets see a requirement for them. Soviet aircraft are equipped with electronic jammers and have used them repeatedly in exercises. Future improvements



could include broader band jammers, higher powered and more automatic equipment, and increased use of deception techniques.

123. *Countermeasures for Naval Use.* In recent years, the Soviets have given increased emphasis to development of shipboard ECM equipment, but such equipment is of only limited value to the long range striking forces. Because of the risk of detection, we doubt that Soviet submarines would employ active jamming, but passive intercept gear would be used to provide warning of Western radar and sonar search activity.

124. *Missile and Satellite Application.* The Soviets probably are continuing research on the reduction of radar cross-sections of missile nose-cones, and may achieve significant results within the next five years. They have probably investigated various techniques for confusing radar, such as tankage vectoring and decoys to simulate missile nose-cones. They may also develop active ECM, multiple warheads, etc., for inclusion in ballistic missile reentry systems.

#### VIII. TRENDS IN STRATEGIC ATTACK FORCES, 1966–1969

##### A. General Considerations

125. From the preceding analysis we can derive a number of characteristics which have marked the building of long range strike forces in the USSR:

(a) The USSR's research and development programs, as reflected in the expansion of test ranges and the development of successive weapon systems, have been vigorous.

(b) In contrast, the scale and pace of deployment programs have been uneven. Some systems, particularly those suited for attacking Eurasia, have been deployed steadily and in large numbers. Others, such as individual types of heavy bombers, ICBMs, and missile submarines, have often been produced and deployed in relatively small numbers.

(c) This behavior has reflected, in part, technical problems and economic constraints. But it also suggests that the USSR is willing to tolerate a condition of limited intercontinental capabilities and considerable vulnerability over long periods of time.

(d) Both doctrinal discussions and some features of weapons design, such as vulnerability and relatively slow reaction times, indicate that Soviet thinking about the complex problems of long range attack has been less sophisticated than that of the US.

(e) No well-defined strategic concept appears to have governed the forces deployed to date. The present composition of the force does not suggest that it was designed primarily for either preemption or retaliation.



(f) Present deployment and developmental efforts indicate that the USSR, despite the frequent public stress on surface-to-surface missiles, has retained diversified forces.

126. In NIE 11–8–62, we examined the ways in which the Soviets might employ their long range attack forces in time of war. We concluded in that estimate that the Soviet target concept is very broad and that, while Western nuclear delivery capabilities top the list, the USSR plans to strike at other military targets and at centers of communication, administration, and industry, making no special effort to minimize civilian casualties.

127. We estimated that, in a preemptive attack during the near term, the USSR would probably direct ICBMs and bombers against North America and MRBM IRBMs, medium bombers, and missile submarines against Eurasian targets. We drew attention to the special difficulties of achieving simultaneity, locating US forces at sea, and attacking hard targets. We concluded that the Soviet long range strike forces would be inadequate to permit the USSR to launch initial attacks without expecting to receive devastating blows in return. In the same estimate, we noted the limitations on the USSR's ability to protect its long range strike forces against attack. We pointed out, however, that by virtue of hardening in the land-based missile force and improvements in the missile submarine force, the Soviets were reducing the vulnerability of a portion of the force in order to provide it with some prospect of survival and retaliation.

128. In the succeeding 15 months, the USSR has expanded its forces and has made improvements in the performance characteristics of various systems. There is evidence that questions of the character of general nuclear war and strategies for its conduct continue to be discussed. In none of these areas have changes appeared which substantially alter our appraisal of the USSR's near-term capabilities or indicate radically new approaches to questions of strategy. But if the outlook for the next two years is relatively unchanged, the prospects for the later 1960s are far less clear. A variety of factors could influence the numerical size, the mix of various systems, and the characteristics of individual weapon systems in the total force which will be deployed by mid-1969.

129. *Technical Factors.* Much will depend upon the specific successes achieved among the numerous R&D projects which now may be going forward. If, for example, the Soviets were to succeed in developing a new ICBM which could be dispersed and maintained at much less expense than current systems, they would probably concentrate on it in their deployment program. If not, present and improved versions of the SS-7 system would probably represent the bulk of ICBM capabilities added during the 1965–1969 period. We know that the USSR is developing a submerged launch submarine system of MRBM range, but because

of uncertainties about such factors as the time of availability and the operational effectiveness of the submarine and its missile, we cannot predict how heavily the USSR will invest in such a system.

130. *Strategic Concepts.* We are confident that the desire for an effective deterrent is one of the primary concerns in Soviet policy toward long range striking forces. We expect this concern to be reflected in an increasing emphasis on survivability through hardening of ground-based missiles, expansion of the submarine force, and perhaps the advent of a mobile MRBM. We believe that the Soviets also attach a high deterrent value to very-high-yield warheads calculated to intimidate opponents by threatening cities, although they probably also see some military utility in these weapons for such purposes as attacks on key hardened installations. We believe that the concept of deterrence is probably advocated by those who, for more general reasons as well, wish to aim at fairly moderate-sized forces. We have no basis for estimating the force levels which might be associated in the Soviet mind with a satisfactory deterrent posture.

131. Various classified and public statements suggest that, as Soviet military leaders have begun to comprehend the gigantic difficulties of prosecuting a war in which the West strikes first, they have urged a preemptive strategy upon the political leadership. The military requirements of a fully effective preemptive strategy are themselves gigantic, although we are not certain that Soviet military thought fully appreciates these requirements yet. Arguments derived from the concept of preemption may impart to Soviet programming during this period an upward pressure beyond levels which Soviet planners might associate with the concept of deterrence. On the other hand, evidence of current military programs and general political and economic trends in the USSR persuades us that Soviet policy in the latter half of the decade will not be governed by an all-out effort to achieve extensive capabilities for preemption against programmed Western strike forces.<sup>27</sup>

132. *Economic Constraints.* Expenditures on forces for strategic attack, plus those for strategic defense, have been the most active elements in Soviet military spending during 1958–1962, rising by some 115 and 70 percent respectively while total military expenditures increased by about 30 percent. These increases have greatly improved

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<sup>27</sup> The Assistant Chief of Staff, Intelligence, USAF would reword the last two sentences as follows:

“Our evidence of current military thinking, even in view of general political and economic trends in the USSR, suggests that Soviet military policy in the latter half of the decade may be shaped to a considerable extent by further efforts to enhance preemptive attack capabilities. In any event, arguments derived from the concept of preemption probably will impart to Soviet programming during this period an upward pressure beyond levels which Soviet planners might associate with the concept of deterrence.”

Soviet strategic capabilities, but they have been among the important causes of the general economic slowdown of recent years, and this slowdown has become a chief concern of the Soviet leadership.

133. While forces best suited for Eurasian use accounted for the bulk of spending on the long range attack mission in 1958, expenditures on intercontinental systems have shown more rapid growth and consumed well over half of total 1962 outlays on long range attack. With the MRBM/IRBM force levelling off and BLINDERS being produced at a relatively moderate rate, R&D and investment in weapon systems designed for the Eurasian theaters will decrease substantially in the future, although operating expenditures will remain high. Thus, the USSR has some new flexibility in the current period which will enable it to increase expenditures on supporting elements and systems for intercontinental attack, or reduce spending on total long range strike force, or choose some intermediate solution. We believe that because of other demands, both military and nonmilitary, the Soviets probably will not continue increasing total spending for long range attack at the 1958–1962 rate, which averaged about 20 percent annually. We expect some continued although more gradual rise in these allocations.<sup>28</sup>

134. *Effects of Other Programs.* Other programs compete with strategic attack forces, not only for resources in the broad sense, but also for scarce skills and quality materials necessary to all technologically advanced programs. Strategic defense is a major claimant in this competition. We believe that R&D spending on antimissile defense will continue at a high rate during the period of this estimate, whatever decisions are taken about ABM deployment. The economic demands of the Soviet space program are also substantial and draw on the same resources. In general, we believe that the USSR would have great economic difficulty in pursuing a policy which called for antimissile defenses of major cities, competition with the space program which the US has scheduled for this period, and the higher sides—both in numbers and performance characteristics—of our estimates for long range strike forces which appear in succeeding paragraphs.

135. The present Soviet view of the likely character of future war also imposes on the USSR the requirement to maintain large theater forces. Expenditures on this mission, while they have declined somewhat in recent years, are still very large; in 1962, according to our estimates, they equalled about two-thirds of the combined expenditures on strategic attack and strategic defense. If the Soviets maintain theater

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<sup>28</sup> The Assistant Chief of Staff, Intelligence, USAF considers it more likely that the rate of expenditure for strategic systems will continue to rise at least as rapidly in the coming years as it has since 1958, since these expenditures probably will include military space systems as well as follow-on missile and manned systems.

forces at their present size and pursue the attempt to provide them with improved equipment and adequate supporting elements, these expenditures cannot be substantially reduced, although they can probably be held at about the present levels. We believe that the proper level of manpower and expenditures in the theater forces is likely to be a subject of continuing contention in the coming period, and it is possible that at some point substantial cuts will be made, thereby easing economic pressures somewhat.

136. *Political Factors.* In the present and prospective strategic situation confronting the USSR, there is much which argues for a policy of safeguarding national security through some fairly moderate level of military strength or even, more radically, through international agreements to limit or reverse the arms race. The experience of the past five years should show the Soviet leaders that their chief opponent is well able to match and overmatch them in numbers of long range delivery vehicles and is no less able than they to develop improved systems with superior performance characteristics. Similarly, Khrushchev has had occasion, in a series of crises, to observe the limits on the role which a long range strike force can play in furthering Soviet political objectives. At the same time, his advocacy of a higher priority for certain civilian economic programs appears to be growing stronger.

137. Our survey of current evidence on both development and deployment of systems for strategic attack suggests no radical change responsive to these considerations, but rather a general Soviet intention to continue improving their capabilities. The possibilities of a more substantial change in Soviet policy hinge in large part upon more general political changes, such as a new sense of the Soviet position in world affairs arising out of the Sino-Soviet conflict, or a new Soviet judgment about the value of strategic attack forces in supporting the USSR's political objectives.

138. In framing the estimates which follow, we have attempted to take into consideration all these factors, along with the specific evidence available concerning the various categories of long range weapon systems. These estimates are necessarily imprecise and are expressed in ranges meant to indicate the upper and lower limits outside which, in the absence of an arms control agreement, actual strength in the period 1966-1969 probably will not fall.

#### *B. Intercontinental Ballistic Missile Forces*

139. There is now available to us a considerable body of evidence from many sources, both on the general patterns of Soviet military policy and programs and on the development and deployment of long-range striking forces in recent years, from which it is possible to identify several broad trends likely to apply to the future growth of ICBM

and other related forces. It appears quite likely that present Soviet programming calls for the acquisition of some hundreds of ICBM launchers for missiles with multimegaton warheads, though the specific size and composition of the force in the late 1960's could vary considerably within this general range. Efforts to improve survivability and readiness are evidently under way; the hardening of a portion of the land-based missile forces and the development of advanced submarine missile systems point to Soviet concern to have protected retaliatory capabilities.

140. None of the evidence available to us suggests, however, that the USSR contemplates forces designed to neutralize US strike forces in an initial blow, nor do the Soviets appear to be seeking to match the US in numbers of intercontinental delivery vehicles. Soviet strategic attack programs place great emphasis on ICBMs, but these weapons are sharing available resources with other land-based and submarine systems, and we believe the USSR is investigating the feasibility of space weapons systems. Moreover, past Soviet investment in air defense and the vigor of ABM research suggest that the USSR may see its security best served by a combination of antimissile defenses and enormously destructive, though still numerically inferior, intercontinental strike forces. Our evidence thus leads us to believe that the Soviets see technological achievements in a variety of military fields, including ICBMs, as the best way of improving the USSR's strategic position relative to that of the US.

141. Program lead times and the general character of present Soviet missile and nuclear weapon technology will significantly affect the size and composition of the ICBM force for the 1966–1969 period. The major Soviet long-range missile programs which have been observed to date have required some  $2\frac{1}{2}$  to  $3\frac{1}{2}$  years from the initiation of construction of research and development launch facilities to achievement of an IOC, and at least two years more to achieve a significant force level, say 100 operational launchers. It is doubtful that the lower limit of these lead time ranges can be appreciably reduced. In general, therefore, any new ICBM systems to be deployed in quantity during the 1960's would need to be under development already or to begin development shortly.

*Evidence of R&D Activities*

142. Research and development activities at the Tyuratam missile test range, indicate that the Soviets will continue to improve and expand their ICBM force in the period beyond 1965. Current activity at Tyuratam almost certainly includes preparation for further space ventures and product improvement on existing ICBM systems as well as development on new weapons systems.

143. Since the available evidence is inconclusive concerning the specific nature of planned improvements to existing ICBMs or follow-on systems, we have based our estimates on these matters in large part on the Soviet need to correct deficiencies in the current force, tendencies in Soviet missile design, and Soviet technical capabilities.

*Improved and Follow-on Systems*

144. *Very Large ICBMs.* We continue to believe that the Soviets are developing a large vehicle (with a million or more pounds of thrust) which could be used as a space booster, as a "global rocket," or as a carrier for warheads yielding up to 100 MT. Assuming that test firings begin within the next few months, such a vehicle could probably have an initial operational capability in the period mid-1965 to mid-1966. If such a vehicle is employed as an ICBM, the initial deployed sites would probably be soft. To reduce the vulnerability of such a system and to maximize its contribution to strategic deterrence, the Soviets would probably wish to incorporate hardening at some stage in the program, but there are high costs and technical obstacles which might limit the degree of hardness practicable, or perhaps preclude hardening entirely.

145. *Standard-Size Follow-On ICBMs.* We believe that the Soviets would consider the primary qualitative improvements needed in the bulk of the ICBM force to be increased survivability, shorter reaction time, better accuracy, and decreased logistic and personnel support. A Soviet decision to develop and deploy a basically new ICBM in the SS-7 size class would depend largely on their view of the possibilities of meeting their operational requirements through product improvement on current systems. These requirements can probably be met almost as well and at much lower cost by product improvements to the SS-7 system as by a follow-on system of the same general type and weight.

146. Either a new ICBM system or product improvement to the SS-7 would probably include new launch site configurations improving force survivability and decreasing support requirements. New configurations may include semi-hard sites, or new single launcher SS-7 hard sites providing for much greater dispersal. Deployment sites of improved configuration could be under construction in the near future and become operational in the period mid-1965 to mid-1966.

147. Soviet development of an ICBM system as small as the US Minuteman would run counter to trends thus far discernible in Soviet long range missile systems and weapons designs. The Soviet chemical industry, particularly those elements which have to contribute to the development of large grain solid propellants, is one of the basic weaknesses of Soviet technology. Further, at present we have very little evidence on recent Soviet research and development to support an

estimate that a solid or exotic fueled ICBM as small as Minuteman could become operational in the 1966–1969 time period. Nevertheless, some of the operational attributes of the Minuteman concept would reduce the main deficiency in the Soviet force—namely its vulnerability to US attack. The Soviets might find that a new system could go considerably further towards remedying this weakness than would an improved SS-7, and such a system might also reduce the high maintenance requirements associated with their present systems.

148. A new missile somewhat smaller than SS-7 using improved propellants could reach operational status in the period. We believe it likely that such a new smaller missile would be deployed in hard sites. We believe that a new, silo-launched, smaller missile would not start test firings for about a year and IOC would not occur until 1966–1967. Should the Soviets elect to deploy a new missile in soft or semi-hard sites, test firing could begin in the near future with an IOC in about mid-1965.

*Composition and Size of the ICBM Force 1966–1969*<sup>29</sup>

149. Whether through product improvement, introduction of new missile systems, or both, the Soviets will increase the effectiveness of their ICBM force significantly during the period. Inasmuch as the USSR has concentrated primarily on liquid propulsion in the post-war period, while emphasizing development of efficient large nuclear warheads, the bulk of the Soviet long range attack forces operational prior to mid-1969 will consist of liquid-fueled missiles capable of delivering warheads from roughly 3 to 13 MT. We believe that total deliverable megatonnage will be increased by increased load-carrying characteristics of standard sized missiles and possibly by introduction of a very large ICBM. The accuracy of missiles added to the operational force during the period may be about 0.5–1.0 n.m. CEP. Decoys, other penetration aids, and warhead shielding could be incorporated at any time, with a sacrifice in payload, should the Soviets consider that they are required. Although there is evidence of Soviet interest in decoys, there is no known Soviet program to develop them.

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<sup>29</sup> The Assistant Chief of Staff, Intelligence, USAF disagrees in part with the analysis contained in paragraphs 158–162. See his footnote to Table on page 38.



150. We estimate that the deployment of currently operational missiles in soft launch sites will cease by the mid-1960's. The construction of sites for SS-7 may continue through the period, and may include improved hard or perhaps semi-hard configurations. A smaller system could become operational in the 1965-1967 period and could be deployed at a rapid rate. Very large ICBMs with warheads yielding up to 100 MT could enter inventory in 1965-1966, and would probably be deployed in relatively small numbers to supplement the force.

151. The low side of our estimate for 1969 (400 launchers) assumes that, in addition to deployment of a few very large ICBMs which begin to enter operational inventory in mid-1966, the Soviets will at about the same time introduce either a new, somewhat smaller ICBM or an improved SS-7, possibly in single-launcher hard sites. It further assumes that when the number of hard silos reaches a level of about 200 (about mid-1968) the Soviets will consider the resultant force, in conjunction with other strategic weapon systems, an adequate deterrent. The reasons why the Soviet force might develop in this manner include such economic considerations as the need to devote more resources to the civilian economy or to anti-missile and space programs as well as political factors.

152. The high side of our estimate for mid-1969 (700 launchers), takes into account the possibility that the deployment of soft launchers, perhaps including some semi-hardened sites, is carried somewhat further than in the preceding alternative; that a very large system is introduced somewhat earlier than 1966, and that over 200 launchers of a new type—an improved SS-7 or a new, somewhat smaller hard system, possibly in single silo sites—are deployed. Construction of such a force might reflect not only a Soviet concern for deterrence, but also an effort to put the USSR in a somewhat better position to undertake a preemptive attack if a Western strike appeared imminent and unavoidable.

153. Although the force levels indicated by the upper and lower limits of the range are derived from technical and strategic considerations, other force compositions and force levels within this general range are equally possible. Considering the probability of slippages in development and deployment programs for estimated new and improved ICBMs, we consider it unlikely that the operational force in 1969 will exceed 700 launchers. Considering the extent of present deployment activity and the Soviet requirement to maintain a credible deterrent, we doubt that the force will level off with fewer than 400 launchers. In both cases, the Soviets would recognize that the force fell far short of that required for a preemptive attack which might reduce devastation of the USSR to an acceptable level, but in either case, the



force would include a protected component capable of devastating retaliatory blows if it survived.<sup>30</sup>

*C. Medium and Intermediate Range Ballistic Missile Forces*

154. As indicated in our near-term estimate, we believe that the SS-4 and SS-5 deployment programs have about run their course. By 1965, the operational force will probably have leveled off at some 700–750 launchers (some 15 percent of them hard), a full refire capability for soft launchers will probably be available, and an improved MRBM may have begun to enter the force. Beyond this point, the course of the program will depend, not only on the general factors described in preceding paragraphs, but also on Soviet technical possibilities in the MRBM IRBM field and on trends in Western forces on the Eurasian periphery.

155. Among the technical possibilities, the most important is the Soviet option to proceed with development of a new IRBM having advantages over the SS-5 in accuracy, survivability, reaction time, maintenance, and sophistication of warhead design. If two separate systems are developed, the IRBM would probably phase in a year or so after the MRBM, i.e., in about 1966–1967. It is also possible that the Soviets have elected to work toward a single follow-on system which, by about the same time period, could cover all MRBM and IRBM ranges. In either event, follow-on systems are likely to feature hard or possibly mobile deployment.

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<sup>30</sup> The Assistant Chief of Naval Operations (Intelligence), Department of the Navy believes the force level is likely to be toward the low side (400) of the estimate presented here. In addition to the reasoning set forth in paragraph 160 and the last sentence of paragraph 162, he would add that a force level of 700, while adding appreciably to the cost of the program, would neither increase the Soviet deterrent posture commensurately nor even approach an acceptable capability for preemptive attack.

ESTIMATED SOVIET OPERATIONAL ICBM LAUNCHERS,  
1966-1969<sup>1</sup>

CONFIGURATION	MID-1966	MID-1967	MID-1968	MID-1969
<i>Soft Launchers</i>				
1st and 2nd Generation <sup>2</sup>	150-250	150-250	150-250	150-250
Very Large ICBM <sup>3</sup>	a few-20	10-30	20-40	25-50
<i>Hard Launchers</i>				
2nd Generation (three silos)	100-125	100-125	100-125	100-125
SS-7 (single launcher) or new smaller ICBMs	a few-25	50-100	100-175	100-250
Tyuratam	25	25	30	30
TOTAL (rounded)	275-450	325-525	400-600	400-700

<sup>1</sup> The Assistant Chief of Staff, Intelligence, USAF believes the lower side of the ICBM-spread in this Table is unrealistically low, and he considers that if the Soviets elect to focus on a new, small, more easily deployed system, the high side of the Table is too low.

The Assistant Chief of Staff, Intelligence, USAF forecasts two alternative Soviet ICBM force structures and considers that while the lower of these appears to be the more likely as of the present, the higher alternative could well be indicated by developments within the next two years.

Alternative I, which represents a force of 600-750 ICBMs by mid-1969, is based on projection of present evidence of site construction and launcher activation rates. It is quite similar in composition to the high side of the spreads shown in the Table above.

Alternative II starts from the same base in mid-1965 as does Alternative I, but Alternative II includes a small, highly reliable ICBM, deployed in semihard or hard sites, which by mid-1969 would represent about half of the entire ICBM forces.

The Assistant Chief of Staff, Intelligence, USAF estimates the size of the Soviet ICBM force under these alternatives as follows:

	Mid-1966	Mid-1967	Mid-1968	Mid-1969
Alternative I	375-450	450-550	525-650	600-750
Alternative II	375-500	500-700	650-900	750-1000

<sup>2</sup> May include some semi-hardened sites.

<sup>3</sup> May include some hardening by 1969.

156. Assuming that the target system remains essentially unchanged and the new missiles are more effective, we believe the Soviets would feel under no pressure to expand their total MRBM/IRBM force in 1966-1969. Improved systems will probably supersede present systems, and may have largely replaced at least the SS-4 by 1969, when that system will have been in operational service for nearly 11 years. Thus the proportion of hard sites (and of mobile launchers if introduced) will probably increase as the period advances. The re-use of existing deployment and support areas by new missile systems is likely, but some redeployment can be expected as time passes.

157. The developments which we can foresee in Western forces within range are not likely to add to potential Soviet MRBM/IRBM

targets in a major way—for example, additional Polaris forces and possible mobile or seaborne MRBMs in NATO will be essentially untar-getable by ballistic missiles. We therefore believe it likely that Soviet MRBM/IRBM force levels will remain fairly constant in 1966–1969, but we do not exclude the possibility that a general strengthening of NATO forces would generate enough concern in the USSR to result in some incremental expansion. Assuming no arms control measures involving nuclear-free zones in Europe, it is possible that political and military developments in NATO and the Warsaw Pact will at some point lead the Soviets to move some MRBMs into the Satellites, but we believe the Soviets are highly unlikely to turn any over to Satellite control. The Soviets will continue to retain their capability, exercised in Cuba in 1962, to deploy these systems rapidly to remote areas.

158. We have also considered the possibility that the Soviets will come to view the Chinese as a threat requiring them to allocate a portion of their MRBM/IRBM capability to possible employment against China. The advent of a nuclear capability in the hands of a completely intransigent Chinese regime could conceivably bring this about. In general, however, we think that worsening Sino-Soviet relations over a long period would be more likely to influence Soviet ground force deployment in areas near China, and perhaps to motivate the Soviets to retain more bombers, such as BADGERS, capable of employing conventional as well as nuclear weapons.

#### *D. Submarine-Launched Missile Forces*

159. The combined ballistic missile force in mid-1965 is likely to be about 55–65 submarines, of which some 15–20 will probably be nuclear powered. A portion may be armed with 700 n.m. submerged-launch missiles. The number of missiles carried by this total force will be at least 160–190, and it may be considerably greater if new classes of submarines have more than three tubes each. Some submarines will probably be engaged in routine patrols in open oceans, including areas within missile range of US targets. The force will thus add an important element of survivability to Soviet strategic attack capabilities.

160. We think the Soviets will continue to consider missile submarines an important adjunct to their ground-launched missile capabilities, and we expect the requirement for capabilities to attack surface naval formations to continue. On the other hand, the growth of the force may be affected by the availability in the USSR of increasing quantities of militarily competitive but less expensive delivery systems, especially hardened ICBMs. Beyond these generalizations, our estimate for 1966–1969 depends in considerable measure on the technical possibilities for still further improvement in submarine missile systems.

161. Longer range missiles would have advantages over present systems, especially by allowing submarines to operate in broader ocean

areas while remaining within range of potential targets. Although there is no evidence indicating its ultimate use, if the new ballistic missile now being tested at Kapustin Yar to a range of about 1,000 n.m. is intended for submarine use, it could probably be operational in limited numbers of submarines by 1966, or perhaps even slightly earlier. If an even longer range missile is developed, it would probably require a new submarine class designed specifically for it, and such a weapons system could become operational later in the period. In general, we think that the chances of such a development would be greater if the Soviets can develop at some reasonable cost a system with a larger number of missiles per submarine. We have no evidence of work on new submarine projects beyond those about to become operational, but limitations in our ability to acquire such evidence are such that new projects can reach operational status without confirmation of their existence.

162. Considering all factors, including estimated construction capabilities and programs and the possibilities for improved systems, we believe that the number of additional nuclear powered ballistic missile submarines added to the force in 1966–1969 could range from 10 to 15. This range is due in part to our uncertainty about future Soviet allocations of nuclear submarines to the missions of torpedo attack and anti-submarine warfare. We believe that construction of diesel-powered ballistic missile submarines will probably be terminated by the mid-1960's. Existing units, with the possible exception of the older Z class conversions, are likely to remain in service throughout the decade.

163. We do not anticipate significant technical changes in the cruise missile submarine force in 1966–1969. A new missile with increased range could be developed but this would increase the problems of coordinating targeting and guidance. Conversion of additional numbers of aging W class submarines seems unlikely. Some of the newer Z and F class submarines, which are diesel-powered but of significantly greater range, could be converted to the SS-N-3 role in order to further enhance Soviet naval capabilities against Western naval surface forces and sea lines of communications. The number of nuclear-propelled units to be added to the forces in 1966–1969 may be in the range of 6 to 12.

164. On the basis of these considerations, we estimate as follows the trends in Soviet missile submarine forces in 1966–1969:

ESTIMATED SOVIET OPERATIONAL MISSILE SUBMARINES				
	1966–1969			
	MID-1966	MID-1967	MID-1968	MID-1969
<i>Ballistic</i>				
Nuclear	17–24	19–28	21–32	23–36
Diesel	41–45	41–45	41–45	41–45
<i>Cruise</i>				
Nuclear	12–16	14–20	16–24	18–28
Diesel	20–25	20–30	20–30	20–30

*E. Long-Range Bomber Forces*<sup>31</sup>

165. With the growth and improvement of missile capabilities, the Soviets would probably plan in the later 1960's to employ bomber forces in the follow-on attacks after initial missile strikes had been delivered, or to supplement the retaliatory blow if the USSR were attacked first. Aircraft equipped with penetration aids and nuclear weapons would probably be used for increasingly specialized missions, such as armed reconnaissance (including maritime) and attacks on selected hard targets, as well as on targets of uncertain location.

166. We believe that if the USSR actively pursues R&D work and commits funds for production and deployment, new military aircraft capable of intercontinental ranges could be brought to operational use in the 1966–1969 period. The Soviets are technically capable of developing either long endurance aircraft (for reconnaissance and/or low altitude penetration) or high altitude aircraft with maximum speeds of about Mach 2–3 in this time period. Considering the types and quantities of missile delivery systems they are likely to have in 1966–1969, as well as the probable continued availability of existing heavy bomber types, we think it unlikely that the Soviets will bring any follow-on heavy bomber to operational service during the period of this estimate. The Soviets will continue to advance their state-of-the-art in large and high speed aircraft, and their work on advanced transports will provide a technological and production base which they could shift to military purposes should they come to consider this necessary or worthwhile. If this occurs, US intelligence is likely to obtain indications of development and production at least a year or so prior to the entry of a follow-on bomber into operational units.

167. Barring this possibility, the increasing age of the BISON and BEAR, and continued phase-out of BADGER, will produce a reduction in both the heavy and medium bomber components of Long Range

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<sup>31</sup> The Assistant Chief of Staff, Intelligence, USAF, disagrees in part with the analysis presented in Paragraphs 174–176. For his views see footnote following Table on page 41.

Aviation. The output of BLINDERS will probably continue to be shared between Long Range and Naval Aviation. BLINDER production may continue through at least the mid-1960's. It is possible that the further development of Soviet missile capabilities, coupled with renewed force reductions, will produce a sharper decline in the strength of Long Range Aviation. However, on the basis of present trends, and considering normal attrition, we estimate as follows the strength of Long Range Aviation in 1966-1969:

ESTIMATED STRENGTH OF SOVIET LONG RANGE AVIATION*				
1966-1969				
<i>Bombers and Tankers</i>	MID-1966	MID-1967	MID-1968	MID-1969
Heavy				
BISON	85-100	80-95	75-95	70-90
BEAR	<u>75-100</u>	<u>70-95</u>	<u>65-90</u>	<u>60-85</u>
TOTAL	160-200	150-190	140-185	130-175
Medium				
BADGER	550-675	400-525	300-400	200-300
BLINDER	<u>175-225</u>	<u>200-275</u>	<u>200-325</u>	<u>200-350</u>
TOTAL	725-900	600-800	500-725	400-650

\* The Assistant Chief of Staff, Intelligence, USAF, disagrees in part with the discussion in Paragraphs 174-176 and with this Table since he considers they represent an underestimation of the importance the Soviets will continue to give to manned strategic aircraft as an important adjunct to their ground launcher missile capabilities.

He estimates that the introduction of a follow-on heavy bomber, the continuation of both BEAR and BISON in service at or near present strengths, the continued production of BLINDER through 1969, and the retention of sizeable numbers of BADGER aircraft will result in composition of Long Range Aviation as follows:

<i>Bombers and Tankers</i>	MID-1966	MID-1967	MID-1968	MID-1969
Heavy				
BISON	100	95	90	85
BEAR	100	95	90	85
FOLLOW-ON	<u>0-10</u>	<u>0-30</u>	<u>10-45</u>	<u>20-65</u>
TOTAL	200-210	190-220	190-225	190-235
Medium				
BADGER	725-775	650-700	575-625	500-550
BLINDER	<u>175-225</u>	<u>225-275</u>	<u>275-325</u>	<u>300-350</u>
TOTAL	900-1000	875-975	850-950	800-900

While the evidence to date is not sufficient to enable identification of the specific type of follow-on heavy bomber on which the Soviets will concentrate, the Assistant Chief of Staff, Intelligence, USAF, considers that the follow-on bomber could be a long endurance aircraft developed from the BEAR which could be introduced by 1965, a supersonic-dash bomber using technology from the BOUNDER and introduced in 1966-67, or a nuclear powered bomber introduced about 1968. These uncertainties are reflected in the spread in the tabulation above.

#### F. Space Weapons Systems

168. On the basis of evidence presently available, we are unable to determine whether the Soviets now have plans or programs for the

military use of space. The limitations of this evidence, however, are such that our chances of identifying such programs are poor. We believe that the USSR almost certainly is investigating the feasibility of space systems for military support and offensive and defensive weapons. Soviet decisions to develop military space systems will depend on their expected cost and effectiveness as compared with alternative systems, and on the USSR's estimate of the reaction of other countries. In this connection, the Soviets would probably recognize that any deployment of an orbital bombardment system would be an act of major international import which would greatly intensify East-West hostility, prejudice the option of *détente* tactics, and give a strong new stimulus to Western military programs.

169. Any orbital bombing system of real military significance would require satellite vehicles in some number, and would accordingly be extremely complex and expensive. Important developmental progress toward such a system within the decade would require a major Soviet effort to perfect hardware and to develop advanced techniques. In considering whether to pursue such an effort, the Soviet leadership would examine the likely political military aspects of orbital bombardment systems in relation to the mix of forces for long range attack they would hope to have in the late 1960's and beyond, and the cost effectiveness of the alternative systems open to them. We think that they would be likely to consider orbital bombing systems primarily as a means of supplementing their existing types of forces rather than visualizing such weapons as replacement or substitute systems. They would probably also consider them as one way of introducing additional complications into US defense planning. Finally, they would probably consider them as a qualitative advance in weapon technology which could support Soviet claims to a parity or even superiority in total strategic capabilities.

170. There is a wide range of delivery techniques and types of orbital forces which might be sought by the Soviets, with considerable difference in developmental requirements, costs, and effectiveness. To provide a threat of retaliation against population centers, they might find a relatively small force of limited effectiveness sufficient. For preemptive employment against smaller or harder military targets, however, a large sophisticated force with short times to target, near-simultaneity of delivery, and an accuracy approaching that of ICBMs, would be necessary.

171. For accomplishing military missions, we think that during the 1966–1969 period, orbital bombardment systems will not compare favorably with ICBMs in terms of reaction time, average life, reliability, vulnerability, accuracy, or targeting flexibility. In addition to being less effective militarily, an orbital bombardment system will be consider-

ably more costly than an equivalent delivery capability with ICBMs. Based on considerations of cost and effectiveness as we now understand them, therefore, it would appear unlikely that the Soviets will during this decade deploy orbital bombardment systems of military significance. Further, if the Soviets enter into a formal obligation to refrain from orbiting nuclear weapons, this will constitute a factor inhibiting such deployment.

172. We recognize, however, that the Soviets might reach different conclusions as to cost and effectiveness, and in some future phase of East-West relations, political considerations might lose their effectiveness. Moreover, considering the pace of developments in the weapons field in general, it is extremely hazardous to estimate Soviet decisions for a period of many years ahead. For these reasons, a firm estimate as to whether the Soviets will deploy an orbital bombardment system within the 1966–1969 period cannot be made at this time.

173. If the Soviets do proceed with an orbital system, we believe that they are more likely to seek a small force of limited effectiveness than a very large and sophisticated one. In any case, developmental testing of an orbital bombardment system should be observable to us at least a year or two prior to attainment of an accurate, reliable system.

## Annex A

### GLOSSARY OF MISSILE TERMS

*Initial Operational Capability (IOC)*—Date the first operational unit is trained and equipped with a few missiles and launchers.

*Maximum Operational Range (n.m.)*

*Surface-to-Surface Systems*—Maximum range under operational conditions with warhead weight indicated. For long-range ballistic missiles, the maximum range figures disregard the effect of the earth's rotation. In general, ballistic missiles can be fired to ranges as short as approximately one-third the maximum operational range without serious increase in CEP and to even shorter ranges with degraded accuracy.

*Air-to-Surface Systems*—Slant range between launching aircraft and target at the instant of missile launch.

*Circular Error Probable (CEP)*—The radius of a circle in which, statistically, one-half of the impacts will occur. Inherent missile accuracies are somewhat better than the accuracies specified in the tables, which take into consideration average operational factors. For naval systems firing on coastal targets, an accurate determination of the launching



ship's position is necessary to achieve CEP's of the order indicated in the tables.

*Warhead Weight*—The weight of the explosive device and its associated fuzing and firing mechanism.

*Ready Missile Rate*—A ready missile is an in-commission missile with warhead mated, mounted on an in-commission launcher in a trained unit which is considered ready to be committed to launch. Ready missile rate is the percentage of missiles on launcher which are "ready missiles."

*Reliability, on Launcher*—The percentage of ready missiles which will successfully complete countdowns and leave their launchers at scheduled times or within 15–30 minutes thereafter.

*Reliability, in Flight*—The percentage of missiles launched which detonate as planned in the target area (i.e., within three CEP's of the aiming point).

*Readiness Conditions*—The following conditions of readiness apply to all ground launched ballistic missiles having ranges greater than 350 n.m.

*Condition 4:* Launch crews not on alert. Nosecone and missile checked but not mated. Missile guidance system not adjusted for particular target and missile not erected or fueled.

*Condition 3:* Launch crews in launch area and on alert. Missile and nosecone mated and checked, but in prelaunch storage building.

*Condition 2:* Launch crews on station. Missile with nosecone erected on launch pad. Propellant facilities in position, attached, and ready to start propellant loading. Guidance system set.

*Condition 1:* Launch crew on station, missile propellant loading completed. Guidance rechecked.

*Reaction Time*—Time required to proceed from a readiness condition to firing.

*Refire Time*—Time required to refire from the same pad or launcher.

Table 1  
SOVIET LONG-RANGE GROUND LAUNCHED SURFACE-TO-SURFACE MISSILE SYSTEMS ESTIMATED  
CHARACTERISTICS AND PERFORMANCE

CHARACTERISTICS & PERFORMANCE	SHYSTER SS-3 <sup>a</sup>	SANDAL <sup>b</sup> SS-4	SS-5 <sup>b</sup>	SS-6 <sup>c</sup>	DESIGNATION SS-7 <sup>b</sup>	SS-8 <sup>1,2</sup>
Initial Operational Capability	1956	Late 1958	Late 1961	1960	Early 1962	Mid-1963
Max. Operational Range (n.m.) (NIRE)	630	1,020	2,200	6,000	6,000	6,000
Guidance	Radio Inertial	Inertial	Inertial, possibly with radio assist <sup>d</sup>	Radio inertial	Inertial, possibly with radio assist <sup>d</sup>	Radio inertial
Accuracy (CEP) (n.m.)	1.0	1¼	1.0	2	1-2	1
Warhead Weight (lbs)	2,000 [ <i>text not declassified</i> ]	2,200 [ <i>text not declassified</i> ]	3,500 [ <i>text not declassified</i> ]	6,000 [ <i>text not declassified</i> ]	3,500 [ <i>text not declassified</i> ]	2,000 5,000
Gross Lift-Off Weight (lbs)	60,000	88,000	150,000	500,000	280,000	180,000
Configuration	Single Stage	Single Stage	Single Stage	Parallel	Tandem (2 stage)	Tandem (2 stage)
Propellants	Non-storable liquid	Storable liquid	Storable liquid	Non-storable liquid	Storable liquid	Non-storable liquid
Ready Missile Rate*	80%	80%	80%	80%	85%	?
Reliability on Launcher*	90%	90%	80%	85%	85%	?
Reliability in Flight	80%	85%	85%	85%	90%	?
Overall reliability <sup>f</sup>	55%	60%	55%	60%	65%	55-60%
Reaction Time from Readiness	8 hours	8 hours	More than 8 hours	More than 16 hours	More than 10 hours	8 hours
Condition 4						
3	2½-5 hrs	2½-5 hrs	2-3 hrs	12 hours	3-4 hours	2-3 hours
2	¾-2 hrs	¾-2 hrs <sup>f</sup>	½ hr <sup>f</sup>	1-2 hrs	½ hr <sup>f</sup>	½ hr <sup>f</sup>
1	15 min	15 min	5-15 min	5-15 min	5-15 min	5-15 min

Hold Time Condition 1	1 hour	Many hours	1 hour	Many hours	About 1 hour
Refire Time	4–6 hrs	2–3 hrs <sup>g</sup>	4–6 hrs <sup>g</sup>	10 hours <sup>g</sup>	4–6 hrs <sup>g</sup>

\* *These reliability rates may be high, since the effects of Soviet operational concepts and troop training standards are at least as important as technical characteristics in determination of system reliability, and we have no reliable basis for estimating these effects.*

<sup>1</sup> The Assistant Chief of Staff, Intelligence, USAF believes that the SS-8 is as likely to be large as small. If large, some of its characteristics would differ from those shown.

It is unlikely that a large missile would have the extremely short reaction times listed; rather, it is likely that reaction times would more nearly approach those listed for the SS-6. In addition, the gross weight and warhead weight would probably be within the following limits:

Gross Weight	350,000 to 500,000 pounds
Warhead Weight	8,500 to 15,000 pounds
Nuclear Yield	[text not declassified]

<sup>2</sup> For the views of the Director, Defense Intelligence Agency as to the size of the SS-8, see his footnote, page 14.

<sup>a</sup> The SS-3 system has probably now been phased out in favor of the SS-4.

<sup>b</sup> The SS-4, SS-5, SS-7, and probably SS-8 are deployed in both soft and hard configurations.

<sup>c</sup> Early tests of the SS-6 indicated that a heavy nosecone weighing 13,000 to 15,000 lbs was delivered to about 4,500 n.m. Based on heat transfer techniques available at that time, the warhead was estimated to weigh 6,000 to 10,000 lbs. Based on present technology, the SS-6 probably can deliver a 10,000 to 12,000 lb. warhead to the same distance (4,500 n.m.) provided that a new nosecone were developed and flight tested. With a Venik upper stage, the SS-6 could deliver a 17,000 lb warhead to 4,500 n.m. range, but because of the probable degradation of accuracy and reliability, we consider such a combination highly unlikely.

<sup>d</sup> A radio beam may be used to establish direction reference.

<sup>e</sup> Probably somewhat higher for missiles in the hard configuration.

<sup>f</sup> Would probably be the normal readiness condition for hard configuration.

<sup>g</sup> For the soft configuration of these systems.

TABLE 2  
SOVIET SUBMARINE-LAUNCHED MISSILE SYSTEMS  
ESTIMATED CHARACTERISTICS AND PERFORMANCE

CHARACTERISTICS AND PERFORMANCE	DESIGNATION		
	SS-N-3 <sup>a</sup>	SS-N-4	SS-N-5 <sup>b</sup>
Initial Operational Capability Type	1961 Surface-launch cruise	1960 <sup>c</sup> Surface-launch ballistic	1963 Submerged-launch ballistic
Maximum Operational Range (n.m.)	300	350	700[ <i>text not declassified</i> ]
Speed	Low-supersonic	N.A.	N.A.
Cruise Altitude (ft.)	1,000–2,000	N.A.	N.A.
Guidance	Inertial with active terminal homing	Inertial	Inertial
Accuracy (CEP)	150 ft. with terminal homing against ships; 2 nm against land targets	1–2 nm	1–2 nm
Warhead Weight (lbs.)	500–2,000 (HE or nuclear)	1,500–3,500 (nuclear)	Unknown: 1,500? (nuclear)
Propulsion	Turbojet	Stor. liquid	Stor. liquid
Reliability on launcher*	80%	80%	70–90%
Reliability in Flight	85%	90%	80%
Reaction Time	5 mins	3–8 mins. to launch 3 missiles	Unk

<sup>a</sup> These reliability rates may be high, since the effects of Soviet operational concepts and troop training standards are at least as important as technical characteristics in determination of system reliability, and we have no reliable basis for estimating these effects.

<sup>a</sup> An improvement of the SS-N-3 is expected to appear in the near future. It will probably incorporate higher speed, and a higher cruise altitude, thereby increasing range capability to about 450 n.m. It could be incorporated in current cruise missile submarines, with little or no modification of the submarine.

<sup>b</sup> Characteristics estimated for the SS-N-5 are tentative. It has been launched from a submerged submarine to ranges of about 700 n.m. and there are indications in telemetry that it employs liquid propellants. The reaction time probably will be comparable with that of the SS-N-4 system.

<sup>c</sup> An interim operational capability probably was achieved about 1958 with a missile of lesser range.

<sup>d</sup> A radio beam may be used to establish direction reference.

<sup>e</sup> Probably somewhat higher for missiles in the hard configuration.

<sup>f</sup> Would probably be the normal readiness condition for hard configuration.

<sup>g</sup> For the soft configuration of these systems.

TABLE 3  
SOVIET MISSILE SUBMARINES ESTIMATED CHARACTERISTICS AND PERFORMANCE

TYPE/ CLASS <sup>a</sup>	DIMENSIONS			PERFORMANCE			ARMAMENT		PATROLS CAPABILITIES <sup>b/c</sup>			
	LENGTH/ BEAM (FEET)	DISPLACE- MENT SURF- ACED/SUB- MERGED (TONS)	MAXI- MUM OPER- ATING DEPTH (FT)	SURF- ACED SPEED (KNOTS)	SNOR- KEL SPEED (KNOTS)	SUB- MERGED SPEED/ SPEED/ (KNOTS) ENDUR- ANCE (NM)	TOR- PE- DOS <sup>d</sup>	MISS- ILES/ TYPE	DAYS- ON STA- TION	RADII (NM)	PAT- ROL DURA- TION (DAYS)	ENDUR- ANCE FACT- ORS
Ballistic Missile												
Nuclear- Power H	365/32	5,000	5,900	800	Max 20 Cruise 12-14	NA NA 12-14/-	20	3/SS-N-4	20 10	5,300 6,600	60	Sea
Diesel- Power G	320/28	2,350	2,800	900	Max 17.5 Cruise 8.3	10.5 6.0 16/12 2/100	24	3/SS-N-4	20 10 1	4,400 4,700 4,850	60 53 46	Sea Fuel Fuel
Z-Conver- sion	295/27	1,950	2,400	750	Max 18.4 Cruise 8.5	7.0 7.0 15/15 2.5/125	24	2/SS-N-4	20 10 1	4,300 5,450 6,150	60 60 58	Sea Sea Fuel

Cruise Missile Nuclear- Power E	370/32	5,100	6,000	800	Max 20 Cruise 12–14	NA NA	18/-1 2–14/-	16	6/SS-N-3	20 10	5,300 6,600	60	Sea
Diesel- Power										1	7,800		
W-Conver- sion (TWIN CYLIN- DER)	249/21	1,050	1,350	650	Max 18.5	6.8	13.5/13.5	12	2/SS-N-3	20	1,800	40	Sea
W-Conver- sion (LONG BIN)	275/21	1,150	1,500	650	Cruise 10	6.8	2/100	10	4/SS-N-3	10 1	2,600 3,000	39 34	Fuel Fuel
J (4 cylinder)	280/33	Unk	Unk	Unk	Unk	Unk	Unk	Unk		Unk	Unk	Unk	Unk

<sup>a</sup> These submarine types represent the bulk of the Soviet submarine missile forces. In addition, one Z class was converted to fire one SS-N-4, one W class was converted to fire one SS-N-3, and at least one modified G class diesel-powered submarine is capable of the submerged launch of the SS-N-5. These few variants probably all served as test-beds.

<sup>b</sup> The time on station and radii (distance to station) have been computed on the basis of various operational factors, principally those relating to “Sea endurance” and “Fuel endurance”.

“Sea endurance” is defined as the total length of time that a submarine can remain at sea without replenishment under combat conditions and is estimated on the basis of personnel endurance, general habitability, food, spare parts, and consumables other than fuel. The H and E classes of nuclear propelled submarines are estimated to have a “Sea endurance” of 60 days. The G and Z-Con. classes of diesel powered submarines are estimated to have a “Sea endurance” of 60 days, while the W-Con. is estimated to have a “Sea endurance” of 40 days.

“Fuel endurance” is defined as the total length of time that a submarine can remain on patrol under combat operational conditions without refueling. For diesel-powered submarines, it is computed on the basis of fuel consumption resulting from an arbitrarily assumed average transit routine of 8 hours surface, 8 hours snorkel, and 8 hours submerged operations daily; fuel consumption on station is computed on the basis of a few hours of snorkel operations daily, sufficient only to maintain the state of charge of the main storage battery for submerged operation the remainder of the day.

The endurance and maximum operating radii of nuclear-powered submarines are limited by factors other than fuel. For the purposes of this table it has been arbitrarily assumed that Soviet nuclear-powered submarines would transit to station using the following criteria:

Speed of 7 kts in area where ASW opposition is anticipated (assumed to be about  $\frac{1}{2}$  of the time).

Speed of 13 kts in areas where ASW opposition is not expected (about  $\frac{2}{3}$  of the transit time).

<sup>c</sup> Selected distances from Soviet ports:

FROM-TO Kola Inlet	NORTH WEST			BERMUDA OR NEW		NORFOLK		GIBALTAR		PANAMA	
	ICELAND	BRITISH ISLES	HALIFAX	YORK	LOS ANGELES	SAN FRANCISCO					
	1,500	1,600	3,350	3,950		4,000		2,950		5,600	
FROM-TO Petrovavlovsk	3,200	HONOLULU	MANILA		3,600	3,400		4,200		6,500	
Vladivostok	4,400	2,750	3,100		5,000	4,550		3,000		7,750	
		3,700	1,900								

<sup>d</sup> Torpedo capacities are the maximum numbers which can be carried. Any combination of torpedoes/mines could be carried, substituting two mines for each torpedo.



TABLE 4  
SOVIET AIR-TO-SURFACE MISSILE SYSTEMS ESTIMATED CHARACTERISTICS AND PERFORMANCE

	KITCHEN AS-4*			
	KENNEL AS-1	KIPPER AS-2	KANGAROO AS-3	IF DESIGNED FOR BOOST GUIDE FLIGHT PROFILE IF DESIGNED FOR SUSTAINED CRUISE FLIGHT PROFILE
Initial Operational Capability	1956–1957	1960–1961	1960–1961	1964
Max. Operational Range (n.m.)	55	100	350	260
Guidance	Beam riding with semi-active homing	Mid-course inertial with active radar terminal homing	Inertial	Unknown
Against well defined targets on land	Beam riding	Mid-course only	Intertial	Unknown
Accuracy (CEP at Max. Range)	150 feet	150 feet		Unknown
Against Ships			1 to 2 n.m.	Unknown 1 to 2 n.m.
Against land target	1 n.m.	1 to 2 n.m.		
Warhead	HE or nuclear	HE or nuclear	Nuclear	Nuclear
Type	2,200	2,200	3,000[ <i>text not declassified</i> ]	2,200±
Weight (lbs.)	0.8 to 0.9	1.6	1.5 to 2.0	6.5 at 105,000 feet altitude
Speed (MACH No.)				3.0 at 80,000 feet altitude

KITCHEN AS-4*					
	KENNEL AS-1	KIPPER AS-2	KANGAROO AS-3	IF DESIGNED FOR BOOST GUIDE FLIGHT PROFILE	IF DESIGNED FOR SUSTAINED CRUISE FLIGHT PROFILE
Reliability on Launcher <sup>a</sup>	90%	80%	80%	Unknown	Unknown
Reliability in Flight	80%	70%	70%	Unknown	Unknown
Employment	Primarily anti ship; could be used against land targets	Primarily anti ship; could be used against land targets	Primarily against land targets	Unknown	Unknown
Carrier aircraft	BADGER B <sup>b</sup>	BADGER C	BEAR B	BLINDER B	BLINDER B
Number of missiles	2	1	1	1	1

\* These reliability rates may be high, since the effects of Soviet operational concepts and troop training standards are at least as important as technical characteristics in determination of system reliability, and we have no reliable basis for estimating these effects.

<sup>a</sup> Estimated characteristics are indicated for alternative flight profiles compatible with missile design and are deduced solely from limited photography.

<sup>b</sup> To launch AS-1, BADGER must be at an altitude under 20,000 feet, and at a speed below 215 knots.

<sup>c</sup> May have some limited capability against naval formations with greatly reduced accuracy and range.

TABLE 5  
SOVIET MEDIUM AND HEAVY BOMBER WEAPON SYSTEMS  
Estimated Performance Under an Optimum Mission Profile

(Calculated in accordance with US Mil-C-5011A Spec except that fuel reserves are reduced to permit a maximum of 30 minutes loiter at sea level, and aircraft operate at altitudes permitting maximum radius range.)

	BADGER <sup>2</sup>	BISON	BEAR <sup>3</sup>	BLINDER <sup>4</sup>
Combat Radius range (nm) <sup>1</sup>				
a. 25,000-lb bombload, one refuel	—	2700/5100 3650/6900	4150/7800 —	— —
b. 10,000-lb bombload, one refuel	1800/3450 2500/4750	2900/5700 3800/7500	4500/8800 —	1350/2750 1850/3750
c. 3,300 lb. bombload, one refuel	2000/3900 2650/5200	3000/6000 3900/7800	4700/9300 —	1550/3300 2150/4400
d. With ASM				
i. 2xAS-1 one refuel	1400/2500 1950/3400	— —	— —	— —
ii. 1xAS-2 one refuel	1600/2950 2250/4100	— —	— —	— —
iii. 1xAS-3 one refuel	—	—	3900/7300	—
iv. 1xAS-4 one refuel	—	—	5200/—	—
Speed/Altitude (kts/ft)				
a. Maximum speed at optimum altitude, 10,000-lb bombload	555/14000	535/19000	500/25000	825/36000

	BADGER <sup>2</sup>	BISON	BEAR <sup>3</sup>	BLINDER <sup>4</sup>
b. Target speed/target altitude, 10,000-lb bombload	475/42000	460/43000	435/41500	690/42000
c. Launch speed/launch altitude with ASM				
i. 2xAS-1	250/300/ 10000/20000	—	—	—
ii. 1xAS-2	425-475/39000	—	—	—
iii. 1xAS-3	—	—	420/39000	—
iv. 1xAS-4	—	—	—	630/41000
Combat Ceiling (ft)				
a. 10,000-lb bombload or ASM(s)	47,000	46,000	41,000	52,500
System Accuracy (CEP)				
a. Bombing accuracy <sup>5</sup>				
i. From 40,000 ft.	2000-2100 ft.	2000-2100 ft.	2000-2100 ft.	2000-2100 ft.
ii. From 20,000 ft.	900-1400 ft.	900-1400 ft.	900-1400 ft.	900-1400 ft.
b. ASM accuracy				
i. AS-1	150 ft. vs. ships; 1 nm vs. coastal targets	—	—	—
ii. AS-2	150 ft. vs. ships; 1-2 nm vs. coastal targets	—	—	—
iii. AS-3	—	—	1-2 nm vs. land targets	—
iv. AS-4	—	—	—	1n2 n.m. vs. land targets
System Reliability (%)				
a. Aircraft reaching target areas in North America	73/69	73/69	73/77	73/69
b. ASM reliability on launcher**/in flight				

i. AS-1	90/80	—	—
ii. AS-2	80/70	—	—
iii. AS-3	—	—	80/70
iv. AS-4	—	—	?

*\* Soviet operating manuals on the BADGER contain data which indicate that the range of the BADGER is less than we have estimated. These data are presently under intensive study.*

*\*\* These reliability rates may be high, since the effects of Soviet operational concepts and troop training standards are at least as important as technical characteristics in determination of system reliability, and we have no reliable basis for estimating these effects.*

<sup>1</sup> The range and radius figures given in this table are maximum figures. They are applicable to the most up-to-date models of these aircraft, flying optimum mission profiles on direct routes. The use of older model aircraft, standard mission profiles, indirect routes, low-level penetration or other tactics designed to delay or evade detection and interception would reduce the effective range. The calculation of degradation in range and radius resulting from sophisticated penetration tactics is a complex process which can best be accomplished for individual missions. As a rule-of-thumb for low-level operations of heavy bombers, the radius at optimum altitude will be decreased about 1.6 to 2 miles for every mile flown at sea level.

<sup>2</sup> BADGERS have been observed with 2 AS-1 missiles (55 n.m. range), KENNEL, or with 1 AS-2 missile (100 n.m. range), KIPPER.

<sup>3</sup> BEARs have been equipped to carry one AS-3 missile (350 n.m. range), KANGAROO, rather than a bombload. The AS-3 missile is estimated to weigh about 20,000 lbs. Some BEARs are being equipped for probe and drogue refueling.

<sup>4</sup> BLINDER A is a bomb carrier, which was observed without refueling probe: range and radius estimates assume a dash of 200 n.m. at M 1.2. A refueling capability could be developed for BLINDER A at any time. BLINDER B has aerial refueling equipment and carries one AS-4 KITCHEN; range and radius missions include 100 n.m. dash at M 1.1. Radius estimates for both versions include supersonic dash into and out of target area, while ranges include dash into area only.

<sup>5</sup> Bombing accuracies indicated are for visual bombing or radar bombing against well-defined targets with free-fall bombs. These figures are not applicable to drogue-retarded bombs, which would be much less accurate.

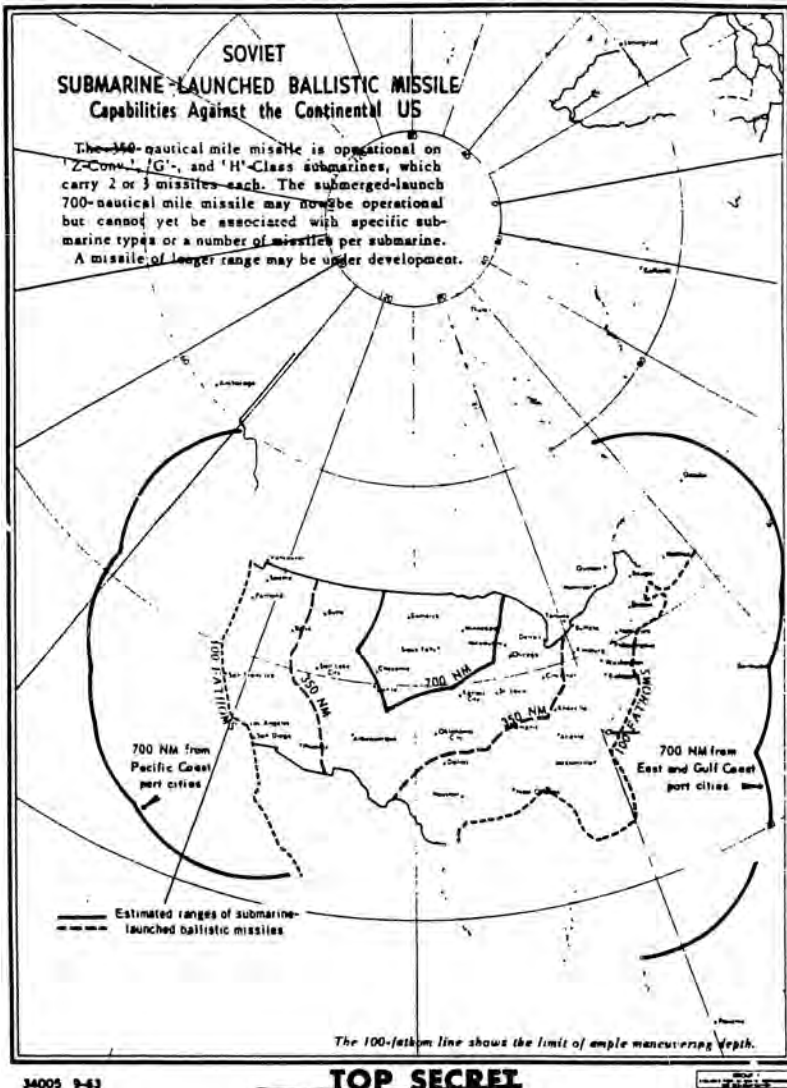
<sup>6</sup> Includes the following operational attrition rates, excluding combat attrition: (a) 90% of aircraft at home bases would be in commission after 5–10 day maintenance shutdown prior to initial operations; (b) 90% of aircraft in commission at home bases would be launched from staging bases; (c) 90% of aircraft launched from staging bases or directly from home bases on unrefueled missions would arrive in target areas; (d) 85% of aircraft launched on refueled missions would arrive in target areas. Calculations for BEAR with ASM are based on refueled flights direct from home bases. All others assume arctic staging and refueling of BADGER, BISON, and BLINDER aircraft. It should be noted that without prior maintenance shutdown, the in commission rate of heavy bombers at home bases would be about 70%, and for medium bombers about 60%.

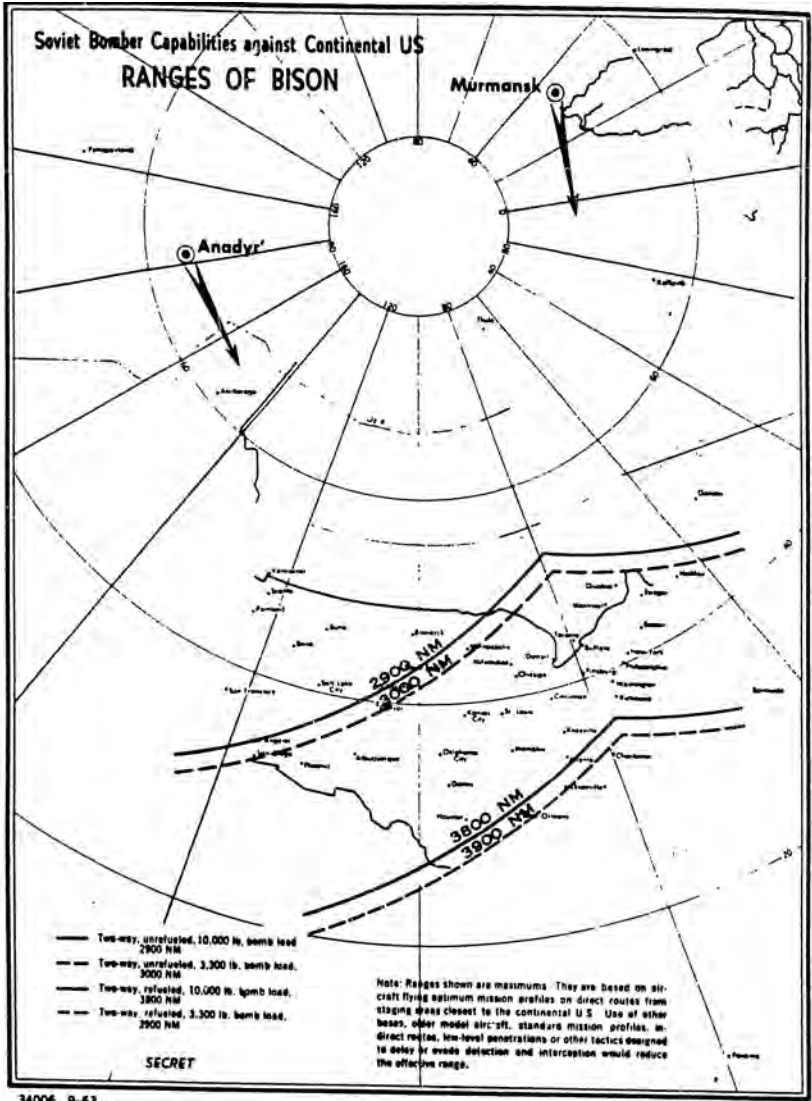
TABLE 6

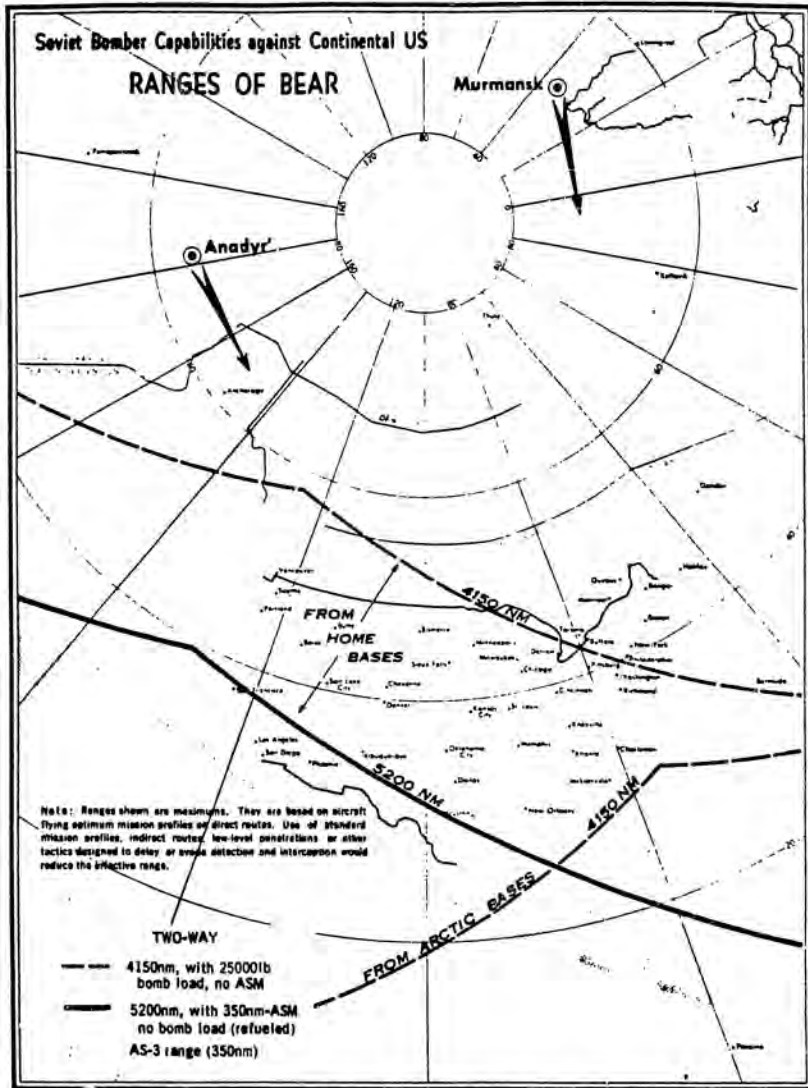
[text not declassified]

## Annex B

(6 Maps)







34007

~~SECRET~~

GROUP 1  
EXCLUDED FROM AUTOMATIC DOWNGRADING  
AND DECLASSIFICATION



**302. Note from Kaysen to Bundy, October 25<sup>1</sup>**

October 25, 1963

Mac:

The attached is a comment on McNamara's Strategic Forces Memo in its own terms. I have given a copy to Spurgeon Keeny and, informally, to Alain Enthoven.

In reading this comment there are a number of things to bear in mind: (1) The loose connection between the argument and the numbers might indicate that it is McNamara's judgment that these numbers are the minimum the Services will accept. This is one way to interpret constancy of numbers in relation to changing arguments. (2) The Budget provides for a decision to procure only 50 of the 250 Minutemen additional to those already authorized which it sets as the force goal. A decision on the remaining 200 is yet to be made. The change downward of this year's over last year's force goal figure—although achieved mainly by faster retirements of Atlas E and Titan 1—may signify that the present 1200 figure need not represent a final commitment.

On the disarmament side it can be argued that there might be some advantage in the smaller figure if we made it explicit to the Soviets that we were reducing our force goals. Absent such communication, variation up or down of the magnitudes here involved probably would not affect the Soviets much.

On the other side it can be said that the DOD presentation concentrates rather narrowly on Soviet forces. If we look as far ahead as 1969 we should be considering the contingency of other significant forces. Whether an increased general reserve is best achieved in the form of Minutemen—which might have some difficulty in reaching certain targets—or in the form of more SSBN, is another question.

For all these reasons, especially the smallness of the saving achievable in FY 65, and the undesirability of presenting a target to Goldwaterism on this issue, I am content to let my argument rest where it is. I suspect that Enthoven's response to it will be to change the rationale of the DOD figures without changing the figures.

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<sup>1</sup> Provides comments on McNamara's strategic forces memorandum. Top Secret. 10 pp. Johnson Library, National Security File, Agency File, Def Bud 65.

## Attachment

### COMMENT ON DOD MEMORANDUM: STRATEGIC STRIKING FORCES (August 31, 1963)

(1) The DOD paper examines the strategic retaliatory force in a somewhat different framework of argument than that of the previous two years. Our 1969 strategic forces other than Minutemen are assumed fixed, and the choice among 3 Minutemen forces is considered: 1200 (of which 920 are improved); 950, and some larger force than 1200. The conclusion is that a force of 1200 Minutemen is adequate; a larger force has little extra usable military power, and the smaller force does not give an appropriate degree of assurance against the possibility of highly unfavorable contingencies.

(2) The 1200 man Minutemen force goal for FY 69 is justified in terms of the concept of "assured destruction", defined as a high degree of assurance that, under pessimistic assumptions and adverse conditions, the programmed force can destroy a sufficient fraction of Soviet industrial capacity and kill a sufficient fraction of the Soviet population to put beyond question a deliberate nuclear first strike on the U.S. as a rationale Soviet policy.

(3) Beyond a capability to achieve assured destruction, we might seek two successively further goals: damaging limiting capability, and full first strike capability. As far as first strike capability, the paper argues that by the end FY 1969, Soviet hardened and submarine launched missiles will be sufficient in number so that even a very large increase in our strategic forces (to 1950 Minutemen) combined with a large increase in active and passive defenses (\$80 billion worth), could not prevent the Soviets from causing an unacceptably high level of U.S. casualties; i.e.: 30 million. This would be the case even if the Soviets built the level of forces we now expect. However, so large an increase in our own offensive and defensive programs could be expected to provoke a significant Soviet response, and further increase the expected level of U.S. casualties.

The increase in the damage limiting capacity that is achieved by extra Minutemen beyond the programmed 1200 is so small that the additional forces are not justified. However, the gain in this respect from the force increase between 950 and 1200 is judged worth-while. The figures summarizing these arguments are shown in Tables 1 and 2 which follow.

TABLE I

U.S. Second Strike Capabilities, FY 1969  
(Expected Results With Alternative U.S. Forces vs.  
Medium Soviet Threat)

	Force I (Incl. 950 MM)		Force II (Incl. 1200 MM)		Force III (Incl. 1400 MM)	
	(a)	(b)	(a)	(b)	(a)	(b)
	Missiles only	Total Force incl. A/C				
<i>Urban</i>						
<i>Industrial Targets</i>						
Number	215	215	215	215	215	215
Fatalities (millions)		80		83		90
Industrial Capacity (%)	50	50	50	50	50	50
<i>High Urgency</i>						
Number	433	520	545	649	584	678
% of total	50	60	63	75	68	79
<i>Other Military</i>						
Number	—	268	34	367	38	37
% of total	—	—31	4	43	S	44

TABLE 2

U.S. Second Strike Capabilities Against the Soviets, FY 1969

Number of Minutemen	Expected Factors		Pessimistic Factors	
	(a)	(b)	(a)	(b)
	%Industrial			
	% Fatalities	Capacity		
0	47	57	17	30
600	59	70	18	32
950	68	82	25	45
1200	71	88	30	51
1400	73	90	33	55

(4) The arguments used to support the choice of 1200 Minutemen are not such as to justify that figure with any precision. With small changes of emphasis, the same assignments could be used to justify 950 Minutemen.

How much "assurance" of how much destruction is enough? The difference between 68% and 71% of Soviet population killed under the expected conditions of Soviet defensive capability and U.S. operational efficiency clearly does not justify an increased force. Does the difference between 25% and 30% casualties under unfavorable assumptions? (See Table 2). The unfavorable assumptions on Soviet defenses, (a nationwide fallout program plus ABM protection for 10–15 cities); Soviet forces (top instead of middle of range of predicted future size; improved reliability, decreased CEP); U.S. forces (decreased reliability and survivability) form a quite unlikely constellation indeed. Each contingency is described as the worst consistent with the available evidence. But if each "worst case" is assumed to be as likely as the expected outcome—an assumption that gives little credit to our estimates—for these six factors (treating fallout protection plus AIBN deployment as one factor), then the combination of unfavorable outcomes has a less than 2% probability (1 in 64). How much insurance against this unlikely contingency should we buy?

It is clear that the smaller force would be just as effective as the larger one in causing the Soviets to harden and disperse their own missile forces. With a reduction in our Minutemen forces from 1200 to 950, the total ratio of U.S. ballistic missiles to Soviet missile launchers would change from 1967 to 1100 to 1726 to 1100. Certainly this difference would not justify the Soviet decision to stop hardening.

In terms of damaging limiting capability, the difference between 1200 and 950 is fairly small. Under favorable assumptions for us of adequate fallout protection and enough warning time to enable us to hit the Soviet striking force, the 250 extra Minutemen would reduce U.S. casualties by some 3½ million from 84.5 to 81 million. As for counter-force capability, the proposed force would permit attack on 865 time-sensitive targets (assigning defense suppression entirely to Hound Dogs on alert B–52's). With only 950 Minutemen, this number would be reduced to 685; enough to cover all Soviet missile launchers, bomber bases and sub-bases, but omit fighter bases and targets in the satellites.

The difference between the two programs, namely 1200 (920 improved) and 950, (with approximately the same proportion improved) would be about a billion dollars over the five year period. The saving in FY 65 would, however, be only the \$50 million to be spent in FY 65 on the procurement of the 50 additional missiles authorized for procurement.

(5) The comparison between the missile forces proposed in successive budgets, and the arguments used to support them is instructive. In 1961, the strategic force goal (for 1967) was justified in terms of a controlled counter-force capability, somewhat short, however, of a full-

first strike. In 1962, counter-force was de-emphasized, in favor of our ability to limit damage to U.S. should deterrence fail. This year, even damage limitation is accorded relatively small emphasis, and assured destruction becomes the keystone of the argument. Yet the changes in the relation of our proposed forces to our estimate of Soviet forces and other major elements in the Soviet target system, as shown in Table 3, do not reflect this change in rationale. Indeed, the little shift there has been is in the opposite direction. Soviet targets have been declining in number while our force goals have remained essentially constant.

TABLE 3

Proposed U.S. Missile Forces and Estimates of Selected Elements in the Soviet Target System

	1961 for 1967	1962 for 1968	1963 for 1969
Total U.S. Ballistic Missiles (ICBM & SLBM)	1987	2163	1972
Total Soviet target list	1775	1510	1540
Total Soviet Missile <i>launchers</i> (ICBM, IRBM, SLBM)	1400	1548	1342
Total Soviet <i>high urgency</i> targets	1225	848	750
Total Soviet <i>fixed</i> missile targets	925	612	550

302A. Memorandum for President Kennedy, Washington,  
November 7

Washington, November 7, 1963

[Source: Department of Defense, JCS Records, JMF 7000 (3 Jan 64).  
Top Secret. 7 pages of source text not declassified.]

November 1963

303. Draft Paper Prepared by Unknown Drafter, November 8<sup>1</sup>

November 8, 1963

*BASIC NATIONAL SECURITY POLICY*

I. The Basic Concept

One of the first statements of an American administration's Basic National Security Policy was made by President Polk when he told George Bancroft, on the day of his inauguration, that he had four main purposes: to re-establish the independent Treasury, to reduce the tariff, to acquire California, and to settle the Oregon boundary.

This statement met the chief requirements of any BNSP: Its goals were sufficiently specific, important, and feasible to be a useful guide to the President in the conduct of his administration and to future historians in appraising its record. Their attainment moved Bancroft to conclude that "viewed from the standpoint of results, this administration was perhaps the greatest in our history, certainly one of the greatest."

For the next quarter of a century, successive US administrations were able to focus on much the same goals—to extend and maintain the Union—because they could do so within the sheltering framework of a working international order.

This order—which ensured the West a century of predominant peace and unprecedented progress from the Congress of Vienna to World War I—rested on the strength and leadership of the great states of Europe, and particularly on the naval and economic power of the British Empire.

Two great European civil wars destroyed this order. Amid its ruins, an aggressive empire—the USSR—made ready to extend its power and to create a new international system cast in its image.

In response to this threat a new concept of US basic national security policy came into being. It was perhaps best summarized by George Kennan in his 1947 *Foreign Affairs* article as "long-term, patient, but firm and vigilant containment of Soviet expansive tendencies . . . the adroit and vigilant application of counterforce at a series of constantly

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<sup>1</sup> "Basic National Security Policy." Top Secret. 14 pp. Department of State, S/P Files: Lot 70 D 199, TS-BNSP.

shifting geographic and political points, corresponding to the shifts and maneuvers of Soviet policy.”

The policy was eminently successful. It is, in part, because of its success that the international scene is now changing in several important respects.

In both the Western and Communist camps, previously polarized around Washington and Moscow, power is proliferating. The problems and opportunities we face in Europe, Asia, and other less developed areas are thus coming increasingly to resemble those of a traditionally multipower world. They arise out of a complex set of interacting trends which can no longer be successfully controlled merely by reacting defensively “to the shifts and maneuvers of Soviet policy”; although Moscow and Peking pursue systematic policies of exploiting [illegible in the original] nationalism in the Free World to their advantage and our discomfiture.

Resistance to Communist threats and pressures is as important as it ever was. But it is not enough. The establishment and maintenance of a viable world order calls for a protracted and creative effort on the part of the United States including, but going far beyond, mere holding operations against Communist encroachment.

Underlying the concept of “containment” was always [illegible in the original] term vision of such a constructive US goal. It is now become possible and necessary to place increasing emphasis on this.

The need for greater emphasis upon our constructive goal is not now. It has been increasingly evident over the last decade, and US actions have increasingly responded to it.

But it would now be useful to define the concept of US Basic National Security Policy on which this approach is based, so that US courses of action can be geared to this concept with increasing effectiveness.

## II. Four Main Goals

[illegible in the original] system congenial to our purposes and values [illegible in the original].

*First*, it must keep the peace—especially the nuclear peace. This means that we must maintain sufficient military strength to deter, or if necessary defeat, aggression with minimum risk of spreading hostilities.

*Second*, it must be responsive to the diverse interests of the entire non-Communist world. The less developed, as well as developed, countries must have an opportunity to achieve the progress and status they seek within its framework.

*Third*, it should be able to fend off Communist disruptive efforts and to contribute, by its attractive power, to long-term constructive trends in the Bloc.

*Fourth*, it must promote relationships among Atlantic [illegible in the original] which would harness effective European power to the [illegible in the original] and constructive purposes indicated above, in greater [illegible in the original] has been the case to date. The same is true of Japan, [illegible in the original] cooperation and sense of meaningful destiny, in concert with the United States and the West, the stability of the Pacific continues to depend.

Each of these four headings is discussed below.

### III. Defense

A viable international system presupposes a stable military [illegible in the original] in which aggression both large and small [illegible in the original] or defeated if it occurs, and in which there [illegible in the original] of general nuclear war occurring through escalation or miscalculation.

From this objective certain major US courses of action can be deduced.

*First*, we must deter the Soviets and Chinese Communist from rationally choosing all-out use of force, and we must be able to deal with such a conflict as rationally as possible if it nevertheless occurs. We thus need so powerful and invulnerable a strategic nuclear force, and so convincing a linkage between our vital interests and its use, that Soviet and Chinese leaders could never doubt that in any general nuclear war their power position would be drastically worsened.

*Second*, against that strategic nuclear backdrop but in the area beyond its direct and assured effects, we must deter lesser aggressions or defeat them with the least devastation if they occur. We thus need effective non-nuclear strength—including allied forces, ready US forces, and mobilizable non-nuclear US power backing them up. The object should be to maintain a capacity to deal with two simultaneous Communist aggressions in widely separated areas, as well as to maintain enough free world counter-insurgency capability to cope with likely guerrilla assaults on vulnerable countries.

*Third*. We must achieve these military goals in ways which reinforce the [illegible in the original] and confidence of other free nations. To do this, we must maintain substantial and visible power overseas, as tangible evidence of our will and ability to back up free nations with effective military strength.

*Fourth*. We must minimize the risk that general nuclear war will occur by accident, miscalculation, or unintended escalation. This



requires (i) safeguards to ensure effective Presidential control over US strategic forces and over tactical nuclear weapons in US and allied hands; (ii) that the design, protection, and planning of these nuclear forces be such as to reduce the need for their early or pre-emptive use in response to ambiguous evidence of impending enemy attack.

*Fifth.* Arms control should be envisaged as an additional means of contributing to a stable military environment; it should reinforce, rather than weaken, the contribution of our military programs to such an environment. Partial reductions in armed forces should not be envisaged which would jeopardize our strategic nuclear superiority or our ability to frustrate non-nuclear aggression. High priority should go to measures which would reduce the risk of miscalculation.

#### IV. Less Developed Areas

Whether a workable international system can be created will depend, in large part, on the outcome of present trends in less developed areas.

Emerging from colonialism and traditionalism of various kinds, political elites in these areas seek to achieve greater material progress and otherwise modernize their countries.

The obstacles they face are formidable: lack of resources, of trained manpower, of needed institutions, and of innovation-minded leadership.

To the extent that these obstacles prove insuperable these countries may well end by playing somewhat the same role in world affairs that the Balkan nations played before 1914; i.e., generating instability which creates tempting opportunities for external intervention and thus draws the great powers into conflicts equally ruinous for them and the nations over which they dispute.

In the degree, on the other hand, that these countries' constructive efforts to modernize seem to be making headway, the likelihood is increased that they will gradually emerge as responsible members of the international order, capable of maintaining their independence and of evolving slowly toward forms of government based on consent. The inherently revolutionary character of the modernization process makes it inevitable, however, that we will live and operate over the foreseeable future in a setting of chronic crisis.

A major US objective should, therefore, be to assist constructive modernization efforts in less developed areas. Arrangements within the US Government should be such as to ensure that this objective continues to receive high priority and emphasis, and is not overshadowed by day-to-day crises and problems. In line with this basic policy:

—The economic purpose of our aid should be to encourage and reward modernization efforts. We should hold to this criterion as firmly

as we can without damaging other US security interests, recognizing that diversions in one instance may quickly become precedents in another. In applying this criterion, it should be borne in mind that under-developed nations range over a wide spectrum and that the standard of self-help performance that can be expected—and the type and amount of aid that is needed under that standard—will vary with the degree of under-development.

—Since successful modernization will require far greater external resources than are likely to be provided under US appropriated aid, efforts to elicit a maximum contribution from other sources—the Exim-Bank, IBRD, IMF, other developed countries, and private investment—should receive increased emphasis.

—Since cultural change in less developed areas is one of the major prerequisites to their modernization, we should encourage the emergency of innovation-minded groups through exchanges of persons and information, assistance for education, programs and projects that will promote private enterprise, and like measures.

All of this will only bear fruit if the less developed countries are, at the same time, discouraged from pursuing disruptive external adventures. It should be a US purpose to apply external constraints, as necessary, for this purpose—using UN mechanisms, wherever possible.

## V. The Bloc

Our first objective *vis-à-vis* the Communists is to protect the constructive tasks on which we are embarked in the free world against disruption as a result of Communist pressures or diversions.

This means not only maintaining the military force referred to under III, above, but also making clear to the Communists that, if necessary, it will be used—and sometimes specifying the circumstances. We should promote communications—informal as well as formal—with Moscow to this end. And we should try, over the longer run, to develop tacit understandings with the USSR as to the ground rules governing our competition.

It also means trying to close out crises, when they erupt, (i) in such a way as to make crisis-mongering seem an unprofitable occupation to the Communists; (ii) with as little diversion of free world energies from our long-term constructive programs as consistent with this purpose.

Our second objective *vis-à-vis* the Communists is transformation of the imperialistic Communist dictatorships into regimes which can play a constructive role in the international order we seek to create. If such a transformation is to occur without conflict that would pose an intense danger to our security, it must be brought about chiefly by

pressures and trends within the Bloc. We can contribute to this evolution in two ways:

*First:* By the way in which the free world arranges its own affairs. The extent to which the Communists perceive that the emerging international free world order seems likely to work, i.e., to offer diminishing—rather than enlarging—opportunities for Communist trouble-making, cannot help but influence the Soviets' view of their own role in world affairs.

*Second:* By our posture toward the Bloc. We should seek to maximize the exposure of the USSR to the outside world, and to widen the contacts between the peoples of Eastern Europe and the West at every level. We should welcome temporary or partial *détente*, in the belief that this will be conducive to such exposure and contribute to long term evolution in the Bloc. We should evidence a willingness to enter into business-like negotiations on outstanding issues, and seek otherwise to suggest to the Soviet leaders that they can find rewarding opportunities for participation in the emerging international order if they are willing to do so on terms consistent with its basic purposes.

#### VI. The Atlantic Hard Core

If our only aim were only to prevent Communist expansion, US policy would have achieved its objective in Europe. This area has been strengthened to the point where its subjection by Communism is difficult to [illegible in the original].

If our purpose is to create a viable world order, however, then our European policy has fallen short of its objective in two respects:

*First:* The building of a workable international system requires that Europe's resources be available for defense and for aid to less developed areas in much greater amounts than has so far been the case. The European will to bear these sacrifices is lacking, in part, because individual governments remain preoccupied with relatively local interests and, shocked by the dramatic postwar decrease in their national power, do not believe that increased national effort could have significant effect. The situation might change, however, if decisions about increased effort could be taken by a single European Community for its members as a whole. Europe's potential for contributing to the defense and development of the free world might then become sufficiently clear to move the Europeans to needed external action.

*Second:* The existing situation in Europe makes it difficult to pursue the strategy *vis-à-vis* the Bloc outlined under V, above. For a Europe of fatherlands will, over the long run, include a German fatherland recovering its sense of national pride and purpose. The thought which the Soviets would perceive, rightly or wrongly, in this development could pose serious obstacles to a relaxation of tensions. Only in a

genuinely integrated Europe is the German sense of national identity likely to be submerged in sufficient degree to eliminate this problem.

It is for these reasons—related to our broader purposes *vis-à-vis* the Bloc and the free world as a whole—that the outcome of the contest in Europe between proponents of genuine integration and of a loose confederation of nationally conscious states is of vital moment to the US.

That issue will be decided in Europe, and by Europeans.

The US can influence the outcome, however, in three ways.

—By reiterating its dedication to genuine European unity with clarity and force, as was done on the President's recent trip to Europe.

—By avoiding actions which would give aid and encouragement to nationalist forces. It is worth remembering that de Gaulle represents, in some sense, both "European" and nationalist [illegible in the original] we must distinguish between them in responding to his [illegible in the original].

—By holding out clearly US readiness to enter into more meaningful partnership with a united Europe—i.e., our willingness to set up the political "directorate" de Gaulle proposes, but only if our opposite number could be a unified Europe; and our willingness to see the MLF evolve toward new forms of control if the Europeans can speak with one voice on this matter.

Europe's progress toward integration will be slow, however. In this instance, there are pressing items on the Atlantic agenda, which must be dispatched through such instruments as are feasible in the present state of Europe.

These will generally be instruments in which the US and other Atlantic nations deal with each other severally, rather than in which the US and a European entity confront each other bilaterally.

In the [illegible in the original] we must seek to concert domestic economic policies for more rapid growth, and to coordinate national programs of assistance for developing areas.

In NATO we must press ahead with efforts to build an agreed NATO strategy and to make allied political consultation more effective.

In the MLF working group we must progress towards an Atlantic missile fleet under multilateral manning.

In GATT we must get on with the Kennedy Round of trade negotiations.

In all these forums we must try to move ahead with the urgent business of the Atlantic partnership, even while the question "who speaks on behalf of Europe" awaits an answer.

## VI. Conclusion

The courses of action outlined in this paper are focused on the creation and defense of a viable world order, to replace the one which

existed before 1914 and which has been destroyed by a half century of war and revolution.

Implementation of these courses will involve slow and gradual progress in [illegible in the original] with very difficult problems.

By their very nature, the long-term, constructive trends which we seek to encourage in Western Europe, the less developed areas, and the Bloc will take time to work themselves out. We have a clear national obligation to lead the Free World, but US attempts to force the pace are likely to be unavailing or contra-productive.

We will, therefore, need consistency in holding to our goals and patience in pursuing them. We will need to resist the recurring temptation to seek ostensible short-term “successes” at the expense of our long-term objectives, in the face of the occasional set-backs and diversions which are unavoidable in such a long-term effort.

To this end, a clear articulation of our strategic concept is called for.

This paper suggests such a concept. The steps needed to give it effect are elaborated in more detail in the longer document that follows.

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#### **304. Memorandum from Keeny to Bundy, November 15<sup>1</sup>**

November 15, 1963

##### **SUBJECT**

15 November Budget Meeting with Secretary McNamara

The Bureau of the Budget has prepared a detailed briefing paper that you have received covering the principal issues which the staff believes should be discussed with Secretary McNamara at the 15 November meeting. Some of these issues, particularly in the R&D paper, are not very important and will probably not be brought up by Gordon at the meeting. Without attempting to comment on all of the questions raised by the BOB, I believe that the most important issues involved in the five draft memoranda submitted by Secretary McNamara are the following:

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<sup>1</sup> Provides comments and agenda for November 15th budget meeting with McNamara. No classification marking. 5 pp. Johnson Library, National Security File, Agency File, Def Bud 65.

(1) *National Deep Underground Command Center (DUCC)*. Secretary McNamara recommends that a DUCC for the Washington area be approved now and that it be authorized at an austere size suitable for 50 men at a cost of \$110,000,000. The first issue is whether we should consider constructing a DUCC facility at all at this time. I believe that a DUCC facility would significantly increase the chance that the President or his successor would survive a nuclear attack and would be critical to our ability to attempt to direct a controlled response under top civilian and military direction. In the 1970 period without the DUCC, it is difficult to justify much of the expensive command and control apparatus that we are now purchasing. Although it is often argued that the President cannot support this proposal since it is directed toward his own safety; I do not believe that this should be a decisive consideration since this is not the basic reason for the facility and the facility would not, in any event, be available until after President Kennedy's second term was finished. While it might also lead to some adverse comment abroad, I believe it would help to make our talk about controlled response more credible and would drive home the implications of nuclear war both at home and abroad.

The second issue is the proposed size of the installation. I believe there is agreement in all quarters (DDR&E, JCS, OST, and BOB) that while the 50-man DUCC would protect the President and his successors, it would be entirely inadequate to fulfill the command and control mission. I believe, therefore, that it would be a mistake for the Administration to request a facility that clearly could not accomplish its advertised purpose. This would appear to invite the charge that the Administration is initiating a project and intentionally misrepresenting its ultimate cost. I recommend, therefore, that, if we decide to proceed with the DUCC, we either (1) approve the 300-man facility or (2) fund the 3500 foot shaft for the facility separately and indicate that further study must be given to the required size of the facility itself.

(2) *Air Force Tactical Aircraft Program*. The most interesting issue raised by OSD in their paper is the proposal to substitute Pershing missiles with QRA aircraft. I believe there is general agreement that this is a very good idea.

The BOB will question the OSD proposal to buy war consumables against 180-day objective as opposed to the existing plan to have a 90-day supply. The BOB will also make the new proposal that the European MACE force be phased out in view of extreme vulnerability. I believe the BOB is correct on both of these items.

The procurement program for F-4C aircraft presents a major issue that is not considered by the OSD or BOB memoranda and which we will bring up at the meeting. This program involves a total of about \$900 million in FY 65. In its present configuration, this aircraft is not

suited for the ground support role for which it is being procured and is not, in fact, particularly well suited as an interceptor which would be its secondary role. The aircraft will be substantially improved and made suitable for its intended role when new avionics become available in late 1966. A retrofit program would either be impossible or extremely expensive. I would propose, therefore, that the large FY 64 purchase of F-4C aircraft be stretched out until the improved version becomes available and that as much as possible of the \$900 million be deferred. It is estimated that this can result in a real reduction of FY 65 funds by \$700 million. This deferral should also make possible a more rational decision as to whether we really want to buy F-4C, F-111 or some other aircraft for future ground support in the European theater.

(3) *Attack Carrier (CVA Forces)*. This paper does not directly bring up the FY 65 budget issues. In general I believe it is a very poor paper that does not really make a case for the indicated force levels and does not address itself at all to the key issue of nuclear vs. conventional power.

In the event we should have a very tight FY 65 expenditures budget, I believe we should still consider deferring the FY 63 CVA which McNamara has just directed be constructed as a conventional carrier. No case has been made that there is a requirement for this carrier or that there is any urgency in proceeding with its construction. There is very widespread feeling that "if the carrier is built," it should be nuclear. Therefore, I believe that even at this late date it might be possible to defer actual initiation of the project on the basis of a desire to give further consideration as to whether it should be nuclear or conventional.

In any event it seems most unwise to commit the Administration firmly to construction of an additional carrier in FY 67 before the problem has been given serious study.

(4) *Research and Development*. In general, I believe that the proposed R&D program is very sensible. Most of the points raised by the BOB are small and not of real policy interest. I believe the most important issues for discussion are the following:

a. *Dynasoar*. While the R&D memo suggests that this program might be unnecessary, the actual decision is not faced. I believe that serious consideration should be given to cancellation of this project in connection with a reorientation of Gemini to a joint DOD-NASA undertaking.

b. *MMRBM*. Secretary McNamara wants to proceed with a full-scale MMRBM development. The BOB staff believes that the MMRBM project should be either cancelled or substantially cut back. I believe that an MMRBM type system might represent a significant capability in future as yet unforeseen circumstances. Therefore, I believe the MMRBM development program should be continued at a reasonable

rate; however, it should be made clear that the program is not developed to any specific systems concept such as road mobile truck system proposed for deployment in Germany.

c. B-70. In view of possible forthcoming decisions relating to "O" project, I believe that serious consideration should be given to eliminating the third aircraft in the present B-70 program which was conceived primarily as a test bed for equipment relating to the B-70 system. I understand that this could result in a saving of some \$90 million but would still permit flight of the first two aircraft which would yield information of aerodynamic interest to the supersonic transport program and give some yield for the billion and one half dollar investment in this program.

**Spurgeon Keeny**

### **Attachment**

#### *Revised Tentative Agenda For November 15 Meeting*

##### *Tactical Air*

1. Phase-out of European Mace
2. War consumables
3. F-4C
4. F-111

##### *Attack Carrier Forces*

1. Number of active carriers
2. Carrier deployment schedules

##### *Airlift/Sealift*

1. CX-4 transport development
2. CX-6 development

##### *Deep Underground Command Center*

##### *Research and Development*

1. Typhon
2. Sea Hawk
3. Army aircraft armament
4. Army automatic switching equipment
5. Army nuclear power plants
6. BW/CW weapons
7. AMR
8. MMRBM
9. Defender



10. Nuclear weapons effects tests
11. Vela Hotel
12. Vela Dribble
13. ARPA Command and Control
14. NHCS
15. Program 437
16. Communications Satellite
17. Dyna-Soar
18. Titan III
19. Standardized space guidance

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**305. Memorandum from Maj. Smith to Bundy, November 22<sup>1</sup>**

November 22, 1963

SUBJECT

FY 65 Budget Discussions

You undoubtedly will get comments on specific programs from BOB and Spurgeon Keeny. The attachments hereto are an attempt to put the budget packages I, II, and III into a somewhat broader perspective, with specific comments directed more to suggesting a sense of direction than to hitting hard particular programs. The attachments discuss the Budget's Message, DOD Analytic Methods, and Strategic Forces.

After reviewing the DOD memoranda, I agree with your judgment that there appear to be few burning dollar issues to concern the President. (The attachments raise some issues of tactics and procedures.) Ken Hansen mentioned some problems in TOA (Total Obligational Authority). If there is such a problem, I would think BOB would be asked to carefully sort out TOA, NOA, and expenditures. Only then can the dimensions of the problem be properly evaluated.

**W.Y. Smith**

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<sup>1</sup> Provides analysis and information for November 15th budget meeting. Secret. 5 pp. Johnson Library, National Security File, Agency File, Def Bud 65.

## Attachment

### The Budget's Message

Assuming that this year, as in previous ones, the SecDef will use rationale before Congress similar to that found in his draft memoranda, and further that much of this rationale will reach the press, the public probably will get this picture of the defense budget:

a. An across-the-board cutback (see attachment). As compared with the FY 62 budget, strategic offense TOA will have decreased 42%, defense 18%, and general purpose forces 10%.<sup>2</sup>

b. The completion of a reversal in overall strategic doctrine. The SAC sword of the 50's will become the shield in the late 60's; the ground forces in Europe are to become the sword.

c. Indecision with respect to active and passive defense of the United States.

d. A reappraisal and downgrading of the enemy threat.

Of these four points, three of them (a, b, and d) were found in abbreviated form in the SecDef's Economic Club speech. That speech created a small flurry in European newspapers; when this budget hits the streets the reaction will almost certainly be much more pronounced. Are we prepared diplomatically to explain our reasoning to our allies? The December NATO meetings become important in this connection. The Europeans may deduce that the US is not planning either to make sufficient resources available to make possible (even with increased European budgets) the local defense of Europe, or to build strategic offensive forces that would be used in the defense of Europe (because of their inability to strike first and reduce counterdamage sufficiently.) This realization may further accelerate the divisive trends within NATO. Such a development could have and—in an election year especially—probably would have domestic implications as well. In addition, if DOD arguments lend themselves to the criticism that this Administration is cutting back both our ability to strike the USSR and to defend ourselves against a Russian attack, more fuel would be available for the domestic political fires.

What all this adds up to is that the coming year is not a good time either at home or abroad to launch forth on educating the world in our new military thinking, especially since most people have not yet absorbed the materials (and different emphasis) from previous years.

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<sup>2</sup> Army and Marine only.

**Attachment**

	TOA (Billions of \$)			
	<u>FY 62</u>	<u>FY 63</u>	<u>FY 64</u>	<u>FY 65</u>
Strategic Offense	9.11	8.53	7.53	5.33
Continental Defense	2.12	1.94	1.96	1.75
General Purpose Forces*	7.67	7.63	7.61	6.90

\* Army and Marine only.

**Attachment**

STRATEGIC FORCES

If there is any controversy in the budget, it probably will range around strategic forces. Carl Kaysen showed me his comments on the earlier DOD strategic forces draft, and seemed to believe that 950 Minutemen could do almost the same job as 1200. He did not press for a reduction in the force goals, however. The DOD memorandum also is a bit open-ended on this point.

In terms of total force objectives, a case of sorts could be made for going above 1200, if one holds to the DOD approach of evaluating missiles in terms of possibly saving lives. Basically, DOD is saying that the cost of additional missiles beyond a certain point is not worth the lives they might save. How would this look if expressed in terms of cost effectiveness? According to TOA figures, 950 Minutemen cost \$10.2 billion. Following a US first strike such a force would insure the survival of about 372 million US and West European citizens (derived from table, p. 21). For about another \$2.7 billion (p. 15) one could get another 450 missiles and save 417 million people, some 45 million more. The cost per life potentially saved is about \$62. The cost figures used, however, are total program costs through FY 69. Assuming 1967 delivery, the cost per year for each life saved would be less than \$31 through FY 69—and the cost per individual per year would go down for some time longer. The cost per life potentially saved going from 950 to 1200 missiles is about \$57, or less than \$24 per year for the two year period.

Is it somewhat absurd to put a value on life that way, or to determine force requirements in such a way? It seems that is where the DOD approach must eventually lead. As long as one holds to the marginal theory, it is not merely enough to be in the area of diminishing marginal returns. As long as “marginal returns” exceed marginal costs, it is still “profitable” to build missiles.

The preceding is not designed to justify any particular number of missiles as an objective. It should cast some doubt on the numbers and the methods of reaching them in DOD.

In the FY 65 budget, rather than focusing solely on 950 or 1200 for FY 69, it would seem better to analyze what we need to attain our objectives between now and then. The DOD memorandum at present concentrates on what the situation will be as the President probably will be leaving office, rather than on what it will be while he is there. For example, if we adopt a Minuteman goal of 950, in 1967 we could have 1786 ICBMs and Polaris missiles facing the East, and the USSR could have some 1980 missiles (IR/MRBMs with soft missiles having a reload capability; ICBMs; all medium estimates) facing the West. Is that a satisfactory position?

With respect to the FY 65 build, I would be inclined to make it something between the 50 recommended by the SecDef and the 200 recommended by Secretary Zukert. My principal reasons are:

- a. In the absence of some political agreement, it is still too early to reduce pressure on the USSR militarily. (Nor should we now increase our pressure; we should continue along the same lines as in the past two years.)
- b. We are much more likely to reach some arms control agreements if the Russians believe such agreements are needed to reduce pressure on their allocation of resources. If we reduce unilaterally the Russians get what they want with the freedom to change courses later.
- c. It is still preferable to destroy the obsolescent sooner, if desired, than not to build the new.

**306. Memorandum from Rostow to Members of Policy Planning Council, November 29<sup>1</sup>**

November 29, 1963

NOTIFICATION OF SECRETARY'S POLICY PLANNING  
MEETING, 10 A.M., TUESDAY, DECEMBER 3, 1963, IN THE  
SECRETARY'S CONFERENCE ROOM

SUBJECT

*Comment on Key Issues Underlined by Assistant Secretaries*

The extremely able and terse summaries of current key issues developed by the Bureaus speak for themselves. It may be useful to underline one general reflection on them, which arose directly from their reading.

1. In general they dramatize the fact that in all parts of the world we are positioned in rather delicate balance between hopeful trends and political degenerative forces. With one arm we are pressing forward, with the other we are fending off danger. Relatively small shifts in policy, emphasis, or energy could violate those balances and create major problems for us.

2. In Africa there is the balance between friendship towards black Africa set off against the dilemma posed for us by South Africa and Portuguese Africa. Here, aside from the passage of civil rights legislation, the maintenance of some marginal leverage on the radicals (Ben Bella, Kwame Nkrumah, and Sekou Toure), plus continued support for the moderates, appears essential if the whole of our African policy is not to be endangered.

3. With respect to Western Europe, any faltering in our loyalty to Atlantic partnership would, of course, strengthen de Gaulle's hand and, at the same time, endanger the movements forward which we must make in both the Herter round of negotiations and in European cooperation on the U.S. balance of payments problem, which, in turn, could wreck the foundations of Western defense. Our stance at the NATO meeting and the manner in which we deal with the impasse in the development of a NATO strategy are critical. The most intimate bilateral consultation with the Germans is the requirement for success at almost every point.

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<sup>1</sup> Addresses input from regional bureaus on key issues. Secret. 4 pp. Department of State, S/P Files: Lot 70 D 199, Secretary's PPMs.

4. In relations with Moscow, the critical issue appears to be whether we can keep the *détente* breathing—and, specifically, generate and negotiate a sufficiently persuasive package to compensate for the possible adverse reaction to the bilateral air agreement. The suggested elements are Soviet acceptance of our requirement for notification of and access to U.S. citizens detained in the USSR, plus the provision of a leased line teletype link to Moscow.

5. In the Middle East and Asia we confront the problem of maintaining delicate balances in the Arab-Israeli dispute and in the India-Pakistan affair. The need for balance in the case of the former is particularly important given the possible Jordan waters crisis in the spring or summer of 1964.

6. In the Far East we have a delicate balance in the Indonesian confrontation of Malaysia, as well as the two precarious military situations in Laos and Viet Nam.

7. In Latin America, again we have a problem of balance between the thrust of the Alliance for Progress and other elements of cohesion and the potential corrosiveness of both Latin American nationalism, exacerbated by Communist influence and pressures.

8. In the United Nations, all of these balances are reflected, but notably those in Africa and Asia; and the great issue is posed of the United Nations' role in helping keep the balances on the constructive side via peace-keeping machinery.

9. What I draw from this array (quickly and incompletely ticked off) is the need for us all, from the President on down, to perceive a general point that transcends any of these items; namely, that the President has come to responsibility at a time when we are working our way slowly through a whole set of major historical transitions: the transition of Africa from colonialism to responsibility; the transition of Western Europe from dependence to partnership; the transition of Russia, hopefully, from a vicious offensive to something like a stable, peaceful co-existence; the transition of the Middle East and South Asia from an obsession with post-colonial boundary issues, which have been the focus of the new nationalism, to a more stable maturity; in the Far East from the aggressive nationalism of Sukarno to an Indonesian concern with its domestic development; in old Indochina, hopefully, from limited probing aggression, sparked by Hanoi, to peace.

10. Every one of these balances is capable of being upset, if we falter or lose resoluteness in either pressing in the hopeful direction or in fending off potential degeneration. If the balances are upset, the U.S. could face major crises.

11. To see our way through these historical transitions will require that these balances be understood and that we be prepared to sweat

them out steadily; but it must always be remembered that the balances are dynamic. They do not maintain themselves without the steady application of energy to fend off evil and to promote the good.

12. It may be that if this general perspective on the bewildering array of specific situations we face could be widely understood and shared (assuming for the moment it is correct), we would be forwarder.

W.W. Rostow

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**307. Memorandum from Keeny to Bundy, November 30, 1963<sup>1</sup>**

November 30, 1963

SUBJECT

November 27 Meeting on the DOD Budget

The principal points covered and decisions reached at the November 27 meeting with Secretary McNamara on the DOD budget were as follows:

*I. Strategic Retaliatory Forces*

1. *Minuteman*. Secretary McNamara did not accept the BOB proposals for reduced MM force level, slippage in improved MM production, or delay in the improved retrofit program, and it was agreed that these issues should be submitted to the President. Secretary McNamara expressed interest in Dr. Wiesner's question concerning the apparently excessive nature (10 per cent per year) of the reliability firing program and requested Drs. Brown and Wiesner to determine how this related to the production and retrofit programs. As a follow up, I have discussed this question with Dr. Brown's staff; and, while it is clear it represents a major policy issue for the future, a cutback here would not lead to significant savings in FY 65.

2. *B-70*. Secretary McNamara agreed that he was prepared to cutback the third of the three B-70's provided a positive decision was made on handling of the classified project with which you are familiar. It was noted that this would permit savings of the order of \$80 million and that some \$3 million per month was being spent on this aircraft.

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<sup>1</sup> Readout of November 27th budget meeting with McNamara. Secret. 5 pp. Johnson Library, National Security File, Agency File, Def Bud 65.

Secretary McNamara suggested that he might enter the third aircraft under NOA but omit it under expenditures.

3. *B-47 phase down*. Mr. Gordon apparently decided to withdraw this issue.

## II. *Continental Air and Missile Defense*

1. *Phase down on active interceptor squadrons*. Secretary McNamara agreed that this should be done but felt that for political reasons they wanted to defer the question until next year.

2. *BMEWS Improvements*. After a technical justification by Dr. Brown with which Dr. Wiesner and I agreed, the BOB decided to withdraw their objections on this issue.

3. *FAA air traffic control systems*. After consideration of present FAA schedules for this new system, it was decided that it would be technically and operationally acceptable to defer \$42 million in this area.

## III. *Anti-Submarine Warfare*

1. *Nuclear attack submarines and submarine tender*. There was an extended discussion of the merits of nuclear attack submarines in which, I believe, the OSD representatives made a very poor case for the 6 submarines in the DOD budget. Mr. Gordon maintained the BOB position that all 6 submarines and the submarine tender should be deferred with a saving of \$502.5 million in FY 65 NOA. Dr. Wiesner suggested that a buy of 2 or 3 submarines, if this were necessary to keep the yards busy, would be the best solution. Secretary McNamara agreed he would give further consideration to the OSD position on this issue.

2. *SUBROC*. It was agreed to split the difference on this item and support continued production at the minimum sustaining level of 5 per month with a saving of \$20 million.

## IV. *Army and Marine Ground Forces*

Secretary McNamara indicated that he could take no position on the problems raised by the Bureau of the Budget until he had discussed each of the individual subject items with Secretary Vance.

## V. *Holdover Items*

1. *Command, control and communications*. Secretary McNamara stated frankly that he did not understand the mode of operation for command and control and directed that they operate within a budget of \$158 million rather than \$208 million. Dr. Wiesner reported that he had not yet been able to get a complete report on communication procurement from DOD but that, as far as he had gone, the program appeared to be in a pretty good shape with the possible exception of certain switching



equipment which might be incompatible. It was agreed that this question would be left open.

2. *F4C/D/E Aircraft*. There was an extended discussion of the technical characteristics of F4C/D/E aircraft and the nature of several alternative production programs. Unfortunately, neither Secretary McNamara nor Mr. Gilpatric were present during most of this discussion. Despite the instructions given at the last meeting, the technical analysis of the aircraft and alternative programs prepared by the Comptroller was not coordinated with Dr. Wiesner and was, in fact, not available until just before the meeting. Alternative I, which cuts 100 aircraft from FY 65 buy, was not acceptable to him since it saved only \$120 million in FY 65 and involved an increase of \$40 million in total program costs. He stated that Alternative 2, which cuts 326 aircraft from the FY 65 buy at a saving of over \$600 million, was unacceptable to him since it constituted too large a reduction in aircraft in a 66–68 time frame. He made a major point of the advantages of the ferry range of the F4C's over existing aircraft. It was agreed to keep Alternative I as a budget issue. [Subsequently, I have learned that the savings on aircraft alone (not including associated equipment) of Alternative I would, in fact, be \$40 million more than those reported by OSD on the basis of McDonald Aircraft estimates and that the additional program costs, because of deferral, would only be \$7 million and not \$40 million. On further investigation, we also question whether the ferry range argument is as important as McNamara believes. These factors might affect McNamara's thinking on this issue. There is a real split on this one within OSD since the Comptroller's office wants F4C's as fast as possible and DDR&E essentially agrees with our criticisms of the program. If we are to make any progress on this highly technical issue, I believe it should be directly with McNamara and not as a Presidential issue.]

3. *MMRBM*. It was reported that nothing was being done to direct the development of this system specifically toward land-based deployment suitable for use only in Germany. Secretary McNamara stated that the program would continue to be carried out in this manner.

4. *Nuclear weapons effects tests*. It was agreed that the items discussed in the previous meeting would be removed from the program.

5. *Program 437 (Thor-antisatellite on Johnson Island)*. Dr. Brown reported that the costs had indeed grown in the manner described by the BOB. Secretary McNamara stated that this was unacceptable and the Air Force had exceeded the authority he had given them. He could not understand why they could have a four-shot research and development program for \$24 million and then required an additional \$49 million for two additional shots. Secretary McNamara directed that FY 64 funds be frozen until the program was better defined and that additional funding for FY 65 should be limited to \$12 million.

6. *Typhon*. It was agreed that the system would be cancelled but that sufficient funds would be kept in FY 65 to permit test firing with equipment already procured since this system involved basically new types of radar equipment that might relate to future developments.

7. *Space*. The BOB space report was not discussed. It was agreed that a meeting with Mr. Webb would be scheduled for Saturday, 30 November. Secretary McNamara stated that he was anxious to cancel Dynasoar but could only do this if a deal could be worked out with NASA on the future of Gemini.

8. *MAP*. There was an extended discussion of the MAP problem. Secretary McNamara stated that the legislation should be modified so that the Secretary of State would not have to approve the MAP funds since this procedure essentially referred differences between State and DOD for Congressional resolution when this should be done within the Administration. He stated that the following steps should be taken: (1) cut \$1.4 billion from the military aid budget and (2) divide the \$1.4 billion into two components to be submitted by the DOD, namely: (a) one component as part of the normal DOD request to cover areas such as Viet Nam where U.S. forces are involved and (b) a second component for grant aids for areas such as Thailand which could be treated either as part of the normal DOD budget or as a separate bill submitted by the DOD.

9. *Classified projects*. It was agreed that these would be discussed after 6 or 7 December since the BOB would not have completed its review of government-wide classified projects until that time.

10. *Family housing*. Secretary McNamara spoke very strongly against any cuts in the DOD proposals for family housing and the BOB apparently withdrew this issue.

11. *Civil Defense*. Secretary McNamara stated that he had decided to assign \$350 million, including \$175 million for incentive shelters to civil defense. It would be Mr. Gilpatric's job to decide, in consultation with Dr. Wiesner, how the additional \$175 million would be allocated. In view of the complications introduced by the failure of Congress to act on the FY 65 Civil Defense appropriation, which influences the manner in which the \$350 million would be best utilized, it was suggested that civil defense be entered as a single line item in the budget without any breakdown at this time.

It should be noted that the outcome of the meeting on a number of items was probably effected by the fact that both Secretary McNamara and Mr. Gilpatric were forced to leave the meeting for extended periods during the discussion. For example, Secretary McNamara missed most of the discussion of the F4C and the nuclear attack submarine. Consequently, he did not have an opportunity to hear how unimpressive the response of his colleagues was to the various criticisms

that were advanced against these programs and heard only a summary of the alternative programs that one could adopt in these and several other fields.

**Spurgeon Keeny**

December 1963

308. Memorandum to Members of Policy Planning Council,  
December 6<sup>1</sup>

December 6, 1963

HIGHLIGHTS FROM THE SECRETARY'S  
POLICY PLANNING MEETING HELD  
DECEMBER 3, 1963

SUBJECT

Comment on Key Issues Underlined by Assistant Secretaries

In the introductory remarks on the paper under discussion two points were noted. First, in the last two years there has been a change in the balance of the problems we face. Whereas two years ago most of our problems stemmed from Communist pressure, today the internal problems of the Free World occupy us increasingly. Second, the trend of the times around the globe—and even in this country—is increasingly one of resurgent nationalism, and the task we face is that of the constructive organization of this nationalism.

In Western Europe and Japan there is still too much of the “Marshall Plan psychology” of leaning on US leadership. Likewise, the US still preempts the lead in situations where the allies could and should play a larger role. The time is ripe for the establishment of new machinery for cooperation in handling the world’s problems. Except in the Cold War confrontation against the Communists, it is unnecessary and undesirable for the US to always assume the lead, particularly in problems involving areas with ancient cultures where our experience is limited.

Before Europe can play a larger role in the outside world, however, she must organize herself, and, in this respect, 1963 has been a year of retrogression not advance. Systematic consultation and collaboration are needed among the US, Japan, and the European nations. Unfortunately, the latter too often enjoy their irresponsibility. In contrast to the type of cooperation they exhibit in forums such as the OECD, the European nations tend to pursue narrow selfish objectives on political matters in the outside world.

A greater focus on an Atlantic Community policy toward the outside world is desirable. Even should the US choose not always to lead,

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<sup>1</sup> Highlights of December 3d Policy Planning Meeting. Secret. 4 pp. Department of State, S/P Files: Lot 70 D 199, Secretary’s PPMs.

still the US will have to initiate action to meet problems that are beyond the capacity of regional groups to solve. Machinery is needed that can transcend regional lines. It would be desirable for Japan to earmark troops for a UN peace-keeping force, but unfortunately her constitution prohibits this. At present only the “white” nations have earmarked forces for peace-keeping.

The Morocco-Algeria crisis is an example of a problem best resolved by a regional grouping rather than Big Power intervention. However, there are other problems, e.g., South Africa, in which the participants demand US intervention. The question is whether the US need always agree to intervene.

Discussion ensued on the problems of Portuguese Africa and the Union of South Africa. The participants were divided as to the pace at which the US should encourage movement toward independence or a multi-racial solution. On the one hand, it was held that to hasten this process is to invite chaos of the type experienced in the Congo and Algeria. The white settlers would leave and the door would be open for Communist penetration. At the present level of East-West tension a radical change of this sort would be dangerous at this time. Until the tensions of the Cold War are abated, we should slow down, not speed up, our support of the African nationalists. Further, an increase in nationalist terror tactics would only serve to make the Portuguese dig in more firmly and exacerbate the situation in general. On the other hand, it was held that the risks of a bloody upheaval were too great in the status quo. Forward movement is necessary in order to stave off African nationalist extremism; furthermore, movement works as an influence for restraint on the part of outsiders, such as the Asians, demanding African freedom. Forward movement is a better way to play for time than maintaining frozen positions. In the Union the Boer Government was gerrymandered to power and is not so strong and monolithic as it appears. There is hope for the opposition.

Concerning US involvement in regional disputes, the trend has been to give a guarantee to one country in a dispute. This policy has the adverse effects of fragmenting our influence and encouraging the “protectee” to assume a belligerent posture. However, there are limits to what US protection means in a regional dispute. As in the Pak-Indian dispute, there is often a gap between our word and our capacity to act. Thus US protection does not always act as a restraint, except when we have military power in the area.

It was agreed that it would be prudent to produce a contingency plan for the possible collapse or overthrow of the ChiCom regime. The internal situation has degenerated to the point where the Soviets might even be able to bring down the regime with an extended border quarrel. In the ChiCom elite at present there are two strands of thought on the

Sino-Soviet dispute: one strand adheres to classic Chinese nationalism versus Russia; the other disagrees with the hard line and places economic considerations first, holding that the denial of Soviet aid is too high a price to pay for the current polemics. Furthermore, reports of severe droughts in China indicate that there are still more troubles ahead for the regime.

There is a lack of an integrated policy on aid matters between the US and the European nations. The latter have improved their performance on burden-sharing, yet their foreign policies have been less adept at integrating the aid element than has ours. In European governments, for example, there is no back-to-back arrangement similar to our State-AID country desk system. A better political framework than the DAC is needed for a coordinated aid policy which would provide for a more rational division of labor. Again, better international machinery for cooperation was advanced as the answer to both the aid and the peace-keeping problem. The British Commonwealth is no longer serviceable for these tasks. It was suggested that the UN might establish regional sub-committees to deal with these matters. This, however, was held to be unnecessary provided the UN backstopped the efforts of other international bodies.

*Action:* the Assistant Secretaries of the geographical Bureaus were asked to submit a "box-score" (on a simple "plus" or "minus" basis) on whether relations between the US and each country in their area had improved over the past three years.

**309. Memorandum from Gordon to President Johnson,  
December 9<sup>1</sup>**

December 9, 1963

## SUBJECT

Additional adjustments in the Minuteman program

This memorandum outlines my reasons for believing that adjustments in the Minuteman program are feasible and desirable. The actions I have in mind would save \$571 million NOA in the 1965 budget and \$200 million in 1965 expenditures.

Fundamental to my recommendation is the analysis in the Secretary's draft memorandum to the President on Strategic Retaliatory Forces, dated November 13, 1963, which clearly indicates that the need for additional Minuteman missiles over and above the 950 approved in the 1964 budget for deployment by end-FY 1966 is questionable.

As stated in the Secretary's memorandum, the essential test of and most valid objective for our strategic forces is the capability in a second strike situation to assure destruction of 150 cities and 30 percent of the population of the Soviet Union (68 million fatalities), 50 percent of industrial capacity, and the Soviet Government and military controls. Against this objective of "assured destruction," the Secretary's memorandum analyzes four different force levels for end-FY 1969 under assumptions using both "expected" and "pessimistic" factors for relative US-USSR capabilities (see attached table which is from page 14 of the Secretary's memorandum). Two very striking conclusions from the Secretary's analysis are:

1. That U.S. forces without any Minuteman missiles could satisfy the objective of "assured destruction" under "expected" conditions and "median" Soviet force estimates as of end-FY 1969.

2. That U.S. forces, with the 950 Minuteman missile force approved in last year's budget for deployment by end-FY 1966, virtually meet the objective of "assured destruction" by end-FY 1969 under "pessimistic" conditions.

For these reasons, the relatively small reduction I am recommending in the Minuteman missile force in the period 1965–1967, as shown below, would not appear to affect significantly our capability to inflict "assured destruction."

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<sup>1</sup> Provides rationale for adjustments to Minuteman program. Top Secret. 4 pp. Johnson Library, National Security File, Agency Series, Def Bud 65.

Deployed Minuteman Missiles

	End-FY <u>1964</u>	End-FY <u>1965</u>	End-FY <u>1966</u>	End-FY <u>1967</u>	End-FY <u>1968</u>	End-FY <u>1969</u>
Proposed	600	800	950	1000	1100	1200
Recommended	<u>600</u>	<u>750</u>	<u>850</u>	<u>950</u>	<u>1100</u>	<u>1200</u>
Difference	–	–50	–100	–50	–	–

If desired, the proposed end-FY 1969 objective of 1200 Minuteman missiles would continue to be used for planning purposes at this time, since it could still be achieved by providing the necessary funds in the 1966 and 1967 budget.

The Secretary has already reduced the end-FY 1969 Minuteman objective from 1300 in previous projections to 1200. He has also reduced the end-FY 1967 objective, so that the force increase proposed for approval in the 1965 budget is 50 missiles instead of 200 previously projected.

One of the reasons for the 150 missile reduction in the end-FY 1967 force, as stated in the Secretary's memorandum of November 13, is to "reduce the risks of extensive modification which can arise from difficulties discovered in the Improved Minuteman development cycle" and to "permit a more orderly deployment." This reasoning is also a basis for the further adjustments in the Minuteman program which I am recommending below. Proposed schedules for procuring improved Minuteman missiles are compared with schedules reflecting recommended phasing adjustments as follows:

	<u>FY 1964</u>	<u>FY 1965</u>	<u>FY 1966</u>	<u>FY 1967</u>	<u>FY 1968</u>	<u>FY 1969</u>
Proposed	30	293	249	301	176	80
Recommended	–	150	250	300	300	129

It should be noted that, in spite of the reduced 1967 force, the number of improved Minuteman missiles proposed for procurement in 1965 (and subject to the risks of extensive modification) is actually higher than under previous projections, largely because of early initiation of a program to retrofit the first 800 basic Minuteman missiles with improved missiles.

My recommendation involves three possibly separate actions as follows (in millions):

	Possible 1965 <u>NOA Reduction</u>
1. Refer 1965 approval and funding of 50 missiles (20th Squadron) over the approved 950 missile force	\$–167



2. Stretchout production of the 150 improved Minuteman missiles included in the 950 missile force by 6 months (missiles 801–950)	–176
3. Refer to 1966 initial funding of program to retrofit first 800 basic Minuteman missiles with the improved missiles	–228
Total recommended reduction	<hr/> \$–571

The arguments *against* the course I am recommending, as I understand them, are (1) the uncertainties necessarily involved in estimates of our relative position to the USSR; (2) the fact that the Secretary's recommendations represent a substantial reduction in the Air Force's recommendations and have been agreed to by the other Chiefs of Staff; (3) difficulties in gaining Congressional and public acceptance of a military budget which, for the first time, does not include a further build-up in strategic forces or weapons systems.

On the other hand, the arguments *for* my recommendation are: (1) there is a solid basis for our present intelligence estimates and forecasts; (2) the Secretary's analysis has made ample allowances for the relevant uncertainties, especially in his "pessimistic" case; (3) the force levels I am recommending are actually not significantly lower than those recommended by the Secretary—when all strategic missile and aircraft systems are considered the maximum difference is about four percent of operational vehicles at end-FY 1966; (4) the stretchout of the improved Minuteman production program would permit more development and testing prior to production, resulting in deployment of a more reliable and standardized missile and requiring fewer of the costly modifications which have been experienced in other missile programs; and (5) there is growing general recognition that our strategic forces are growing to the level where further additions serve no useful purpose and, therefore, a 1965 budget calling for a reduced rate of build-up in strategic forces may now be acceptable to the Congress and the public if given strong Presidential support.

**Kermit Gorden**  
*Director*

## Attachment

### SOVIET FATALITIES AND INDUSTRIAL DESTRUCTION FOR ASSUMED MINUTEMAN FORCES END FY 1969

Number of Minutemen	<u>Expected Factors</u>			<u>Pessimistic Factors</u>		
	<u>Fatalities</u>		<u>Ind'l. Cap.</u>	<u>Fatalities</u>		<u>Ind'l. Cap.</u>
	<u>Mil.</u>	<u>%</u>	<u>Destroyed</u>	<u>Mil.</u>	<u>%</u>	<u>Destroyed</u>
			<u>(Per Cent)</u>			<u>(Per Cent)</u>
0	115	50	57	40	17	30
950	158	69	82	66	29	50
1,000	160	70	87	68	30	51
1,200	164	71	89	73	32	53
1,400	165	72	90	75	33	54

NOTE: The objective of "assumed destruction" stated in the Secretary's November 13 memorandum is 30 percent fatalities (68 million) and 50 percent industrial capacity.

### 310. Memorandum for the Record of the Special Group Meeting, December 12

December 12, 1963

[Source: Central Intelligence Agency, Job 80B01285A, Box 1, 303 Committee 1963. Secret; Eyes Only. 2 pages of source text not declassified.]

# General Foreign Economic Policy

December 1960

## 311. Report by Task Force on the Balance of Payments to President-elect Kennedy, December 27<sup>1</sup>

December 27, 1960

### FOREWORD

The following Report contains an analysis of the balance of payments and reserve problems of the United States and recommends the measures deemed necessary and appropriate to achieve their solution. While the Report reflects the consensus of the Task Force, its members do not necessarily subscribe to every detail.

The Report is divided into five parts.

Part One outlines the principal recommendations of the Task Force for executive and legislative action and international negotiation.

Part Two describes the nature of our balance of payments and reserve problems and discusses the need for prompt and appropriate solutions.

Part Three analyses the causes of the balance of payments deficit and identifies the appropriate measures for reducing and ultimately eliminating it.

Part Four suggests measures necessary to strengthen the dollar as a reserve currency.

Part Five discusses proposals to strengthen the reserve position of the entire Free World.

The Appendix consists of the following tables:

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<sup>1</sup> Balance of payments/reserve problems and recommended solutions. No classification marking. 11 pp. Kennedy Library, National Security Files, Kaysen Series, Balance of Payments, General, 12/60-6/62, Box 362.

Table 1	Summary U.S. Balance of Payments, 1951–1960
Table 2	Changes in Gold and Foreign Exchange Reserves, 1956–60
Table 3	Principal Factors in the U.S. Reserve Position
Table 4	European Long-Term Debts to the U.S. Government

*MEMBERS OF THE TASK FORCE ON THE  
BALANCE OF PAYMENTS*

	George W. Ball Myer Rashish	Chairman Secretary
Edward M. Bernstein	President, EMB (Ltd.); former Director of Research and Statistics, International Monetary Fund	
Otto Eckstein	Professor of Economics, Harvard University	
Richard N. Gardner	Professor of Law, Columbia University Law School	
Peter Kenen	Professor of Economics, Columbia University	
Stanley D. Metzger	Professor of Law, Georgetown University; former Assistant Legal Advisor (Economic Affairs), Department of State	
Paul H. Nitze	President, Foreign Service Educa- tional Foundation	
Joseph Pechman	Brookings Institution	
Robert Roosa	Vice-President, Federal Reserve Bank of New York	
Paul A. Samuelson	Professor of Economics, Massachusetts Institute of Technology	
Robert Triffin	Professor of Economics, Yale University	

PART ONE

RECOMMENDATIONS FOR ACTION

I

ACTIONS TO ELIMINATE BALANCE OF PAYMENTS DEFICIT

A. *RECOMMENDATIONS FOR EXECUTIVE ACTION*

1. *Making United States Products More Competitive*

(a) Direct Secretaries of Commerce and Labor to develop program for restraining cost-price increases in key industries (e.g., steel, machinery and automotive equipment).

(b) Direct Secretaries of Commerce and Labor to develop and recommend program for stimulating industrial productivity.

(c) Direct Secretary of Agriculture to recommend measures to adapt farm program to bring United States farm prices more nearly in line with prices in world markets.

### *2. Expanding Export Earnings*

(a) Direct Secretary of Commerce to take measures to encourage exports, including the following:

(i) Enlist cooperation of industry and labor in national export drive.  
(ii) Expand advisory services of Commerce Department to inform American business of opportunities for foreign sales.

(iii) Strengthen United States economic and consular staffs overseas to provide more assistance to American business.

(iv) Increase United States participation in international trade fairs.  
(v) Develop recommendations for legislative program to increase exports, including proposals for enlarging scope and adequacy of export credits.

### *3. Expanding Earnings From Tourism*

(a) Direct Secretary of Commerce to submit plans and programs for promoting tourism in United States, including proposals for legislation to make program effective.

(b) Direct Secretary of State to submit program for simplifying entrance and exit requirements of foreign visitors to United States.

### *4. Obtaining Close Surveillance Over Private Capital Outflow*

(a) Instruct Secretary of Treasury to take necessary steps to keep currently advised regarding prospective short-term capital movements.

(b) Instruct Secretary of State to establish necessary machinery for informal consultations with American companies before they make substantial overseas investments.

## **B. RECOMMENDATIONS FOR LEGISLATIVE ACTION**

1. Submit legislation embodying proposals for systematic machinery to restrain cost-price spirals.

2. Submit legislation to strengthen export credits and guarantees.

3. Request Congress to authorize and appropriate funds for program to encourage increased foreign tourism in the United States.

4. Obtain Congressional approval of the Convention creating the OECD (decision must be made as to whether convention is to be submitted for approval as a treaty or through joint resolution).

5. Obtain additional legislative authority to reduce American tariffs as essential condition to effective negotiations for removal of foreign

restrictions on United States exports (this legislation is being considered by the Task Force on Foreign Economic Policy).

### C. RECOMMENDATIONS FOR INTERNATIONAL NEGOTIATION

#### 1. *Reducing Foreign Import Restrictions*

(a) Direct Department of State to negotiate through GATT to seek complete elimination of restrictions discriminating against United States exports.

(b) Direct Department of State to negotiate through GATT to seek elimination of all non-discriminatory import restrictions imposed for balance of payments reasons by industrialized countries.

(c) Direct Department of State to utilize forthcoming GATT tariff negotiations to secure unilateral tariff concessions from the European Common Market and Free Trade Association countries.

(d) Direct the Department of State to negotiate through OECD and GATT with the Common Market countries for liberalization of European agricultural policies.

(e) Direct the Department of State to endeavor, through OECD and bilateral negotiations, to secure untying of European aid programs so that United States exports can share the benefit of such financing.

(f) Direct the Department of State to seek agreement of European countries through OECD to confine their programs for financing and insuring export credits to measures that do not have the indirect effect of subsidizing exports.

#### 2. *Eliminating Exchange Controls of Foreign Countries*

(a) Direct the Treasury Department to press within the International Monetary Fund for the removal by European countries with strong reserve positions of restrictions against the export of private capital to the United States.

#### 3. *Obtaining the Cooperation of "Surplus" Countries*

(a) Direct the Department of State to seek the recognition through OECD of the following principles:

(i) That problems of an individual nation's balance of payments should not be permitted to inhibit the accomplishment of the common economic objectives of the member countries.

(ii) That any "surplus" country accumulating foreign exchange as a direct result of expenditures by another member country in furtherance of a common military purpose or the provision of assistance to less developed areas, should accept the responsibility to take measures to increase its imports of goods and services, expand its foreign aid, and, in the case of a NATO country, increase its contribution to the common defense.

(b) Direct the Department of State to conduct bilateral negotiations, particularly with Germany, as a supplement to multilateral negotiations through OECD (pending final approval of OECD, the OEEC mechanism should be employed).

#### D. *RECOMMENDATIONS FOR FURTHER STUDY AND CONSIDERATION*

1. Initiate inter-departmental study (Treasury, State, Commerce) of desirability of changing the tax treatment of United States private investment abroad.

2. Direct Secretary of Defense to prepare recommendations as to how overseas military expenditures might be reduced, consistent with security objectives, by means of economies resulting from changing strategy and weapons technology.

## II

### ACTIONS TO RESOLVE THE UNITED STATES RESERVE PROBLEM

#### A. *RECOMMENDATIONS FOR EXECUTIVE ACTION*

1. In public statement outlining program for combatting economic recession and correcting payments deficit, reaffirm the intention of your Administration “to maintain the international convertibility of the dollar at its present gold parity.”

2. Direct Secretary of Treasury to make use of United States drawing rights in International Monetary Fund as the need arises.

3. Direct Secretary of Treasury to consult with Chairman of the Board of Governors of the Federal Reserve System on ways to maintain low interest rates on long-term securities while allowing sufficient flexibility on short-term rates to restrain the outflow of capital.

#### B. *RECOMMENDATIONS FOR LEGISLATIVE ACTION*

1. Obtain authority from Congress to issue special United States Government securities to foreign governments and institutions carrying higher interest rates than are payable to American holders.

2. Submit proposals for legislation eliminating the 25% gold reserve requirement at such time as confidence in the dollar is improving and in conjunction with other measures to strengthen our reserve position.

#### C. *RECOMMENDATIONS FOR INTERNATIONAL NEGOTIATION*

1. Direct Secretaries of State and Treasury to undertake negotiations for the accelerated repayment of loans owed to the United States by surplus countries of Western Europe.

2. Direct Secretary of the Treasury to press for revision of International Monetary Fund lending policy so that future drawings are mainly in currencies of surplus countries.

3. Direct Secretary of Treasury to explore possibilities of coordinating our short-term interest rate policies with those of the United Kingdom.

*D. RECOMMENDATIONS FOR FURTHER STUDY AND CONSIDERATION*

1. Direct Secretary of Treasury to study the desirability and feasibility of giving a gold guarantee to foreign official holders of dollars.

2. Direct Secretary of Treasury to study the quantitative effects and feasibility of a prohibition on the holding of gold abroad by residents of the United States.

3. Direct Secretary of Treasury to undertake study of desirability of continuing free gold markets and desirability and feasibility of direct and indirect United States intervention in such markets.

III

ACTIONS TO ACHIEVE INTERNATIONAL MONETARY REFORM

*A. RECOMMENDATIONS FOR FURTHER STUDY AND CONSIDERATION*

1. Direct inter-agency committee (Treasury, State, Federal Reserve Board) to study alternative proposals for meeting growing reserve needs of the Free World while protecting the United States and Britain against large scale capital movements.

IV

RESTRICTIONIST MEASURES NOT RECOMMENDED

The measures listed below are discussed in the Report. Your Task Force does not recommend the adoption of these measures. Some of them are impractical. Others would have serious adverse consequences for the security and prosperity of the United States and the entire Free World. On the other hand, an attempt has been made in the Report to appraise these measures in terms of their feasibility and adverse consequences, in the event that our problems cannot be fully resolved by the expansionist solutions recommended above.

1. Exchange controls on capital transfers.

2. Reduction of duty-free tourist allowance or direct limitation of spending by American tourists abroad.

3. Restriction of United States imports through increased tariff and quota protection and other restrictive measures.

4. Increase in the price of gold in terms of dollars or in terms of all currencies.

5. Reduction of foreign aid.



6. Reduction of overseas military spending below levels necessary for Free World defense.

7. Any measures which would resolve our payments and reserve problems by undermining the payments and reserve positions of other Free World countries in the security and welfare of which we have a vital stake.

# November 1961

## 312. Memorandum from Dillon to President Kennedy, November 7<sup>1</sup>

November 7, 1961

I am sending to you today my third report on the balance of payments and the measures we are taking pursuant to your Message to the Congress of February 6 on the Balance of Payments and Gold. I plan to distribute this report to the several Departments concerned in order to maintain their interest and cooperation in the overall program.

These are the highlights which I think are important enough to warrant your personal attention:

1. After disappearing entirely in the first half of 1961, our basic deficit is again emerging in the second half and threatens to grow in the first half of 1962. Comparative figures are: \$1.9 billion for 1960; 0 for the first half of 1961; from \$2 to 2½ billion, annual rate, in the second half of 1961; and from \$2 to 3 billion, annual rate, in the first half of 1962. The main reason is to be found in growing imports resulting from the demands of our domestic recovery. Exports are high but are not increasing.

2. For the moment short-term capital flow is under control. There will probably be very little outflow the rest of this year and early next year, and most of that will be of a non-speculative character. However, if the business and banking community here and abroad begins to become concerned over our widening basic deficit, speculative pressures may arise once more. This underlines the importance of bringing to quick completion negotiations for the creation of the new \$6 billion fund among the major industrialized countries which could be used to offset capital flows. We hope to sign up by the end of the year and obtain Congressional approval at the next session.

3. Since the entry into force last June of the prohibition on gold holdings abroad by Americans, we have received reports of sizeable illegal holdings. Reports of this kind are usually difficult to confirm but we are investigating.

4. Commerce and Eximbank have done an outstanding job in our efforts to eliminate the basic deficit. Commerce has shown imagination

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<sup>1</sup> Third report on balance of payments and Treasury actions. Confidential. 4 pp. Kennedy Library, President's Office Files, Treasury, Balance of Payments, 10/61-12/61, Box 94E.

and drive in its new export promotion program and new travel program. These should begin to have some effect in the next two years. The new export credit insurance program worked out by the Eximbank is an excellent one and should begin to show results in 1962.

5. Defense is also doing a good job, especially in the recent negotiations with the Germans which Under Secretary Gilpatric has now brought to a successful conclusion. This will mean German payments to us which fully offset our dollar military payments in Germany at current levels. A problem will arise, however, when and if our forces in Europe are enlarged further, i.e. beyond the October deployments. I am discussing with Defense the possibility of negotiating improvements in our military payments arrangements with France, where we now have a net outflow on military account of more than \$300 million annually. Secretary McNamara said at the last Cabinet meeting that he was confident Defense could cut our world-wide dollar military outflow in half (that is, by \$1½ billion) over the next 18 months or two years. If this can be done, it will make a tremendous contribution to the balance of payments.

6. State has found it difficult to pull its weight in the export promotion program because of Congressional cuts in appropriations last year. The Administration should give full support to State in obtaining the necessary appropriations at the next session of Congress.

7. The policy of assuring maximum U.S. procurement with foreign aid money is operating effectively with one exception: rising dollar outlays for local costs in many of the underdeveloped countries. These dollars wind up in the central banks of the recipient countries and through imports from other industrialized countries are transferred to the latter where they become additional claims against our gold stock. It is hard to control this problem unless we are prepared to place reasonably stringent limits on the dollars which AID will make available for local costs in the developing countries. Treasury is working with AID on a possible formula designed to accomplish this purpose.

8. Secretary Freeman has given personal attention to the problem of liberalizing foreign trade barriers against our agricultural products and recently represented the United States in an OECD discussion on this subject. The immediate outlook for agricultural exports is not good. The main problem is cotton, where exports will be down in 1962 because of rising stocks and lower demand abroad. Meanwhile, the Department of Agriculture is considering a greatly expanded barter program which in my judgment would materially reduce further our dollar earnings from agricultural exports. These barter deals are being actively promoted by traders who gain from the large profit margins they are able to make through sales to the stockpile of imported minerals and other materials they obtain from bartered agricultural exports. Such barter

deals are not of any direct benefit to agricultural producers but do have the support of a small but vocal group of Congressmen in the Agriculture Committees. I have expressed my concern on this matter to Secretary Freeman and we are working with Agriculture and other agencies to see if we can formulate a barter program which will not materially hurt our net dollar income from agricultural exports.

9. As I mentioned at the Cabinet meeting the other day, we need strong Administration support to get our tax haven legislation through the Congress next year. If we succeed, this could reduce the basic deficit by \$250 million annually.

10. We must make a continuing strong effort involving cooperation by the White House, CEA, Commerce and Treasury in urging business and labor to maintain competitive costs and prices. I will be speaking to the Advisory Committee on Labor and Management on this problem late this month.

Douglas Dillon

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**313. Memorandum from Heller to President Kennedy,  
November 28<sup>1</sup>**

November 28, 1961

SUBJECT

The Balance-of-Payments Dilemma

The United States is facing a cruel dilemma of economic policy. Decisions to resolve it are hard upon us. The dilemma is this:

1. *Economic expansion at home will, temporarily at least, worsen our balance of payments.* The principal reason is that U.S. imports rise along with domestic production. For example, they are running about \$2 billion per year higher now than in the spring.

2. *Measures for quickly improving the balance of payments and reversing the gold flow will check domestic economic recovery, prolonging and increasing unemployment.* Tightening of credit to keep funds from flowing abroad

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<sup>1</sup> "The Balance of Payments Dilemma." No classification marking. 3 pp. Kennedy Library, National Security Files, Kaysen Series, Balance of Payments, General, 12/60-6/62, Box 362.

will also keep them from flowing to U.S. businesses and homebuilders. Raising taxes or cutting government expenditures to gain the “confidence” of bankers and currency speculators will reduce the flow of purchasing power at home.

The pressures to grasp the second horn of the dilemma are going to be very strong. But we urge you to resist them. We believe that it would be short-sighted folly to sacrifice the domestic economy for quick improvement in the balance of payments. There is a better way out.

### *1. The Costs of Incomplete Recovery*

Consider the consequences of checking the recovery far short of full employment of labor and full utilization of capacity:

- a. prolonged unemployment, increasing as the labor force grows
- b. danger of another recession
- c. excess capacity, low profits, high overhead costs
- d. little incentive for investment which will raise productivity and make American industry competitive in long run
- e. slow economic growth
- f. low profits at home, providing continued incentive for American firms to invest abroad
- g. political pressures for protectionism, for cutting foreign aid, and for isolationism
- h. deterioration of U.S. prestige abroad from continued inability of U.S. to get its economy moving
- i. dwindling chance of labor cooperation to hold wages and costs down—why should they without the prospect of full employment?

These are formidable dangers. Not only are the domestic costs of restrictive policy high, but the prospects of future permanent improvement in the balance of payments are sacrificed for a short-run improvement.

### *2. The Better Way Out*

- a. restore the U.S. economy to full employment by 1963, and take measures to modernize and expand our plant so as to advance productivity and competitiveness in world markets
- b. accept the fact that the balance of payments deficit cannot be eliminated during the coming 1½ to 2 years of recovery
- c. take measures to protect the dollar during the transition period

### *3. Protecting the Dollar*

Balance of payments deficits do not automatically lead to gold losses. Foreigners may hold the dollars we pay them, rather than cashing them into gold. The trouble is that they already hold \$18.2 billion (\$10.5 official, \$7.7 private) of short-term debt, and they may not have enough “confidence” to add more. We still have a lot of gold, and we can afford to lose some without dire consequences. However, there are

several things we can do to keep gold losses from assuming frightening proportions:

a. negotiate prepayment of more of the \$7½ billion long-term debts Europe owes us (half U.K., half continent)—even if we have to offer a premium it would be worth it

b. use the financial expertise of our Treasury and Federal Reserve in cooperating with other governments and central banks—not only directly, but through the Bank for International Settlements, and through OECD—to offset short-term capital movements

c. use the International Monetary Fund—that's what it's for

d. guarantee certain of our debts to foreign central banks against devaluation of the dollar—this would be proof positive of our determination not to devalue, and would greatly diminish the danger of large gold losses (in one sense we have already done this on a small scale (\$46 million) in the case of Switzerland by pledging the repayment of the loan in Swiss francs)

Many people will be ready to tell you the disadvantages of these techniques. But the techniques will work, and their disadvantages are as nothing compared to the costs of alternative measures which would hold down the domestic economy.

#### 4. *A Historical Parallel*

A final word: In 1925 Winston Churchill, then Conservative Chancellor of the Exchequer, resolved a somewhat similar dilemma the way the bankers wanted him to, i.e. in favor of a “sound” pound sterling and its world prestige, and against the domestic economy. The consequences (foreseen by Keynes in the “Economic Consequences of Mr. Churchill”) were: Britain had unemployment and depression long before 1929–30; labor was alienated by deflationary policy, and there was a bloody general strike in 1926; in the end the pound sterling was devalued anyway.

**Walter W. Heller**

December 1961

314. Letter from Dutton to Rep. O'Hara, December 13<sup>1</sup>

December 13, 1961

Dear Mr. O'Hara:

In your letter of December 1 to Secretary Rusk, you requested our comments on a recent newspaper editorial which raised the issue of whether this country can or should continue to support a large foreign aid program in the face of the balance of payments deficits of the past few years and of the decline in our gold holdings.

In considering the relationship between United States aid and the balance of payments, it is important to bear in mind that it is the form in which the aid is extended, rather than the amount provided, which is significant. A high proportion of our aid funds has been used by the recipient countries for the purchase of American goods and services, and such expenditures have no adverse impact on our balance of payments. The fact that our foreign assistance has, historically, been largely accompanied by an outflow of American exports has not been well understood by those who seek to cure our balance of payments deficit by curtailing foreign economic assistance.

The agencies responsible for aid administration have for some time been concerned to achieve the objectives of the aid program, with the minimum possible effect on the balance of payments. In this connection, they have sought to increase to the maximum extent possible the relationship of foreign aid to the purchase of American goods and services. This policy was referred to by the President in his message to Congress of February 6 on the balance of payments and gold and in his message of March 22 on foreign aid. Secretary Dillon, when he appeared before the House Appropriations Committee on July 24 to testify on the new aid legislation, said: "For as long as our international payments situation requires, in administering the Act for International Development, insofar as the procurement of goods and services is involved, our objective will be to reserve between 75 and 80 percent of the available funds for the procurement of United States goods and services."

Because of earlier commitments, this goal cannot be achieved immediately, but we expect that our efforts in this direction will have an increasingly favorable effect on our balance of payments. Under

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<sup>1</sup> Relationship between U.S. aid and the deficit. No classification marking. 2 pp. Department of State, Central Files, 811.10/12-161.

plans for the fiscal year which began on July 1, we hope to be successful in assuring, that of approximately \$2.3 billion in aid funds programmed by the Agency for International Development, at least 75 percent, or more than \$1.7 billion, will be spent in the United States. If Food for Peace is included, of the total of \$4.1 billion, our target will be to devote more than 85%, or about \$3.5 billion, to purchases of American goods and services. I think these figures demonstrate that under this policy the effect of our aid program on the balance of payments is strictly limited, and that by eliminating foreign aid we would not thereby solve our payments problem.

The measures in the aid field have been an important part of the Government's effort to decrease the immediate payments deficit through the taking of every possible step to lessen the balance of payments impact of our necessary foreign expenditures. Over the longer term, the more fundamental payments problem will have to be resolved by improving the performance and competitive ability of our domestic economy and by improving the functioning of the international monetary system. The basic objective of the United States remains the development of a free world economy in which economic growth and productivity are stimulated, and through which we can pursue a number of other constructive objectives, including the long-term solution of the payments problems of countries currently in deficit. The aid program is a weapon of primary importance in achieving these objectives in the less developed areas of the free world. If we are unsuccessful, the future economic and political security of the entire Western World will be seriously threatened.

I hope that the foregoing will be helpful to you and that you will advise me if I may be of further assistance.

Sincerely yours,

**Frederick G. Dutton**  
*Assistant Secretary*



January 1962

315. Memorandum from Dillon to President Kennedy,  
January 18<sup>1</sup>

January 18, 1962

SUBJECT

Fourth Quarter Balance of Payments Figures

Sunday's Herald Tribune front page story referring to a large fourth quarter payments deficit was unfortunate since it gave an exaggerated picture of the situation on the basis of incomplete and tentative data. It also failed to focus attention on the improvement in the basic deficit, which is a much more important indicator of the underlying position of our international accounts. Instead it highlighted the over-all deficit which includes for the fourth quarter a variety of short-term capital flows some of which we suspect should not be included in our deficit at all.

Reliable figures for the fourth quarter are not likely to be available until early or mid-February. Our best guess is that the fourth quarter will show an unadjusted over-all deficit of \$1.2 billion, a substantial increase over the \$900 million in the third quarter. The seasonally adjusted figures would be \$1.4 billion compared with \$800 million. However, the *basic* deficit for the fourth quarter is now estimated to be somewhat smaller than the \$670 million for the third quarter. What appears to have taken place was a sudden increase in short-term capital movements in the fourth quarter as compared with a very small outward movement (about \$100 million) in the third quarter. Much of this shift may well be accounted for by the timing of the flow of payments and receipts passing through our balance of payments accounts. We also suspect that the large fourth quarter movements may include some deposits by Americans of dollars in Canadian banks which then reinvest the funds in our own money market through their New York agencies. There is some doubt whether such balances should be included in our deficit figures. We are working with the Commerce Department in an effort to analyze this problem further.

The presentation of our balance of payments statistics presents an important public relations problem. We have been able to obtain some

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<sup>1</sup> "Fourth Quarter Balance of Payments Figures." Confidential. 3 pp. Kennedy Library, President's Office Files, Treasury, Balance of Payments, 1/62-8/62, Box 94E.

improvement in the standard tables published by the Department of Commerce but there is a considerable distance to go. In particular, it is important that the Department of Commerce introduce in its tables the concept of the basic balance which has been used in a number of your statements, in my speeches, and in the economic report of the CEA. At the same time, we must be careful to leave no impression that there is any attempt to juggle or conceal figures. We are discussing this whole question with the Department of Commerce in connection with its publication of the fourth quarter and full year 1961 payments figures which will be made available in the next six weeks or so.

Despite the increase in the deficit during the fourth quarter there was no undue pressure on the dollar in the exchange market and no significant gold transactions apart from the special sale of about \$300 million to the United Kingdom at the time they also made a repayment to the International Monetary Fund. Private foreign investors continued to build up their liquid dollar assets during the quarter. This is a sharp contrast to the experience in the fourth quarter of 1960, when the overall balance of payments deficit was also \$1.2 billion. At that time private foreign investors reduced their dollar holdings by over \$500 million, the dollar was under severe pressure in the exchange markets, and our gold losses were heavy.

The best picture we have of the 1961 results, compared with 1960, is provided by the attached table. As you can see, the basic deficit will probably be about \$500 million for the year, compared with \$1.9 billion in 1960, and the over-all deficit may be \$2.4 billion compared with \$3.9 billion in 1960. In 1961 the increase in official monetary authorities' dollar holdings plus their gold acquisitions will probably be only \$1.1 billion, whereas in 1960 almost all the deficit of \$3.9 billion resulted in foreign official acquisitions.

Despite the fact that, compared with 1960, the 1961 balance of payments will show a reduction of about  $\frac{2}{3}$  in the basic deficit, a reduction of about  $\frac{1}{2}$  in the gold outflow, and a decline of over  $\frac{1}{3}$  in the overall deficit, the large fourth quarter overall deficit may be disturbing to the market as the figures become more generally available. We are alert to the possibility that this may in itself stimulate additional short-term capital flows.

**Douglas Dillon**

## Attachment

U.S. BALANCE OF PAYMENTS  
(millions of dollars)

	1960	1961 (Tentative)
Commercial merchandise surplus	2,867	3,300
Commercial services surplus	1,664	1,800
Commercial surplus: goods and services	4,531	5,100
Net military expenditures abroad	-2,713	-2,600
Economic aid expenditures abroad and contributions to regional and international institutions	-1,226	-1,350
U.S. net private long-term investment	-2,544 <sup>1</sup>	-2,350
Other net non-trade payments	+80	+700 <sup>2</sup>
Net non-trade payments	-6,403	-5,600
Basic balance (i.e., balance on current, long-term capital, and government accounts)	-1,872	-500
U.S. private short-term capital flows less foreign commercial credits to U.S.	-1,409	-1,100
Errors and Omissions, including capital flows (outflow (-))	-648	-750
Overall "deficit"	-3,929	-2,350
(Of which on official monetary account) <sup>3</sup>	(-3,683)	(-1,100)

<sup>1</sup> Includes \$370 million single direct investment transaction involving cash payments abroad.<sup>2</sup> Reflects special debt prepayments to the U.S. Government of \$649 million.<sup>3</sup> Not seasonally adjusted.

March 1962

**316. Memorandum from Dillon to President Kennedy, March 28<sup>1</sup>**

March 28, 1962

In view of our discussion yesterday on the balance of payments, I thought you might be interested in a capsule version of my thoughts as to how and when the problem can be solved.

In the first place, we do have a definite plan of attack. It is not simple since the problem is many sided. The first and probably most important variable in the situation is the size of the average basic deficit which we must aim to cure. It is my view that this figure is about \$2.5 billion on a conservative basis. As you recall, the basic deficit last year was \$600 million whereas it was \$1.9 billion the year before and \$4.3 billion the year before that. The \$2.5 billion figure can be arrived at from last year's results by disregarding the \$700 million we received in advance repayments of foreign debts and by decreasing our commercial trade surplus from the actual \$3 billion figure to \$2 billion to make allowance for \$1 billion of the surplus in the first half of last year which was due primarily to an unusually low, recession induced, level of imports. With these adjustments, which assume an average commercial trade surplus of the same order of magnitude as we achieved during the last half of 1961, our basic deficit for last year would be \$2.3 billion which is rounded up to \$2.5 billion to be on the safe side. It must be realized that this \$2.5 billion average deficit is not an absolute figure but rather the median point around which the actual deficit will swing based on the state of business conditions in Europe and the United States. Changes in these conditions could be expected to produce swings of \$1 billion or so in either direction in our commercial trade surplus. This means that we are now operating with a basic deficit ranging from \$1.5 billion to \$3.5 billion and that what we are trying to do is to change this area by a \$2.5 billion improvement to one ranging between a deficit of \$1 billion and a surplus of \$1 billion depending on business conditions.

It should be possible to achieve this \$2.5 billion improvement by calendar year 1964, with steady improvement on the way. This can be done in accordance with the following table:

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<sup>1</sup> Time frame/solutions to balance of payments problem. Secret. 4 pp. Kennedy Library, President's Office Files, Treasury, Balance of Payments, 1/62-8/62, Box 94E.

	Recent Average (in millions)	New Program (in millions)	Improvement (in millions)
Military expenses	\$3,000	\$2,000	\$1,000
Net long term capital flows	+\$300	+\$800	\$500
Foreign aid	\$1,300	\$1,000	\$300
Commercial trade surplus	+\$2,000	+\$2,700	\$700
TOTAL IMPROVEMENT			\$2,500

The savings in military expenditures can be broken down as follows:

	(in millions)
Increased German purchases	\$500
Increased offset purchases by others: Italy, France, etc.	\$100
Decrease in uranium purchases	\$100
Procurement shifted to United States	\$100
Reductions in logistic costs (fewer personnel, closing bases, etc.)	\$100
Total identifiable	\$900
General goal agreed by Secretary McNamara	\$1,000
Still to be identified	\$100

The most likely areas for finding the remaining \$100 million are in offset agreements with France and Italy.

The \$500 million saving in capital flows would be accounted for by roughly a 10% increase in the repatriation of earnings to this country coupled with a 10% decrease in investment overseas. These results will depend on the enactment of your original foreign tax proposals including the elimination of deferral for all foreign income in the industrialized countries. The present version of the tax bill now before the House would accomplish about half of this result.

The reduction in foreign aid dollar expenditures will require continuing attention and effort on the part of AID. State and AID have just about agreed with us that \$1 billion is an appropriate target as an overall ceiling for dollar expenditures but it will require close attention and continued effort on the part of all hands in State and AID to succeed.

The \$700 million figure for an improvement in our commercial surplus represents approximately a 2% shift in the overall total of exports and imports which is currently running around \$33 billion a year. If it is thought of only as an increase in exports, it would involve approximately a 4% increase from our current level. This is the item which is most difficult to be specific about since in the final analysis

it depends upon the efforts of private business. However, if we are successful in maintaining price stability and if the investment credit is enacted, the extra efforts of the Departments of Commerce and State in this field plus the new facilities for export credits should be able to produce an improvement of this nature by the end of 1963. Included in this \$700 million is \$100 million for reduction in tourist expenditures abroad which customs statistics indicate to be a reasonable estimate of the results of the reduced duty free allowance.

As to timing, the bulk of the savings in defense should be available for calendar year 1963, as should the savings in capital flows, provided the tax bill is enacted in satisfactory form. I would expect the hoped for improvement in exports and the savings in our foreign aid program would require a year longer which is the reason we aim for a balance in 1964.

This takes no account of short term flows which include the most volatile and dangerous elements in our payments situation. These can only be handled by maintaining confidence in the private holders of dollars and by maintaining a reasonable equilibrium between short term rates in the United States and abroad.

**Douglas Dillon**

April 1962

317. Memorandum from Coppock to Ball, April 18<sup>1</sup>

April 18, 1962

SUBJECT

A Proposed Status Report by You on Foreign Economic Policies before the Interdepartmental Committee of Under Secretaries

I suggest that you give the Under Secretaries' Committee a roundup on foreign economic policies and programs on May 2 or May 16. (Mr. Harriman is discussing the economic situation of Japan and related matters on May 31.) There has not been such a review since early in the present Administration and it would no doubt be good for Mr. Griffith Johnson, as well as the people from other agencies. Also, you might want to use the material for a report to the President. It seems preferable that this be done now rather than after Congress adjourns, since you would be able to point up issues that need pushing.

If you approve of this suggestion, I will assemble from appropriate sources a list of topics and background material. It would be desirable to announce the topic at this afternoon's meeting—subject to your wishes.

**Joseph D. Coppock**

*Director*

*Foreign Economic Advisory Staff*

**Attachment**

I suggested in a memorandum to you last week that you give a general run-down on foreign economic policy to the Interdepartmental Committee. Mr. Springsteen said you wanted to see a list of topics. Here is a list. Attached is a memorandum setting forth the gist of what I would cover. A list by itself is not very helpful.

I. Criteria for judging foreign economic policy.

II. Effects of foreign economic policy actions on domestic economy during the past year.

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<sup>1</sup> Recommends Ball convene meeting of Interdepartmental Committee of Under Secretaries to provide status report on foreign economic policy. Official Use Only. Two attachments provide agenda and briefing material for May 2 meeting. 9 pp. Department of State, E Files: Lot 65 D 68, ICFEP.

III. The foreign impact of foreign economic policy actions.

- a. Trade and monetary matters.
- b. Economic development programs.
- c. International organizations.

**Joseph D. Coppock**

*Director*

*Foreign Economic Advisory Staff*

**Attachment**

NOTES FOR MR. BALL TO USE BEFORE THE  
INTERDEPARTMENTAL COMMITTEE OF UNDER SECRETARIES  
ON FOREIGN ECONOMIC POLICY

SUBJECT

Critical Review of Foreign Economic Policy

1. This Administration has been in power for over a year now and it seems worth while to have a comprehensive run-down on U.S. foreign economic policy.

2. Foreign economic policy has to be judged on two fronts, the domestic and the foreign. On the domestic front, the test is mainly the extent to which it contributes to economic prosperity. On the foreign front, the test is more complex but fundamentally it comes down to the contribution of foreign economic policy to our national security. In this framework, foreign economic policy is just one aspect of our general foreign policy.

3. The *domestic economy* has been operating substantially below capacity, so policies which foster increased imports tend to bring vigorous objections from those who might feel the increased competition. This was reflected in the tariff-reduction offers made by the U.S. at Geneva last year and conspicuously in the textile situation. Our balance-of-payments condition has also inhibited stronger domestic expansion measures. Under these conditions, expansion of exports has had an unusually strong appeal, as a stimulant for the economy generally and as a relief from balance of payments pressure.

4. Two important foreign economic policy actions should have some expansionist influence on the domestic economy. One is the completion of the Dillon round of tariff negotiations, in which we got more than we gave; the other is the negotiation of the special credits to deal with short-term capital movements, still before Congress. Neither of these has yet had any direct effect on the domestic economy. Some anticipatory actions are probably afoot by businesses in response



to the forthcoming lower duties, and the prospective availability of the special credits, even with all the strings attached, should make for a bit more monetary and fiscal ease domestically.

5. Restrictionist measures, such as the textile arrangement, limit the movement of goods to this country, reduce the competition from abroad, and make for higher prices. The proposal to increase the domestic share of the sugar market would have a similar effect. The actions on tourist purchases, carpets and glass are also of the same sort. There are pressures in shipping, oil and some other areas for increased restrictions. The underutilization of domestic economic capacity makes these restrictionist measures very appealing to parties directly affected by foreign competition, and the balance-of-payments situation provides an additional rationale. Fortunately, we have not yet felt the full force of Buy-Americanism pressures “dispassionately” interested in restoring equilibrium to the U.S. balance of payments.

6. The Council of Economic Advisers may wish to go into more detail on the effects on the domestic economy of foreign economic policy developments in the past year or so, but it is my impression that our foreign economic policy actions have *not* contributed much to domestic prosperity and economic well-being. Undoubtedly, the balance-of-payments restraint has been the most inhibiting influence. A year ago February we deliberately chose the present policy of dealing with the balance-of-payments deficit and the related problem large out-movements of short-term capital and gold. Our success is not so overwhelming that we can look forward to an early relaxation of this restraint. At some point, we may have to give serious consideration to more drastic alternatives. We can hardly consider it good foreign economic policy to be subject to a balance-of-payments restraint that seriously retards the rate of economic growth and contributes to a high level of unemployment. Our power position in the world depends heavily on a prosperous U.S. economy.

7. With respect to the *foreign impact* of our foreign economic policies, the underlying main purpose, as noted above, is to enhance our national security position. This is accomplished, however, by increasing the economic well-being and economic interdependence of the Free World. Policies which inhibit the economic progress of Communist countries are logically relevant, but we have very little unexercised power with which to influence them. Our trade with the Bloc countries is nominal, except for our wooing operation with Poland. Moreover, our European allies see expanded trade with the Bloc as a means of developing a pattern of political accommodation while providing some economic benefits. The principal opportunity to increase the relative economic strength of the Free World, as compared with that of the Communist Bloc, is to increase the absolute economic power of the Free World. This is the true national security task of our foreign economic policy.

8. At bottom, there are just two prongs of foreign economic policy that are involved here. One is to increase the trade opportunities among the countries of the Free World; the other is to provide means for increasing the rate of economic growth.

9. For the trade task, the proposed Trade Expansion Act of 1962 is at the top of the list. It has domestic implications, of course, but its largest thrust is to provide a new momentum to the effort to expand the trade and economic development of the Free World generally, with all this means for our policy of preventing the expansion of Communism and building up the political cohesiveness of the Free World. Failure of the U.S. to have a good Trade Agreements Act would unleash a new era of protectionism. As indicated earlier, there are numerous restrictionist pressures at work in this country and there are strong ones elsewhere. Without the example of the European Economic Community—and the competitive threat it poses—our drive to get a strong Trade Expansion Act would run into very strong opposition. Thanks to the European Economic Community and heavy press play, U.S. public interest in trade expansion is greater than it has been for many years. It is still a question whether Congress will respond adequately.

10. We are involved in a number of measures which restrict trade and which conflict with our proclaimed progressively liberal trade policy. None of these has been dropped during the last year. In fact, the tendency in coffee, sugar, oil, textiles and shipping—to cite prominent examples—is for more restrictions. These restrictionist moves may be explained in terms of national defense, market disruption, or related domestic assistance programs, but the undoubted effect internationally is to restrict trade. Other countries have their restrictionist measures too, but our position of leadership puts a special responsibility on us to apply and advocate liberal measures.

11. Very closely-related to the basic policy of expanding trade opportunities is the policy of developing and maintaining an international monetary mechanism that will facilitate trade (and of course international investment). Undoubtedly, the international monetary mechanism is better than it has been for thirty years, but we are now back on a gold-exchange standard with its inherent faults. Our efforts during this past year to counteract the disturbing effects of short-term capital movements and the frequently associated gold movements cannot be considered an outstanding success though the special credits for the principal countries are all to the good. This is an unsolved problem, which will be only ameliorated, not solved, when the U.S. balance of payments gets into "basic equilibrium," since there will still presumably be large foreign holdings of dollars and dollar-securities which can be offered against insufficient quantities of gold or foreign currencies. Quite aside from the domestic economic restraints imposed

by this problem, our trade expansion efforts for the Free World, if successful, are going to require a better international monetary mechanism.

12. Just a word on our balance-of-payments problem. Looking at it from the international angle, we must continue to resist restrictionist measures for dealing with it, whatever the nominal form of the measures. The more we apply Buy-American or capital-export controls, formal or informal, the more difficult will it be to make our foreign economic policy serve our national security needs. Hence, it is to be hoped that the balance of payments can be brought nearer to equilibrium by expert promotion and security-selling efforts. If it cannot, then we must face up to the unpleasant task of changing the exchange rate, whether or not this means cutting loose from gold. We simply must not hobble the domestic economy with depressive policies imposed by a balance of payments deficit, nor must we lapse into exchange controls, quantitative restrictions or higher duties, in view of our position of leadership in moving the Free World toward freer trading arrangements.

13. Some remarks now about the other international prong of our foreign economic policy, namely, the promotion of economic development in the less developed countries. Increased trade opportunities are extremely important in promoting economic development, but much more is involved, of course. What the United States does in this field is primarily to provide human and material resources which these countries would not be able to buy from their current earnings or accumulated foreign assets. The real push toward economic development must come from within the countries, despite our urging, cajoling, technical assistance and provision of capital. Our record in this field during the past year looks quite good. The aid program is now seen as a continuing enterprise; new lending institutions are getting underway; the Alliance for Progress is moving about as fast as could be expected; the Europeans are at least considering bearing part of the aid burden. The criteria for aid can never be very precise, but we can always strive to have the aid money used in what seems a reasonably efficient way in the light of detailed knowledge of the particular country's circumstances. The use of surplus agricultural commodities and the use of tied-loans or tied-grants should give way to straight-forward loans or grants fairly soon, since they involve economic inefficiency, and since they detract from the political effectiveness of our aid programs. We are certain to encounter nationalistic excrescences in the less developed countries, particularly the new ones, which will bring unfair taxes, discriminatory controls, and even expropriation without proper compensation. Good diplomacy can go far to make these actions bearable. It is uncertain how effective we can be in helping other

countries deal with their population problem, a major factor in their long-run economic development. We have not rushed into this field, which is full of political booby-traps, but we are in a position to help interested countries study the problem. This can be counted as one of the modest achievements of the past year. Fortunately, there are numerous non-governmental activities afoot in connection with economic development, so perhaps the most important thing government can do in this realm, outside the trade and aid fields, is to help clear the way for individual and small-group action. We must learn to take a long and patient view of the economic development or modernization problem for the backward countries. We cannot have a new Alliance for Progress or new Decade of Development every year.

14. Finally, there should be some mention of international organizations in the context of our foreign economic policy.

a. This Administration can take no credit for the establishment of the European Economic Community, but it can take credit for encouraging its progress and its projected expansion. Thus far, we have played our part well in this important development. There are obviously a great many unsettled issues. One of the emerging problems of importance is the relation between the OECD and the EEC. We got Congressional approval in 1961 for U.S. participation in the OECD as a vehicle for North Atlantic cooperation, both among the countries of the region and toward other countries. If the EEC progresses and if the global organizations, particular the GATT, the IMF and International Bank, serve their intended purposes, there will be a tendency for the OECD to be less useful. This means less rather than more relative emphasis on the Atlantic Community. It would obviously be unfortunate if NATO were weakened by a lack of economic cohesion among its members. This problem is not an urgent one, but it will become progressively important.

b. The problem of how to include Japan in some form of association of nations for purposes of economic cooperation has been considered over a number of years. The global organizations and ECAFE and the Colombo Plan do not seem to be sufficient. Japan's membership on the DAC of the OECD is hardly sufficient to meet this apparent need for "belonging." The pre-war co-prosperity sphere haunts new regional groupings in the Pacific. If the UK goes into the EEC, there might be a tendency for some Commonwealth countries to view a new grouping with interest. This problem, like that of the OECD, does not seem to be urgent, but it is real.

c. The UN Economic Commission for Africa may serve this purpose for the African states, but the Israel issue has long blocked the projected Middle East Commission. It is not entirely clear why there is such a push for these regional economic organizations, but the push has been

steady since the end of the war. The organizations have not done much, in a real economic sense, but they seem to satisfy in part a genuine desire to belong. It may be a reaction to the bigness of the U.S., the U.S.S.R. and now the E.E.C. The United States can help make these organizations of some use.

15. There is no easy way to summarize this critical review. Obviously, we have not been outstandingly successful in the foreign economic field. The Trade Expansion Act is still to be passed; failure would represent a serious set-back. We must of course use our tariff-cutting power promptly, after it is granted. We must not let the commodity-control arrangements, whether unilateral or multilateral, provide a back-door means of hyperprotectionism. The hot money—gold problem is the only problem in this field that could blow up in our faces without much advance notice. It will take some major institution-building to rectify that situation, but it must be done in due time. The balance of payments problem is still with us. The aid work, with all its headaches, must go ahead on a long-range basis. International organizations are a part of the furniture of our contemporary world and we must be prepared to devise them, use them, drop them as they serve our purposes.

June 1962

**318. Summary Minutes of Interdepartmental Committee of Under Secretaries on Foreign Economic Policy Meeting, June 13<sup>1</sup>**

June 13, 1962

PRESENT

Mr. George C. McGhee, Under Secretary of State for Political Affairs (Acting Chairman)  
Mr. Joseph D. Coppock, Director, Foreign Economic Advisory Staff, Department of State (Executive Secretary)  
Mr. William B. Dale, Deputy to Assistant Secretary for International Affairs, Department of Commerce  
\* Mr. Henry H. Fowler, Under Secretary, Department of the Treasury  
Mr. M.D. Goldstein, Chief, International Finance Division, Department of State  
Mr. J.A. Griffin, Economist, Office of International Finance, Department of the Treasury  
\* Mr. Edward Gudeman, Under Secretary, Department of Commerce  
Mr. Ralph Hirschtritt, Chief, British Commonwealth and African Division, Department of the Treasury  
Mr. G. Griffith Johnson, Assistant Secretary of State for Economic Affairs  
Mr. John M. Leddy, Assistant Secretary for International Affairs, Department of the Treasury  
Mr. Irving J. Lewis, Deputy Chief, International Division, Bureau of the Budget  
Mr. Davy H. McCall, Budget Examiner, Bureau of the Budget  
Mr. Robert L. Oshirs, Director, Office of International Investments, Department of Commerce  
Mr. Morton Pomerans, International Activities Assistant, Technical Review Staff, Department of the Interior  
Mr. H.F. Reynolds, Senior Staff Coordinator, Program Review and Coordination Staff, Agency for International Development  
Mr. J.H. Richter, Economic Adviser, Foreign Agriculture Service, Department of Agriculture  
Mr. Harry Weiss, Deputy Assistant Secretary for International Affairs, Department of Labor  
Mrs. Ruth S. Donahue, Chief, Policy Reporting Staff, Bureau of Economic Affairs, Department of State (Recording Secretary)  
\* MEMBER

*International Private Long-Term Capital Movements and Markets*

*The Problem*

Under Secretary of State McGhee, who chaired the meeting, said that the subject of long-term private capital movements is of very great

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<sup>1</sup> International private long-term capital movement and markets. Official Use Only. 8 pp. Department of State, E Files: Lot 65 D 68, ICPEP, June 13, 1962.

interest. One reason for our interest is the effect such movements have on the balance of payments. In addition, many industries, such as petroleum, are dependent on complete freedom of movements of capital. We are repeatedly approached by people about how our inflow-outflow position could be improved. The Business Council has been looking into this and wants to change the tax bill.

Commenting on the excellent Treasury paper, "Private Long-Term Capital Movements," Mr. McGhee hoped the discussion would include what we can do to affect the inflow-outflow to our advantage. Also, what international forum, if any, should be used to discuss it. There seems to be a need for us either to restrain other countries from raising money in our markets or be permitted to raise money in their markets, he said.

### *Presentation*

#### *The Balance of Payments Problem*

Under Secretary of Treasury Fowler made an over-all presentation of the subject, pointing out that with the balance-of-payments problem having the history and duration that it has had, as a Government we have to examine all the factors. In dealing with the balance-of-payments problem, it is necessary to consider the relationship to foreign policy and the world security situation. For discussion today, Mr. Fowler said, private long-term capital movements come under scrutiny as one of the important components in the balance-of-payments picture.

Mr. Fowler made some general remarks on the U.S. balance-of-payments situation. He referred to the distinction now being made which shows the commercial exports of goods and services (exclusive of those financed by government grants and bans) at about \$5 billion in 1961.

He pointed out that military expenditures abroad are a powerful factor in the imbalance. Defense has under way a very thorough-going and effective operation to cut down the drain that military expenses abroad are causing. A large part of the Defense effort has been concerned with arrangements with West Germany for purchases in the U.S. For the next year it appears as though the net impact of our military transactions abroad figure will be cut down from \$2.6 billion in 1961 to \$1.7 billion.

Foreign aid is the next most important item, and it will take a good deal of vigilance on everyone's part to keep down that portion of aid not spent for U.S. goods and services, although a good deal of progress is being made.

### *Private Investment*

The third thing in the balance-of-payments picture is U.S. long-term direct and portfolio investment. Figures of the last few years are

impressive, particularly when one looks at the other side of the ledger—foreign investment in the U.S., both direct and portfolio, and the fact that there is still a sizable system of restrictions which obstruct the use of foreign capital markets. If the restrictions of other countries were removed however, there is still a question of whether the inflow would tend to equate the outflow. Mr. Fowler said he receives different prognostications of the course of foreign investment when he talks to business representatives. Some say that this is the beginning of a process of investing abroad; others say that long-term capital outflow is going to top out.

European capital markets are not as well organized to deal with the capital raising process as is our New York market, and interest rates for long-term money in the U.S. still look fairly attractive compared with rates in Europe.

*Present US Outflow and Prospects*

Assistant Secretary of Treasury Leddy then discussed the Treasury paper dealing with long-term private investment.

He summarized the 1961 balance-of-payments picture, which showed a commercial surplus in 1961 of goods and services, exclusive of aid aspects of exports, of approximately \$5 billion. These and other receipts had to finance military expenditures, aid spent abroad and capital outflow.

*a. Military*

The military net figure was \$2.6 billion (gross outflow, \$3 billion, minus \$400 million of sales). On the basis of Defense Department plans, Treasury estimates this figure can be brought down to \$1.7 billion.

*b. AID*

The AID net outflow was \$1.3 billion exclusive of AID-financed US exports. This figure is composed of transfers to international institutions and direct cash transfers to countries under aid programs. This is a difficult area in which to reduce the outflow, but our objective is to get this figure down to \$1 billion. Many of the problems involve local currency financing, but we may be able to see that some of the dollars provided for this purpose are spent for U.S. exports.

Private remittances and pension payments which are continuing and run at about \$900 million.

Against the background of these facts, the figures on private long-term investment show \$2.1 billion net outflow in 1961.

As a result of these various movements, the U.S. had a deficit last year of \$600 million.



*c. Private Long-Term Investment*

From the tables in the Treasury paper, it can be seen that over the past 5 years about 60% of the outflow in long-term private investment was for direct and 40% for portfolio. Since 1958, there has been an upward trend in U.S. direct investment while portfolio investment has remained flat through 1961.

Selected years from the chart show that new outflow of direct investment moved up from \$1.1 billion in 1958 to \$1.5 billion in 1961, whereas portfolio net remained at about \$600 million. The tendency of direct investment to increase reflects an increase in manufacturing investment and a decrease in petroleum investment. This trend is also reflected in the geographic pattern—an increase in direct investment in Europe and a decline in Latin America. There is increasing direct investment toward the EEC, but investment in the UK remains still higher than the EEC. The outflow from the U.S. in direct investment to the EEC in 1956 was \$140 million and in 1960 it was \$282 million; to the U.K. it was \$278 million in 1956 and \$589 million in 1960. The latter figure, however, included the Ford transaction of \$367 million.

The first quarter of 1962 shows an increase in the portfolio sector, mainly because of foreign bond issues in our market. In 1961 issues of such securities in our market totaled \$269 million. So far in 1962 they total \$400 million. While interest rates are lower here than in Europe, foreign use of the U.S. capital market is not just a question of interest rates. There is also the matter of availability of markets and that is why we are putting so much stress on Europe to develop its own capital markets.

Over-all, in the first quarter of 1962, the total private long-term investment, direct and portfolio, is just about where it was in 1961. The total has not gone up.

*European Inflow-Outflow Picture*

In 1961 the UK outflow (gross figure) was \$1 billion and the EEC outflow was \$1 billion. (This compares to a total of \$2.5 billion for the U.S.) But the EEC inflow was \$1.6 billion, so that there was a net inflow to the EEC of around \$650 million. Much of the European outflows, probably at least half, were to other EEC countries.

*U.S. Policy and Objectives*

Mr. Leddy said that the U.S. Government has been resisting strongly the concept of placing controls on outflow of capital. Restrictions in that area would bring about a more restrictive policy in other areas. On the other hand, we have been urging that the Europeans do something themselves on removing the restrictions that they still have in effect and on developing their own capital markets. These actions

are being pursued basically through the OECD. The first important public announcement made on this was by Secretary Dillon in his Rome speech.

European responses have been mixed. The Germans and Swiss have been helpful. Following Dillon's speech, Carli of the Bank of Italy said Italy should remove some of the restrictions of its foreign investments by Italians. The French and Dutch and certainly the U.K. still tend to think in terms of controls. The U.K. in its present circumstances is not in a position to give up direct controls. Mr. Leddy pointed out that even if we get every hopeful progress, this is an area which will take quite a while for results since there are still the institutional arrangements in Europe which will take considerable time to change.

### *Discussion*

#### *Tax Legislation*

Mr. Fowler was asked how Treasury anticipated the tax legislation would affect the outflow and pointed out that it is only one element in the situation. Noting that there is strong pressure by some at home and abroad to impose controls on direct investment, he said the policy of this Government is to avoid such controls.

However, the least we can do as a response to this situation, Mr. Fowler said, is to try to adjust the tax laws so we can honestly say that they are not adding to the incentives to invest overseas. Those incentives exist particularly in the European area and will continue to exist, even when the tax incentive is abolished.

Mr. Fowler referred to the differences in sentiment on the tax haven problem which is more readily accepted in Congress compared to the great resistance to the Administration's proposal to eliminate the right of tax deferral on overseas investments. This was rejected by the House Ways and Means Committee, and the tax provision is now basically anti-tax haven. There is strong sentiment in the Senate Committee that something should be done, but that Committee may not go all the way to eliminate deferral.

#### *Assessment Needed of Political Reaction to U.S. Investment*

Mr. Fowler noted that the discussion had raised a political question of whether there is any substantial danger that a continued flow of American industrial capital into the Western European market would ultimately produce a political situation reminiscent of the recent reactions in Canada to our investment there? It was noted that the French have raised some questions about U.S. investment. Mr. Goldstein also observed that advanced European countries main capital controls to get the kind of investment flow that they want.

Mr. McGhee said that the State Department would take a look at this problem.

*Program for Promoting U.S. Securities in Europe Suggested*

Mr. Gudeman and others suggested it might be well for the U.S. Government to get American securities offered in Europe, either for dollars or for European currencies. Bearing in mind that it will take a long time to organize European markets, it was suggested that American securities might be listed, for example, on the Paris exchange; and that perhaps the U.S. Government might assist in advertising such action.

Mr. Leddy said that Treasury might discuss this with the financial community first. Mr. Fowler said that Treasury has a Committee with which it meets on debt management problems and it might discuss the matter with that Committee. Mr. McGhee suggested that Treasury circulate a memo about any thoughts that Committee might have about selling American securities abroad. We could then see what can be done. Mr. Fowler said that Treasury would be glad to do that.

*OECD Efforts in this Field*

It was pointed out that the OECD efforts are in two Committees—the Invisibles Committee and in Working Party 3 of the Economic Policy Committee. The Invisibles Committee had been drawing up a code of liberalization of invisible transactions and capital movements. Earlier this year our delegate suggested that the terms of reference be broadened to permit examination of the whole problem of the restrictions which block capital flows. This is now going ahead, and the first report is due July 1. That should supply further information of what the restrictions are in the various European countries.

In Working Party 3, which is at a higher policy level than the Invisibles Committee, we have been bringing up the subject of restrictions on capital movements ever since the end of last year. There have been mixed reactions, but we have gotten these people to focus on the problem and there should be some progress. The Europeans, while not enthusiastic, have shown signs of understanding.

*Other Approaches*

Mr. Fowler again reminded the group that there is no one solution to our balance-of-payments problem and that it is tremendously important that our export, travel, and other programs progress quickly. Mr. Fowler said there is also a question of whether OECD action should be supplemented by bilateral contacts and direct diplomatic efforts. Mr. Leddy suggested that far more information is needed before we can apply multilateral or bilateral pressure.

*Follow-up Action*

The discussion left it that: a) State would assess the likely political reaction in other countries to large U.S. investments, and b) Treasury

would circulate a memo on the possibilities of using the business community in a program designed to sell American securities abroad.

**Joseph D. Coppock**  
*Executive Secretary*

July 1962

**319. Memorandum from McNamara to Secretaries of Military Departments, the Director of Defense Research & Engineering, the Joint Chiefs of Staff, the Assistant Secretaries of Defense, and the General Counsel, July 10<sup>1</sup>**

July 10, 1962

SUBJECT

Revised Project List—List of Projects and Actions for Reducing Defense Expenditures Entering the International Balance of Payments

As I stated at the 9 July 1962 staff meeting, our FY 1966 objective is to reduce the Department of Defense net adverse dollar balance entering the U.S. balance of payments to \$1 billion. This dollar objective is to be achieved without reducing our military power abroad.

Revised Project Eight, distributed at the staff meeting on 9 July 1962, incorporates and consolidates into a single project all previous projects (including those contained in the memorandum from my office, dated 26 June 1962) relating to U.S. defense expenditures and receipts entering the international balance of payments. It assigns the office responsible for submission of the replies and indicates the tentative due date for submission. If the due date cannot be met and a change is desired, please notify me.

Prior proposals which have been approved are incorporated as a Project Eight Action List. This list was distributed with the revised project list. The action list indicates the office assigned responsibility for implementation. As additional projects are submitted and approved, they will be added to the action list.

The Assistant Secretary of Defense (Comptroller), who has been designated to direct and coordinate the program, will issue such additional administrative instructions for preparation and submission of replies to these projects as may be necessary to supplement those issued from this office on 11 June 1962.

**Robert S. McNamara**

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<sup>1</sup> Revised Project Eight list. Confidential. 11 pp. Kennedy Library, National Security Files, Meetings and Memoranda Series, NSAM 171, Box 337.

## Attachment

### REVISED PROJECT EIGHT

<u>Project</u>	<u>Assigned to</u>	<u>Tentative Due Date<sup>2</sup></u>	<u>Classification</u>
1. <i>Expenditures by U.S. military and civilian employees and their dependents.</i>			
a. Translate the Five-Year Force Structure and Financial Program into a Five-Year (FY 1963–1967) Deployment Plan for U.S. forces in foreign countries with a view to eliminating all non-essential units. This plan should be developed by country, by service, by unit, and fiscal year.	JCS	1 Oct 62	(S)
b. Through a series of steps, reduce USAREUR strength in Europe, now approximately 273,000, by a total of 44,000.	Sec Army	Next step recommendation due 1 Sep 62	(S)
c. Develop plan for accelerating withdrawal of B-47 units from overseas bases.	Sec Air Force	15 Aug 62	(S)
d. Develop plan to reduce other USAF strength in foreign countries.	Sec Air Force	1 Sep 62	(S)
e. Reduce dependents overseas by reviewing Air Force proposal to shorten unaccompanied tours to 15 months and increase accompanied tours from 3 to 4 years. (Include recommendations as to any modification to current policy re overseas tours.)	ASD (M)	15 Aug 62	(U)
f. Recommendation on Air Force proposal to return 366 Tactical Fighter Wing to the U.S. currently programmed to be returned in FY 1964.	JCS	1 Aug 62	(S)
g. Recommendation on Air Force proposal to retain 2 F-105B squadrons in CONUS (scheduled for deployment to USAFE in August 1962).	JCS	23 Jul 62	(S)

<sup>2</sup> If the responsible organization wishes a change in the due date, please notify me.

REVISED PROJECT EIGHT

<u>Project</u>	<u>Assigned to</u>	<u>Tentative Due Date</u>	<u>Classification</u>
h. Recommendation on Air Force proposal to inactivate Fighter Interceptor Squadron at Keflavik.	JCS	1 Aug 62	(S)
i. Recommendation on Air Force suggestion to reduce 5 expanded dispersed operating bases.	JCS	15 Aug 62	(S)
j. Recommendation on Air Force proposal to transfer MACE squadron and Sembach air base to Germany.	JCS & ASD (ISA)	1 Aug 62	(C)
k. Recommendation on Air Force proposal to cancel deployment of the 12th and 15th Tactical Fighter Squadrons to the Pacific (one currently scheduled for deployment for the 4th quarter of FY 1963 and the other FY 1965).	JCS	1 Aug 62	(S)
l. Investigate modification in overseas exchange systems to encourage purchase of U.S. goods.	ASD (M) (Assisted by Service Secretaries)		(U)
(1) Establish U.S. brokerage service concessions at selected military installations to promote savings and investments.	Sec Army	15 Sep 62	(C)
(2) Attempt to secure agreement of additional U.S. automobile manufacturers to the sale of their autos through overseas exchange.	Sec Army	15 Sep 62	(U)
(3) Consider establishment of charge and time payment sales in European Exchange System to improve competition with local merchants.	Sec Army	15 Aug 62	(FOUO)
(4) Consider establishment of insurance concessionaires to sell insurance, other than life insurance, through the European Exchange System.	Sec Army	15 Sep 62	(FOUO)
(5) Consider improvement of merchandising by nonappropriated fund activities and facilities	Sec Army	15 Oct 62	(FOUO)

REVISED PROJECT EIGHT

<u>Project</u>	<u>Assigned to</u>	<u>Tentative Due Date</u>	<u>Classification</u>
including quality of products sold to encourage patronage and divert personnel from local economy establishment.			
(6) Consider a proposal that U.S. made autos to be sold through the Overseas Exchange Service to Defense personnel be transported overseas by Military Sea Transportation Service at Government expense.	Sec Army	1 Sep 62	(C)
(7) Investigate the adequacy of maintenance facilities available for servicing U.S. manufactured autos, availability of spare parts, and make recommendations for required corrective action.	See Army	15 Sep 62	
(8) Review policy requiring nonappropriated fund supported billeting facilities to charge rates higher than those required to defray costs to nonappropriated funds.	Sec Army	15 Aug 62	(C)
(9) Review possibility of relief from requirement to sell foreign goods at a price at least as high as it is available in the local market.	ASD (M)	1 Oct 62	(C)
(10) Recommend further study of proposals made by certain foreign manufacturers to make payment for goods produced by those companies and purchased by the European Exchange Service to a blocked account of an associate firm located in the U.S.	Sec Army	15 Aug 62	(C)
2. <i>Review use of foreign nationals (direct and contract hire under military functions appropriations) to determine if requirements can be reduced.</i>	Service Secretaries	1 Sep 62	(C)



REVISED PROJECT EIGHT

<u>Project</u>	<u>Assigned to</u>	<u>Tentative Due Date</u>	<u>Classification</u>
3. <i>Procurement of Major Equipment.</i>			
a. Review FY 1963 program for procurement of CARIBOU aircraft (\$30 million) and ENTAC (\$24 million) with a view toward procurement in U.S. or offsetting purchases from U.S. before entering into these procurement contracts.	ASD (I&L)	1 Aug 62	(C)
b. Review programs for procurement of organization, base maintenance and related equipment in Germany, Japan and U.K. with a view toward returning such procurement to the U.S.	ASD (I&L) (Assisted by Service Secretaries)	1 Aug 62	(C)
c. Review plan of procurement of gas turbine propulsion units in U.K. for Denmark Military Assistance Ship-building Program with a view toward returning such procurement to the U.S.	Sec Navy	22 Jul 62	(C)
4. <i>Construction</i>			
a. Develop a program to reduce by 66% the foreign exchange cost of the FY 1963 construction program (including a 66% reduction in the foreign exchange cost of the overseas family housing program).	ASD (I&L) (Assisted by Service Secretaries)	1 Aug 62	(C)
b. Review plans for moving communications, logistical and supply facilities from Seoul to Pohang, Korea.	Sec Army	1 Aug 62	(S)
c. Review plans for construction of ammunition facilities in France.	Sec Army	1 Aug 62	(S)
d. Review the need for \$10.9 million family housing program for Canada and Okinawa in the FY 1963 MCA request.	Sec Navy	22 Jul 62	(U)
e. Review the entire program for constructing in Australia low frequency communications facilities for POLARIS submarines. Must the facility be located in Australia? If this	Sec Navy	22 Jul 62	(C)

REVISED PROJECT EIGHT

<u>Project</u>	<u>Assigned to</u>	<u>Tentative Due Date</u>	<u>Classification</u>
program must be continued in Australia, can more of the dollar expenditures be made in the U.S. than currently planned and can the foreign exchange requirement be offset by equivalent Australian purchase in the U.S.?			
f. Review the entire program for constructing an under water testing station in the Bahamas. Must it be located there? What is possibility of a U.S. location?	Sec Navy	22 Jul 62	(C)
g. Review plans for: (1) Adding a wing to Naval Hospital at Rota, Spain. (2) Building an airplane hangar at Rota, Spain.	Sec Navy	22 Jul 62	(S)
h. Review plans for constructing additional buildings for three Marine camps in Okinawa.	Sec Navy	22 Jul 62	(C)
i. Study question of a POLARIS submarine base in Spain. Is such a base essential?	Sec Navy	22 Jul 62	(S)
5. <i>Overseas Procurement of Materials and Supplies.</i>			
a. Develop a detailed action program to return a major portion (at least 40%) of petroleum procurement to U.S. sources.	ASD (I&L)	25 Jul 62	(C)
b. Develop a program to reduce by 50% subsistence purchases overseas.	ASD (I&L) (Assisted by Service Secretaries)	1 Sep 62	(C)
c. Explore feasibility of transporting milk and dairy products to Europe by Jet cargo or tanker aircraft to reduce expenditures on the local economy.	Sec Army	1 Aug 62	(FOUO)
d. Reduce by 50% the \$240 million estimated expenditures for miscellaneous materials and supplies procured overseas.	ASD (I&L) (Assisted by Service Secretaries)	1 Aug 62	(C)
6. <i>Contractual Services</i>			
a. Develop program to reduce the estimated \$270 million annual outlays for repairs, alterations, maintenance, etc., by 25%.	ASD (I&L) (Assisted by Service Secretaries)	1 Sep 62 (Report submitted on repairs & alterations)	(C)

REVISED PROJECT EIGHT

<u>Project</u>	<u>Assigned to</u>	<u>Tentative Due Date</u>	<u>Classification</u>
b. Review desirability of transferring depot maintenance to Spain.	Sec Army	1 Sep 62	(C)
c. Develop a program for modification in military postal operations to reduce dollar expenditures overseas.	Sec Army	15 Sep 62	(C)
d. Present plan for lengthening interior painting cycle in overseas facilities.	Sec Army	1 Aug 62	(U)
e. Develop a procedure for reimbursement to U.S. for training support provided to NATO countries.	Sec Army	1 Aug 62	(C)
f. Develop a procedure for reimbursement to the U.S. for custodial services provided for storage of special ammunition.	Sec Army	15 Aug 62	(S)
g. Consider the possibility of purchasing from other NATO nations support for U.S. combat troops in Europe in place of retaining U.S. support troops in Europe for that purpose.	ASD (ISA)	1 Sep 62	(C)
<i>7. Military Assistance</i>			
a. Review FY 1963 Military Assistance Program with a view to reducing overseas procurement of equipment, supplies and services, including construction, by at least 50%.	ASD (ISA)	15 Aug 62	(S)
b. Review operation of MAP supply depot in Japan with a view towards Japan assuming responsibility for operation in exchange for certain logistical support from U.S. Army.	ASD (ISA) (Assisted by Sec Army)	1 Sep 62	(S)
c. Develop plan either to eliminate vehicle procurement program in Japan or offset overseas dollar expenditures abroad by increasing Japanese military procurement in U.S.	ASD (ISA)	1 Sep 62	(C)
d. Develop plans leading toward a reduction in: (1) U.S. share of NATO infrastructure payments.	ASD (ISA)	1 Aug 62	(C)

REVISED PROJECT EIGHT

<u>Project</u>	<u>Assigned to</u>	<u>Tentative Due Date</u>	<u>Classification</u>
(2) Contributions to NATO International Headquarters.			
(3) Other cost sharing arrangements, e.g., NATO Pipeline System.			
e. Review urgently the proposed ACE ground environment plan, to be financed by NATO infrastructure, as to:	ASD (ISA) (Assisted by DDR&E)	15 Aug 62	(S)
(1) Basic cost and effectiveness, and			
(2) assuming the project should be undertaken, maximizing the U.S. procurement so that it at least offsets the U.S. participation share.			
f. Develop a plan with a view to having host countries assume greater share of administrative and support cost of MAAG's.	ASD (ISA)	1 Aug 62	(C)
g. Review participation in the Mutual Weapons Development Program and the Weapons Production Program with a view to reducing foreign exchange cost beyond present firm commitments.	ASD (ISA)	1 Aug 62	(C)
h. Investigate cost of cancelling G-91 aircraft commitment.	ASD (ISA)	1 Aug 62	(C)
8. <i>Receipts</i>			
a. Develop individual programs for negotiating offset arrangements with countries other than France, Germany, Italy and Japan in which the U.S. has a substantial adverse foreign exchange balance.	ASD (ISA)	1 Nov 62	(C)
b. Develop and formalize a credit sales program as a goal and procedural base for use in Government sales promotion of military equipment and services for use in negotiations.	ASD (ISA)	1 Sep 62	(C)
c. Initiate Government/industrial sales promotion and negotiation action which, with sales resulting from offset arrangements would bring total receipts to \$1 billion annually in FY 1964, 1965 and 1966.	ASD (ISA)	1 Jan 63	(C)

REVISED PROJECT EIGHT

<u>Project</u>	<u>Assigned to</u>	<u>Tentative Due Date</u>	<u>Classification</u>
9. <i>General</i>			
a. Develop and present in the form of a standardized quarterly financial report a Five-Year Program for U.S. defense expenditures and receipts entering the international balance of payments—FY 1961–1968.	ASD (C)	15 Sep 62	(C)
b. Review requirements for headquarters organizations overseas with a view towards reduction of the number (including elimination of any overlapping) and personnel assigned.	Office of Organization & Planning	Oct 1 1962	(C)
c. Develop techniques and procedures for a gold budget.	ASD (C)	1 Aug 62	(U)

**Attachment**PROJECT EIGHT ACTION LIST

<u>Project</u>	<u>Assigned to</u>	<u>Classification</u>
1. <i>Expenditures by U.S. military and civilian employees and their dependents.</i>		
a. Rotate selected Army units without dependents—beginning with 3 Battle Groups by approximately 1 October.	Sec Army	(C)
b. Reduce Air Force dependents in Europe by placing 5,000 support personnel on TDY in lieu of PCS in FY 1963.	Sec Air Force	(C)
c. Implement and maintain surveillance over increase of voluntary savings program from \$50 per person per year to a \$100 per person per year in FY 1963.	ASD (M) (Assisted by Service Secretaries)	(U)
2. <i>Receipts</i>		
a. Negotiate extension of U.S.-FRG offset agreement of 24 October 1961 with a view of obtaining a \$600 million annual level of procurement of goods and services from the U.S. by Germany in CY 1963 and 1964.	ASD (ISA)	(C)
b. Start negotiations in Fall 1962 with Italy to raise annual purchases to approximately \$100 million, thereby offsetting U.S. foreign exchange costs.	ASD (ISA)	(C)
c. Continue efforts to negotiate an increase in French purchases to more nearly offset	ASD (ISA)	(C)

- U.S. foreign exchange costs in France—  
(approximately \$260 million in FY 1963).
- d. Formulate a proposal to Japan to increase purchases from U.S. to more nearly offset U.S. foreign exchange costs in Japan (approximately \$365 million in FY 1963). ASD (ISA) (C)
3. *General*
- a. Revise reporting procedures, as appropriate, to improve data reported on U.S. defense expenditures overseas. ASD (C) (U)

### **Attachment**

McGB

This is the Defense message on the balance of payments which I mentioned to you. Paragraph 2 is particularly interesting.

**DKlein**

April 1963

320. Memorandum from Dillon to President Kennedy, April 5<sup>1</sup>

April 5, 1963

As Chairman of the Cabinet Committee on Balance of Payments, I am forwarding herewith the Committee's report on its re-examination of the balance of payments problem in response to your memorandum of March 2. As you know, the Committee is expecting to meet with you and discuss this report at 6:00 P.M. on Tuesday, April 9.

Douglas Dillon

**Attachment**

MEMORANDUM TO THE PRESIDENT

from the

CABINET COMMITTEE ON BALANCE OF PAYMENTS

INTRODUCTION

The Cabinet Committee on Balance of Payments, assisted by the Long Range International Payments Committee, has concluded after a full re-examination that the United States balance of payments deficit is still a serious threat to national power and security and to international economic order, and will remain so at least through 1963 and 1964. The means are at hand, however, to hold the deficit within manageable size during this period. Thereafter, longer range forces already at work, if reinforced as suggested below, should begin to provide lasting correction. However, because of the uncertainty of the timing and magnitude of the correction, the situation needs to be kept under periodic review to determine the need for and nature of further actions.

A number of possible actions that might be taken to help meet this threat during 1963–64 have been reviewed by the Committee and are discussed in this Memorandum. Some of these promise early results and we have agreed that they should be put into effect as described in Sections II and III. Certain other measures having long-range impact

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<sup>1</sup> Forwards report by Cabinet Committee on Balance of Payments. Prospects and solutions. Secret. 6 pp. Kennedy Library, President's Office Files, Treasury, Balance of Payments, JFK Reading, 4/17/93, Box 94E.

or requiring further study are discussed in Sections V and VI. Many of them can be initiated now and studies of the others will be pressed forward promptly.

Some other measures are so drastic and costly in terms of other policies that we believe no further consideration should be given to them under present circumstances—these are described in Section VII. There remains an intermediate group of measures, discussed in Section IV, as to which we are not in full agreement, but believe that—unpleasant and unwelcome as they may be—further study of specific proposals is warranted, leading to another review of needs and possibilities in July.

If at any stage during 1963–64 or later the pattern of development we now foresee is disrupted, one or more of these difficult intermediate measures will have to be used. Each would come at a high cost and involves great risks. But we hope that we may be able to avoid measures which could gravely impair or destroy one or more of the major objectives of U.S. policy—a strong defense system for the United States and its allies, a free and effective system of international payments, a free and expanding system of world trade. In the conditions of March–April, 1963, a decision to rely on the measures discussed in Sections II and III and to delay for the present any choice among the intermediate measures, is to take a calculated risk. But against the alternatives, it is a reasonable risk. The other measures can be taken as readily, and with equal or greater effect, if and when the risk might become a reality.

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### 321. Memorandum from Heller to President Kennedy, April 6<sup>1</sup>

April 6, 1963

#### SUBJECT

Monetary Policy Today—The Uneasy Truce between Domestic and Balance-of-Payments Considerations

The stubbornness of our balance-of-payments deficit—combined with our reluctance to tap IMF or other multilateral monetary sources, or to inhibit foreign capital issues in the U.S.—has heightened interest in tighter money. Undoubtedly, higher U.S. short-term interest rates

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<sup>1</sup> “Monetary Policy Today.” No classification marking. 4 pp. Kennedy Library, National Security Files, Kaysen Series, Balance of Payments, Cabinet Committee, 7/62–2/63, Box 363.



would hold and attract some funds, to the benefit of the balance of payments. But these effects are not clear-cut, and there would be costs in a diminished flow of funds into domestic long-term investments. This memo considers current developments and the benefits and costs of monetary tightening for balance-of-payments purposes.

#### 1. *Current situation*

Since the Fed's modest credit tightening of last December, the Treasury bill rate has held at around 2.9 percent. Although "free reserves" are still running around \$300 million, the rate on "Federal funds" has been tight against the ceiling of the 3 percent discount rate most of the time since January, an indication of considerable money market tightness. The rates on long-term Government bonds and "municipals" are up slightly, but corporate bonds and home mortgage rates continue at or a bit below their rates of 3 months ago.

A recent freshet of rumors and dope stories—starting with the Lee Cohn article—has confidently predicted higher rates of interest for balance-of-payments reasons. For example, Sylvia Porter's bond letter for March 29 reports: "The scales weighing the relative importance of international considerations against monetary requirements of the domestic economy seem to be tipping without hesitation toward the B-of-P side *which implies higher costs of money. . .*"

Rumor has it that Treasury (and even some say CEA!) is pressuring the Fed for tightening. But this has apparently had only a minor effect so far on investor expectations, possibly because of offsetting references, as in the April 1 Aubrey Lanston letter, to "the rather humorous report by a financial writer that the Treasury and Fed are at odds again, this time with the Treasury supposedly pressuring the Fed to tighten money."

In our Cabinet Committee on the Balance of Payments, it appeared for a time (perhaps erroneously) that the Treasury favored early "probing" in the direction of tighter money. But at last Wednesday's meeting, Secretary Dillon, in Chairman Martin's presence, clarified the Treasury's position:

1. He suggested that no tightening action be considered until a new Canadian Government has a chance to consider our request that Canada reduce its discount rate from 4 to 3 percent.

2. He indicated that, in any case, it does not now seem advisable to move toward tighter money before enactment of the tax program.

#### 2. *The international impact of tighter money*

The basic attraction of tighter money is the expected reduction of net capital outflow. The Treasury and New York Fed staff have estimated that a ½ percent rise in short-term rates would save as much as \$700 million in capital outflow in the next two years. This estimate

found little support from other members of the Balance of Payments Committee, and even the Washington staff of the Fed may not fully support it. We believe it to be a considerable overestimate. Moreover, Secretary Dillon indicated that well over half of the savings could probably be achieved by a change in the Canadian discount rate.

Also, the estimate depends on the proposition that the major continental countries—especially Germany—will *not* follow our lead and raise their own short-term rates. We have some assurances from our OECD Working Party-3 that they would cooperate on this score, but we also know that banking pressures on the Continent are strong for a boost in rates if we tighten money here.

In addition, in light of the U.K.'s relatively weak position, it is important that we not take credit action here that would attract funds from the U.K. money market.

### 3. *Domestic impact of tight money*

If balance-of-payments difficulties *do* drive us to tighter money, it would become extremely important for the Fed and the Treasury to make every possible effort to insulate our longer-term rates from the impact of higher short-term rates. After abandoning "bills preferably" early in 1961, the Fed engaged in fairly vigorous and successful twist operations, i.e., buying long-term bonds and selling short-terms. The Fed has continued to purchase some longer-terms in 1962 and even in 1963, but the amounts have been relatively small. It is true that long rates have stayed down, and that the Treasury has been able to lengthen average maturities without serious untoward effects. But if credit is tightened further, more vigorous Fed "twist" operations would be desirable—and the Treasury might have to slow down its maturity lengthening moves—to hold long-term rates close to the present levels.

Our staff calculates—tentatively, to be sure, but not without some foundation in economic experience—that an added  $\frac{1}{2}$  percent rise in the short-term rate (from roughly 3 to  $3\frac{1}{2}$  percent) might lead to a  $\frac{1}{4}$  percent rise in long-term rates, on the average. Though the effects are not easy to trace and measurement is necessarily subject to large margins of error, the restrictive effect of a  $\frac{1}{4}$  percent increase on housing, plant and equipment investment, and State-local capital outlays could easily cut GNP by \$4–\$5 billion. This may seem small, but if it were to occur now, it would in time add 0.2 to 0.3 percent to the unemployment rate (and it would add to the ire of Patman, Douglas, Reuss, Premier, and Russell Long).

### 4. *Conclusion*

Monetary tightening cannot be excluded from consideration as part of a carefully structured package to protect our balance-of-payments

flanks. But we urge that its limitations and costs be carefully weighed against its benefits. We urge further that it be saved for use in 1964—and then only if the domestic economy is healthy enough and the balance of payments sickly enough to justify it. If Congress backs you up in a truly expansionary fiscal policy, with favorable affects on output and employment, we can realize higher rates on both equity and borrowed capital as a natural consequence of economic expansion—*that's* the best way to have higher interest rates help the balance of payments.

Walter W. Heller

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### 322. Telephone Conversation, April 8, between Heller and Ball<sup>1</sup>

April 8, 1963

WH: I got a kick-back from Dillon on this memo of ours. I told him, by the way, that you, I thought, were signing onto it too but that I wasn't committing you. He says it is terrible for two reasons. One, these things were not brought up Friday in the Executive Committee meeting, and that is just his staff lying to him. They had a pitch-battle at the meeting in which every one of these points that's in the supplementary statement was brought up. I didn't say they were lying, but I said that Gardiner tells me that these points were fought over and made strongly in the meeting Friday. Secondly, he thought it would be terrible to have two separate memos go to the President. I said of course we addressed it to him and not to the President, and he said he wanted to open up the report and adjust the report for these points and not have a separate statement go to the President.

GB: Well, if he wants to do that, let's do it.

WH: That's what I thought, so the procedure will be that his boys are going to suggest language to amend the report to put these points in, and then they will phone these to Gardiner. I suggested Gardiner could then convene the little group that's involved, and Dillon said he didn't think he needed to convene any group—that if I and he agree the others would accept, he was sure. I said “Well, you make us sound

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<sup>1</sup> State views on a Treasury meeting and report (no subject mentioned). No classification marking. 3 pp. Kennedy Library, Ball Papers, Ball Telephone Conversations, Balance of Payments, 1963, Box 1.

like the ring-leaders. I can assure you this was a group movement. There was as much initiative on this from others as there was from us."

GB: That's right.

WH: I know that. And I said "for that matter (that's where I brought you in) the State Department wasn't in this, and it looks as if they want to sign on." That was why I was initially calling you, to find out whether you wanted to associate yourself with this.

GB: I do, very definitely. We are in a position, it seems to me, where we never had a meeting on the final version of the report at all.

WH: Yes, and had I really reminded myself at the time of how devious Douglas can be about these matters, I would have pressed our points more, but I thought that our alternative draft spoke for us, so I was just trying to conserve the time of the group. But I raised enough points without wanting to . . . . but I guess sometimes one should be a little more of an SOB about these things.

GB: I am learning that. One thing which occurred to me is we really did omit any serious reference to long-range revision of the payments system, didn't we?

WH: Well, it got in. We didn't put it in our supplementary statement, but at least it got in in pretty decent form into the basic report.

GB: I guess that's right.

WH: I raised that question too before I signed the supplementary statement. It's not too bad. Of course you know one other thing on which we get the hip from Treasury is that the British team is here right now meeting with Roosa, and we are invited to come in and present the picture on the domestic economy tomorrow morning, but in spite of the fact that I talked explicitly to Roosa about representation at all these meetings, nothing came through except this invitation to meet tomorrow morning. It's true it's not the top team, but even so those are supposed to be . . . originally we were supposed to be equal partners; then we let the Treasury serve as host; now they just have us there by suffrance. Were you planning to go over tomorrow morning?

GB: I haven't even heard anything about it. It may be down the line.

WH: A notice went out from Whidman inviting us to come over. In any event this is the same old story. I agree with you on the long-range thing. I just don't think we should . . . in effect, you see, it was your findings in Europe that chalked that off.

GB: That's right. But I want to make clear that that is a temporary thing.

WH: Yes. The wording of the report isn't too bad.

GB: No, it was all right.

WH: Of course Doug was saying these various things should be emphasized at the meeting with the President tomorrow, and indeed

they should. The way this thing is going now I'll make it clear when I have the opportunity that you are associating yourself with us on these things.

GB: Yes, that's right.

WH: And, Gardiner is now reviewing the document to make sure as to what changes he feels would be necessary to eliminate a supplementary statement; and then he will see whether the Treasury suggestions measure up to that.

GB: Good.

# May 1963

## 323. Memorandum from Klein to Bundy, May 10<sup>1</sup>

May 10, 1963

### SUBJECT

Redeployment of U.S. Forces in Europe

Last Saturday the Department of State was asked by Defense to concur in a proposed reduction of USAREUR strength—a move scheduled to take place in July, August and September of this year—by 15,600 spaces. Unlike the last withdrawal from Europe, this one would affect combat strength.

Defense's rationale is that these units were put in Europe "on a temporary basis" during the 1961 Berlin emergency and are not part of "our NATO commitment"; the action is "acceptable from the viewpoint of our combat posture both in Europe and worldwide"; and the net result would be a significant gold flow savings, estimated at \$4.7 million!

Three days earlier Defense proposed the reorganization of the Berlin garrison—a reorganization which would result in the reduction of our forces in that city by 700 men.

These separate actions may not be part of a single plan. (The Berlin exercise could be a separate and distinct operation.) But the fact is, the several major projects in train are closely interrelated in that the net effect could be a major redeployment and/or withdrawal of our forces from Europe.

There is a balance of payments exercise, in the context of which the Secretary of Defense has undertaken to produce substantial dollar savings. There is also an Army reorganization exercise to modernize and strengthen the forces. This, of course, ultimately has to affect Berlin. However, the situation there has some special aspects in that the Army, for sometime now, has been looking for ways and means to withdraw the Augmentation Battle Group put there in August 1961. It is not that these troops are less usefully employed in Berlin than they would be in West Germany or the United States. But the Army finds the Berlin arrangements administratively untidy, and is reluctant to have 1,500 men added to the sizeable force already bottled up in the exclave.

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<sup>1</sup> "Redeployment of U.S. Forces in Europe." Secret. 2 pp. Kennedy Library, National Security Files, Subjects Series, Balance of Payments and Gold, 6/62-9/63, Box 292.

Over and above all this, there is the Palm Beach exercise with its focus on conventional force contributions—which has as its basic premise the proposition that unless the Europeans contribute in a more meaningful way to NATO’s conventional strength, the United States will reexamine its own commitments with a view to reducing its conventional force contribution.

As I understand the situation, the Secretary of State was asked to produce a political judgment in the context of the balance of payments exercise. One fact that stands out, however, is that certain projects are already under way in Defense in advance of any discussions with the Secretary of State. And to avoid some of the obvious pitfalls of this kind of an arrangement, I would urge strongly an early meeting of the two Secretaries with the President to discuss the issues in their broadest context, and to do so before too much fat is in the fire.

We have succeeded in putting a hold on the Berlin operation, with Defense now looking to some action in early September.

The Department still has under consideration the proposed 15,000 man withdrawal from USAREUR.

But the major problems are still ahead of us and some hard discussions are needed in which the Department should be given the opportunity to make its position known. For even if the judgment is made that financial and military considerations are over-riding, the Department of State should have the opportunity to come up with ideas on timing and the political context in which the military moves might be made.

To state it quite crudely, this is what we seem to be about at this juncture. We are calling for the creation of the MLF, with the proviso that the contributions to the conventional forces will *not be reduced*. But then we go on to say, *either* you put more into the conventional pot, and support our strategy, *or* we’ll pull back and support your strategy. And then before the Europeans can respond, we go on to the *or* of the *either-or* condition, and come out looking like good Gaullists.

In short, there are very significant political problems here which must be raised and considered; it is better to look at them now rather than later, when it will be considerably more difficult to pick up the political pieces.

David Klein

**324. Memorandum from Rostow to Rusk, May 15<sup>1</sup>**

May 15, 1963

## SUBJECT

Military Cut-Backs and Balance of Payments

In the course of our work we have become aware of the plans to effect a substantial gold saving via troop withdrawals, pursuant to the Cabinet Committee meeting of April 18.

We are conscious, of course, of the extraordinary effort and staff work which has gone into the balance of payments problem. And I do not intend now to add to that vast literature.

I would, however, make one simple point. Thus far our negotiations on this matter have been with Central bankers. Having come to what the Treasury believes is the limit of such negotiations, we now contemplate unilateral actions which will have profound effects not only on our international position but on the position of the prime ministers and foreign ministers of governments allied to us. Only actions of this order of magnitude are likely to effect a net dollar paying of \$400 million.

I believe we owe it to our allies (as well as to ourselves) to explore all alternative routes for easing our balance of payments situation before deciding that troop withdrawals are the only means open to us.

I find it hard to believe that, if they are made to perceive the hard choices we must face, they would not cooperate in measures to ease our position or to buy time for our balance of payments position to right itself.

But I am sure we owe it to them to be placed before a responsible political choice, so that, at the worst, if the cuts take place they are part of an alliance scenario not a unilateral U.S. action.

A final word as an economist: history will judge us very queer folk indeed if, at a moment when troop withdrawals on the scale contemplated would hearten our adversaries and shake our basic alliance arrangements, we were unwilling to contemplate other cushioning measures and proceeded with such feckless propositions as Chrysler's purchase of Simon for \$400 million.

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<sup>1</sup> "Military Cut-Backs and Balance of Payments." Secret. 2 pp. Kennedy Library, National Security Files, Subjects Series, Balance of Payments and Gold, 4/63-7/63, Box 291.



**325. Memorandum from Rostow to Rusk, May 18<sup>1</sup>**

May 18, 1963

## SUBJECT

Troop Withdrawals from Europe

I should like to reinforce the memorandum from U. Alexis Johnson to you of May 17, with four points.

1. A withdrawal of the United States from Europe or a situation in which the Europeans believed that we were in a progressive process of withdrawal could lead not merely to the emergence of a nationalist Europe, with an independent nuclear force (or forces) but also to a fragmentation of NATO and a rise of neutralist sentiment in certain quarters, which, in turn, would give Moscow good grounds for hoping to expand its influence by a mixture of political and military means, notably in Turkey, Greece, Italy, and Scandinavia. The expectation of United States withdrawal would thus raise the possibility of two dangers to the United States interest which might, in fact, emerge simultaneously.

2. With respect to Berlin, this process would carry two dangers: it would tempt Moscow to initiate pressure on Berlin, perhaps military pressure; and it would leave us in a position of dealing with such a Berlin crisis with a thinner range of alternatives to nuclear engagement than we now enjoy. Specifically, our capacity to signal the seriousness of our intent to defend Berlin by actions short of nuclear engagement would be reduced, with grave consequences for the determination of our allies to defend Berlin.

3. The Berlin case illustrates a general proposition; namely, that in a nuclear age a detachment of the United States from European affairs is even more dangerous than it proved to be in 1914–17 and 1939–41. I have no doubt that our response to a potential loss of the balance of power in Europe would be as vigorous as it was on these other occasions; but, in the shadow of a progressive process of troop withdrawals, and having encouraged Moscow to take increased risks, we would be coming back to redress a threat to the balance of power in the shadow of a nuclear war with all that it implies. The case for our maintaining a steady deterrent presence and a steady involvement in the political, as well as military, affairs of Europe over the foreseeable future is, therefore, very strong.

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<sup>1</sup> "Troop Withdrawals from Europe." Secret. 2 pp. Kennedy Library, National Security Files, Subjects Series, Balance of Payments and Gold, 6/62–9/63, Box 292.

4. With respect to the balance of payments, our problem is not merely "marginal and transitory"; but there are possibilities for its management alternative to military and political disengagement from Europe and Asia which justify intensified examination, given the consequences likely to flow from the expectations in Moscow and Europe that we had launched a process of progressive troop withdrawals, and from the fact of reduced conventional strength itself.

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**326. Memorandum from Kaysen to Bundy, May 20<sup>1</sup>**

May 20, 1963

SUBJECT

Status Report on the DOD and the Balance of Payments

1. Attached at Tabs 1 and 2 are two tables showing the proposals now being discussed within the DOD to achieve Secretary McNamara's target of reducing the annual rate of DOD expenditures on foreign account by \$300-\$400 million. Table I presents the information by country, to the extent possible. It is based on Table II, which lists in detail the actions now under consideration in the DOD. The Comptroller has asked the services to examine these actions and he is discussing them with the Secretary of Defense.

2. As Table I shows, if all the actions listed were taken, the resulting saving would be \$400 million in FY 64 and the annual rate of saving would rise to almost \$500 million in FY 65. Of these savings, \$300 million in FY 64 and nearly \$400 million in FY 65 would be achieved through reduction of forces overseas, of which \$185 million and \$250 million, respectively, would be made in NATO. The other \$100 million would come from changes in procurement actions. The whole list of proposals would result in the withdrawal from overseas stations of 137,000 military personnel and 145,000 dependents and civilian personnel; 72,000 military personnel, and 111,000 civilian personnel and dependents from NATO countries.

3. Paul Nitze, in a memorandum to the Secretary of Defense dated April 18, 1963, transmits to him the comments of GPM in State as

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<sup>1</sup> Status report on DOD's proposals to reduce expenditures on foreign accounts. Secret. 6 pp. Kennedy Library, National Security Files, Subjects Series, Balance of Payments and Gold, 4/63-7/63, Box 291.

shown in the attached memorandum from Jeffrey Kitchen to Bill Bundy dated April 12 (Tab 3). Nitze's memorandum, a copy of which is not now available to me, repeats the Kitchen comments, although somewhat more selectively. The reductions in MAP (B 2, Table I; Item 7, Table II) are described by Nitze as simply impossible. The reductions in overseas petroleum procurement (B 2, Table I; Item 10, Table II) are characterized in virtually the same way. The cancellation of further Caribou procurement is described as creating great political difficulty and of dubious value in making real savings. (This second judgment is probably not correct.)

Nitze's strongest condemnations, however, are reserved for the proposals to reduce Far Eastern forces (Item A 3, Table I) and to reduce our commitments in Germany (A 1, Table I). The reductions in forces in the Far East would make it necessary for us to commit ourselves in advance to an immediate nuclear response in the event of any serious threat in Korea and probably elsewhere in the Far East. Further, it would reverse the progress we have made in bringing Japan to face up to its defense problems, as well as having serious adverse consequences in NATO. We could not make it clear, especially to the Germans, why we are willing to make an immediate nuclear response in the Far East and not in Europe, even though there is a militarily plausible argument for differentiating the two situations. This argument, of course, is that the Soviets do, and the Chinese do not, have nuclear weapons themselves. However, before accepting this argument, it is necessary to ask whether our use of nuclear weapons against China or Chinese forces would invite a Soviet response.

In Nitze's view, the reductions of NATO forces would have equally or more undesirable effects. The most serious effects would arise from redeployments in Germany, the least serious from redeployments in the UK.

4. At Tab 4 is a memorandum from the Director of the Joint Staff commenting on a CINCEUR message discussing possible redeployments of NATO forces. Item b. in the memo corresponds to Item 2 b. in Table II; Item C 1, in the memo corresponds to Item 3 in Table II, but involves a somewhat lesser force reduction.

5. There is also a separate discussion of reducing the Berlin augmentation underway, independently of the balance of payments problem. As presently conceived it will result in the reduction of the present Berlin garrison by some 700 men, the difference between a battle group and a battalion. The change will arise from the Army-wide reorganization of divisions during June and July of 1963. The two battle groups in the regular Berlin brigade will disappear, to be substituted for by three battalions with the same number of men. However, the augmentation force of one battle group will be reduced to one battalion. The

addition of another battalion to this force would lead to the increase of a few dozens in present Berlin strength, instead of the reduction of 700 now planned. This should be possible, if it is considered desirable.

6. Secretary McNamara discussed the problem of troop withdrawals in NATO with the Secretary of State on Friday. As reported (by George Ball) Rusk was firm in his unwillingness to accept any major force reductions in Europe.

Further discussions (on Saturday) between McNamara and Hitch suggest that McNamara himself is withdrawing somewhat from the notion of troop cuts of the magnitude proposed in Table I. It is not clear what change in these quantities he now contemplates. However, to achieve his savings targets, McNamara apparently is now considering much deeper cuts in dependents or the total elimination of dependents from nearly all overseas activities. It is Hitch's judgment that the services would consider this entirely unacceptable. Further, the political consequences of this move would be impossible for the Secretary to face. From the point of view of both Army and Air Force, the elimination of dependents for troops in Europe would be a mortal blow to recruiting and would be viewed as the last unbearable step in the subordination of military to civilian needs, with predictable consequences in Congressional outrage.

7. A cursory glance at Table I, suggests that the most bearable items—reductions in France, the UK, Spain and Morocco, plus some reductions in overseas procurement—might save \$100 million to \$150 million without too much political pain. To go further would clearly pose political problems of the first order of difficulty. The discouraging results of this examination suggest that it is necessary to look again at the financial side of the picture.

8. In his memorandum to the Cabinet Committee on April 20, the President accepted the Committee's Report and Recommendations of April 8, after discussions on 9 and 18 April. Defense was directed to produce a program with a goal of reducing gross claims against foreign exchange by some \$300 to \$400 million below the FY 63 level. Only some \$100 million of this appears to be achievable at small political cost. This leaves a "gap" of about \$200 million in terms of the financial plan recommended by the Cabinet Committee (see Table IV of the Cabinet Committee Report reproduced at Tab 5). [This figure reflects the fact that the programmed savings could not be achieved all at once in any event.] Secretary Dillon made it perfectly clear in the course of the two discussions with the President that estimates of what can be financed by various methods are necessarily rough, and that the figures presented are conservative. The present plan relies on five methods of financing (see Table II of the Cabinet Committee Report reproduced at Tab 6): pre-payment of debt; borrowings denominated in foreign

currency; increased holdings of dollars by foreign central banks and private holders under exchange-value guarantees provided by swaps and forward operations (covered dollars); increased holdings of dollars without exchange value guarantees (uncovered dollars); and gold sales.

In the course of the 18 April discussion, Secretary Dillon gave his judgment that the financing figures shown were not maxima. It would appear possible to increase special borrowings and dollar holdings under forward cover, and to sell somewhat more gold, in such a way as to provide enough extra over the two-year period to eliminate the need for a drastic reduction in Defense expenditures.

It is clear that this policy would expose us to a somewhat greater financial risk, essentially the possibility that present holders of outstanding claims against the dollar (which are larger than our total gold stock) would seek to convert them into gold; this, in turn, would stimulate an outflow of U.S. liquid assets abroad and finally force us to devaluation. We have, however, two well prepared lines of defense should this threat begin to materialize: the regular resources of the IMF, and the special additional resources provided by the Paris Agreement. It was the clear and unanimous opinion of the Cabinet Committee that these resources, plus what other central banks would feel constrained to do in their own interests, are more than adequate to defend us against the dangers of a run.

If we were forced to draw heavily on these resources in the situation of an imminent run, we would have to undergo a critical review of our economic and financial situation at the hands of the Fund, and the Finance Ministers of the Paris Club. It is likely that this review would lead to a request that we tighten domestic credit by raising interest rates. Depending on just when such an event were to occur, its effect on the level of domestic economic activity might be adverse. But even if we resisted the demand for tighter money, we would get the resources we needed. Neither the Directors of the Fund nor the Finance Ministers Vienna Club would have any real alternative to giving us the help we request. Otherwise, they would be destroying the present international payments system and the Fund itself. Nonetheless, there might well be some domestic support for this demand, which would welcome the occasion for pressing it, and we might find that this was the price we did pay, whether or not we had to.

A more modest use of IMF resources would be available on essentially automatic basis whenever the Treasury decided it was useful to ask for it.

The problem, therefore, is to balance the political risks inherent in the suggested reductions of overseas military deployments and the financial risks inherent in the attempt to push our present financial measures somewhat further. Three considerations are relevant to strik-

ing an appropriate balance. First, the military redeployments have a once-and-for-all character. Once they are decided upon and we begin to execute them, the political bill falls due immediately. Second, we have in the past been more successful in extending our financing techniques than Messrs. Dillon and Roosa had anticipated. Their responsibilities have necessarily made them cautious. They remain so, and it is natural for them to emphasize their inability to guarantee success in arranging a predetermined volume of finance. Third, such independent examination of European financial opinion as is possible suggests that there is a widespread confidence in Europe that our balance of payments situation will improve over the next several years. The combination of this expectation, the availability of the IMF as a further resource, and the disagreeable consequences of any alternative course of action can be counted on to lead the Europeans to continue to provide such financing as we need.

The Europeans, in turn, may well be led to press for a more rapid evolution of the international payments mechanism than we have hitherto contemplated. This is in itself not undesirable. We have already gone much further in the evolution of the institutional arrangements under which the world payment system operates than anyone would have predicted in January 1961. In fact, given the situation of the pound, and the expectation on the part of some of the Common Market countries of balance of payments deficits of their own in the next several years, it can be argued that it is in our interest to stimulate this further, more rapid change. It is clear that the international financial community will be under continuing pressure from the British to do so. If we add our own pressure, we may have more opportunity to control the shape the evolution of the system takes.

9. In sum, an examination of the consequences of possible reductions in overseas expenditures of the Defense Department suggests the wisdom of shifting the burden of adjustment back to the Treasury Department rather than accepting Secretary Dillon's attempt to pass it on to the Departments of State and Defense. There is, however, a risk that, in the event of an unfavorable turn of events—which cannot be ruled out—Secretary Dillon would then press for a more restrictive domestic economic policy on the argument that it was necessary to satisfy our international creditors. Whether it was or not would be arguable; but this is a contingency which we can afford to face if and when it arises.

C. K.

**327. Memorandum from Bullitt to Executive Committee of Cabinet Committee on Balance of Payments, May 29<sup>1</sup>**

May 29, 1963

In his memorandum of April 20, 1963 to the Cabinet Committee, the President indicated that he wished to announce around July 1 the implementation of an action program, together with certain other proposals, to reduce the balance-of-payments deficit, as outlined in the Cabinet Committee's memorandum to him of April 6.

The following agencies have the responsibility for the specific programs indicated:

*1. State.*

- (a) Securities and Exchange Commission requirements concerning information provided by foreign borrowers in the U.S.
- (b) Assessing foreign tax advantages for exports.

*2. Defense.*

Actions to be completed by end CY 1964 with target of gross reduction in annual rate of dollar expenditures abroad between \$300–400 million below FY 1963 level.

*3. Commerce.*

- (a) White House Conference on Export Promotion.
- (b) Tourism—"See America Now" program.
- (c) Coast-wise and ocean shipping, and other noncompetitive freight costs.
- (d) Review of U.S. anti-trust legislation.

*4. Budget.*

- (a) Gold budget—screening and readjustment of expenditures abroad by departments and agencies other than Defense and AID to achieve indicated annual savings of \$50–75 million per year.
- (b) Government-wide uniformity in procurement practices.
- (c) Savings from improved use of P.L. 480 currencies.

*5. AID.*

- (a) Action to further reduce AID expenditures resulting in payments of dollars abroad, with target of keeping such expenditures to \$500 million or less in FY 1965.

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<sup>1</sup> Assigns Agency responsibility for specific actions to address balance of payments deficit. Confidential. 3 pp. Kennedy Library, Herter Papers, Balance of Payments, Box 6.

*6. Agriculture—Director of Food for Peace.*

(a) Steps to achieve savings of \$35 million per year, in addition to those included within the gold budget review through administration of P.L. 480 programs.

(b) In addition, it is understood Agriculture has under review certain other measures which could substantially benefit the balance of payments. The President will want to include in his announcement as much of the results of this review as possible, and they should be included in Agriculture's submission.

Would you kindly submit to me, by June 7, a report on what has been done to accomplish the actions directed by the President in his memorandum of April 20 so that a report can be prepared for review by the Committee on June 17, prior to transmission to the President.

The Treasury Department is responsible for action on the Committee to Promote Investment in America.

**John C. Bullitt**



June 1963

328. Letter from Rusk to McNamara, June 22<sup>1</sup>

June 22, 1963

Dear Bob:

Our staffs have been in touch regarding recommendations to be forwarded to the President on your proposals for balance of payments savings, as a result of your letter of June 15. We gather your people are now in process of developing these proposals and that they will be made available to us at the earliest possible moment. As soon as we have received and reviewed them, I would propose that we meet to exchange views on any issues or questions which may arise. Presumably, we should shoot for recommendations to the President shortly after his return from Europe, though, of course, how quickly we here can move depends to some extent on how soon we receive your proposals and how far reaching they are.

In connection with the broader issues underlying our troop deployments in Europe and the Stikker exercise, your suggestion for a meeting later in July seems entirely appropriate, though I am not certain that the latter will by then have matured sufficiently to present major problems. I suggest July 11 as a date for such a meeting. I think it would be wise for us to limit our agenda to these two major items so that we can have a review in some depth. My staff will be preparing substantive papers on these subjects which they will coordinate with your people in advance of the meeting. This should give us a common point of departure for our discussions.

With warm regards,  
Sincerely,

Dean Rusk

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<sup>1</sup> Response to McNamara's proposals for balance of payments savings. Secret. 1 p. Department of State, Central Files, FN 12.

July 1963

329. Memorandum from U. Alexis Johnson to Rusk, July 2<sup>1</sup>

July 2, 1963

SUBJECT

Meeting with Mr. McNamara on July 11

During your absence we moved forward with Defense looking toward the July 11 meeting which you proposed to Mr. McNamara (Attachment A).

George Ball lunched with Mr. McNamara and was told that we should be receiving sometime this week the DOD proposals to the President on balance of payments savings. George reports that Mr. McNamara feels that we should not have too much difficulty with these proposals. However, Defense has been very careful not to tip its hand (I think primarily for internal reasons—Service pressures are great), so we have no real advance information as to what the proposals embody. (You recall Mr. McNamara was initially shooting for a \$400 million saving.) Beyond this there is the question of how we proceed with the Stikker exercise and, in this connection, there is some indication that Defense is already thinking in terms of alternatives which might be pursued in the event that the Stikker exercise does not materialize. The NAC will meet on the 17th to discuss the Stikker proposal and we may have a somewhat clearer reading as to how the French and others are likely to come down. Finally, and intimately related to the foregoing, are the broader political and military issues, underlying the force withdrawal question, which we still have to talk out with DOD at some point.

All of the foregoing suggests that it would be useful for a small group of us to meet with you on Monday, July 8, in order to discuss whether, in light of the circumstances described above and, more importantly, in light of the extent to which you have had an opportunity to crystalize your own thoughts growing out of your trip with the President, you would wish to go through with the July 11 meeting or, alternatively, would prefer to put it back to a somewhat later date.

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<sup>1</sup> Background information for meeting with McNamara on DOD's deficit reduction plans. Secret. 2 pp. Department of State, Central Files, FN 12.

Subject to your approval, I have scheduled a meeting at 5:30 p.m., Monday, July 8.

*Recommendation:* That you meet with us on Monday.

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### 330. Memorandum from McNamara to Rusk, July 3<sup>1</sup>

July 3, 1963

#### SUBJECT

Balance of Payments

In a memorandum dated April 20, 1963 to the Cabinet Committee on the Balance of Payments, the President requested that I submit recommendations on specific actions which could be completed by the end of 1964 with a target of a gross reduction in the annual rate of Department of Defense expenditures abroad of \$300–400 million below FY 1963 levels.

A draft memorandum to the President in response to his request is attached.

May I have your comments on the course of action recommended in the memorandum.

**Robert S. McNamara**

#### **Attachment**

#### SUBJECT

Reduction in Department of Defense Expenditures Entering the International Balance of Payments

This is in reply to your Memorandum for the Cabinet Committee on Balance of Payments, dated April 20, 1963, which requested, in part, that after consultation with the State Department, I recommend specific actions, capable of completion by the end of Calendar Year 1964, which would achieve a gross reduction in the annual rate of Department of Defense expenditures abroad of between \$300–400 million below the FY 1963 level.

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<sup>1</sup> Solicits Department of State comments on attached memorandum to the President regarding DOD actions to reduce expenditures abroad. Secret. 10 pp. Department of State, Central Files, FN 12 US.

*Department of Defense Expenditures Overseas*

In the absence of action along the lines recommended and discussed below, Department of Defense expenditures entering the international balance of payments during FY's 1963–66 are estimated as follows:

	(\$ Millions)
FY 1963	\$2,739
FY 1964	2,686
FY 1965	2,700
FY 1966	2,698

These estimates are based on the currently planned deployment of our military forces and the continuation of all current Department of Defense programs designed to reduce expenditures overseas and increase foreign military receipts. They also reflect a moderate increase in price and wage levels overseas anticipated for this time period.

As you know, I have made a concerted effort during the past year to reduce the net adverse balance of Department of Defense transactions entering the international balance of payments. During the period FY 1961–63, the net Department of Defense adverse balance, i.e., gross expenditures overseas less receipts, was reduced by approximately \$850 million—from \$2,334 million to \$1,477 million. This reduction was achieved by holding our expenditures relatively constant despite increased international tension and inflation abroad, and by increasing receipts.

With respect to these greater receipts, Germany and Italy have agreed to offset all or part of our defense expenditures in these countries by increased spending for U.S. military goods and services. Our efforts to increase sales of U.S. military equipment to other allied countries will continue to be pressed. However, we believe that the \$1 billion of annual receipts projected for the period FY 1964–66 are a realistic maximum.

*Guidelines for Developing the Actions Proposed Herein*

Further actions to reduce Department of Defense expenditures overseas as outlined in Attachment A are based on the following:

1. U.S. commitments of effective military forces will continue to be met.
2. A gradually increasing capability of the Armed Forces to deploy rapidly will permit some reduction in other forces permanently in-place overseas.
3. Our increased strategic missile capability will permit, by the middle of CY 1964, somewhat less reliance on overseas based manned bombers.

*Summary of Recommended Actions*

The actions affecting our present deployments in Europe are:

1. The consolidation on four bases and some reduction (from 103 to 80) in our present B-47 Reflex posture by July 1, 1964.
2. The transfer of the responsibility for the air defense of Spain to the Spanish Government by January 1, 1965.
3. The return of the F-102 air defense squadron from Iceland by July 1, 1964.
4. The use of increased MATS capabilities to permit the return of 32 C-130 aircraft from France by April 1, 1964.
5. A reduction in the Army Line of Communications (LOC) in Europe predicated on some reductions in theater reserve stocks, relocation of issue stocks and placing in standby status certain facilities in Western France.

In the Pacific, the more important redeployment actions recommended are:

1. The elimination of the obsolescent B-57 wing in Japan 6 months earlier than programmed (i.e., July 1, 1964). The 12th Tactical Fighter Wing (F-4C aircraft) now programmed to deploy to Japan upon the phase out of the B-57 wing would be retained in the U.S. to increase our capability to respond to contingencies elsewhere in the world.
2. The return to the U.S. of 16 C-124 transports from Japan and 16 C-130 transports from Okinawa by October 1, 1964, using our increased airlift capabilities to meet much of the Pacific logistics requirements, reduced by the redeployments.
3. The return to the U.S. from Japan of the 66 F-102 aircraft (20 of which are presently programmed to be removed by July 1, 1964) and the transfer of the responsibility for the air defense of Japan to the Japanese Government by approximately January 1, 1966, utilizing the increased capabilities of the Japanese Air Self Defense Force, and the increased capabilities of the USAF to rapidly deploy F-4C aircraft to Japan during the periods of tension or at the outset of hostilities for air defense missions.

In addition, I recommend a series of actions which would produce foreign exchange savings in such areas as contractual services, POL procurement and construction. We also anticipate that savings will be achieved through better personnel management. All of these actions are discussed in greater detail in Attachment A.

*Effect of Recommended Actions*

My recommended actions would achieve in CY 1965 and FY 1966 a reduction in overseas expenditures of approximately \$300 million below the FY 1963 level as follows:

(\$ Millions)		
	<u>Current Estimate</u>	<u>Revised Estimate Under Proposed Actions*</u>
FY 1963	\$2,739	\$2,739
FY 1964	2,686	2,671
FY 1965	2,700	2,506
FY 1966	2,698	2,434

\* Attachment B provides a detailed analysis of U.S. defense expenditures overseas.

Although the redeployments of Air Force units reduces our forward deployed forces, they would have a desirable effect on our capabilities to respond to contingencies anywhere in the world. A smaller portion of our forces would be engaged in substituting for allied self-defense forces, more would be available for concentrated use as conditions may dictate, and a smaller number would be deployed on the more vulnerable forward bases.

Nevertheless, the actions relating to Japan go beyond the specific recommendation contained in Mr. Gilpatric's memorandum to you of February 8, 1963 relating to U.S./Japanese Defense Relationships. They involve a considerable withdrawal of aircraft from Japan. However, they are militarily desirable, apart from gold flow considerations, in the sense that they increase our reaction capability elsewhere. In addition, they emphasize for the Japanese our belief that Japan must depend more on its own self-defense capabilities in the future. In this connection I have been disappointed by the current level of Japan's defense expenditures.

I believe the minor adjustments of Army strength in Europe are desirable, gold flow considerations notwithstanding, in the interests of better organization and management of our resources. This applies particularly to the reorganization and streamlining of the Army Line of Communications (LOC) in France. However, the Joint Chiefs of Staff state:

"The reduction in the Army LOC in Europe could have an adverse impact on the Army combat capability. Three areas of principal concern are the ability of the Army to respond quickly to an emergency in Europe after the cuts are made, the concentration of stocks in the forward area, and the extremely important politico-military implications of placing a part of the LOC in Western France on standby and reducing war reserve levels to 90 days. I believe this adverse impact can be minimized by cooperative logistics agreements in the form of joint depot utilization in Western France, by maintaining a capability in CONUS and Europe for rapid expansion in an emergency and by insuring that adequate airlift and sealift are available for a rapid reconstitution of the LOC."

The possible termination of the Caribou program in Canada has been under review for some time. The FY 1963 procurement was under-

taken in part to retain the option of using that aircraft if no more desirable alternative developed in the future while at the same time permitting some continued improvement in Army capability. Continuing study of this matter has led to the conclusion that the 157 Caribou on hand and on order as of June 30, 1963 will be adequate to meet our requirements in view of the availability of C-130E's.

During your meeting with Prime Minister Pearson on 10–11 May 1963, you indicated that we were then reviewing our requirement for the Caribou. You will, of course, remember that we are committed to consult with the Canadian Government before any termination notice is announced. When I met on June 6 with Mr. Drury, the Canadian Minister of Defense Production, I told him that Caribou would have to compete on its own merits against other alternative solutions to the Army's air transport problem. Thus, termination of Caribou procurement will not surprise the Canadian Government even though it will undoubtedly be disappointing.

I have consulted with the Joint Chiefs of Staff with regard to the military acceptability of the foregoing measures. While recognizing the compelling economic issues inherent in the current balance of payments problem, they point out that "most of the measures designed to control gold outflow work against the military desideratum of maintaining a forward strategic posture based upon the deployment of substantial military forces in sensitive strategic areas overseas. The actions recommended in this memorandum which entail bringing home Air Force Units will, in varying degrees, increase the reaction time of our military response, particularly in the areas of the Western Pacific. The proposed reduction in the B-47 forces overseas [a reduction of 23 aircraft for a period of a few months] will occasion a readjustment of strategic nuclear targeting and, for a limited time, will reduce the weight of our nuclear attack. Also, the Joint Chiefs of Staff have expressed concern over the effect on base rights in Iceland, Spain, and Japan of a reduction of U.S. garrisons there unless such reductions are preceded by careful bilateral negotiations. However, if the contribution of these actions to the solution of the balance of payments problem is considered to outweigh the military risk involved, then the Joint Chiefs of Staff accept the proposals."

#### *Consideration of Additional Actions*

In arriving at these recommendations I have considered a number of other alternatives. These actions included possible redeployments of additional U.S. forces now in Europe and the Pacific, changes in dependents policies, early termination of the SAC Reflex posture in Europe, and a further reduction in overseas POL procurement. In the course of preliminary discussions, the Department of State expressed

concern over the possible adverse political and economic repercussions of substantial redeployments or a significant curtailment of POL procurement overseas.

To cite one example of these political constraints, we estimated earlier this year that approximately \$20 million of our FY 1964 requirement for aviation gasoline normally procured in the Caribbean area could have been returned to the U.S. by restricting bids to U.S. sources. The added cost of this action would have been only \$322,000. When weighed against the fact that other procurements for use overseas are being returned to the U.S. at premium differentials up to 50%, this proposal was very attractive from the budgetary standpoint, and was militarily sound. However, in view of the State Department objections, the procurement of the first half of our FY 1964 requirement was not restricted to U.S. sources.

In addition to the actions recommended herein, I am investigating the following areas which may result in additional savings over those now projected:

1. A review of personnel requirements for DOD communications activities overseas. My preliminary review indicates that some reductions in this area may be desirable.

2. A review of overseas headquarters with a view to streamlining and/or consolidating them.

3. A joint review with the State Department of our over-all force posture in Korea.

4. A review of the Air Force tactical maintenance concept with a view to establishing such maintenance in rearward areas, thus increasing our capabilities for non-nuclear conflict while reducing overseas costs.

5. A review of the possible redeployment of the 1st Marine Aircraft Wing from Japan to Okinawa and a review of the redeployment of the F-105 TFW from Kadena, Okinawa, to Guam.

6. A review of certain of our forces committed to NATO and deployed overseas, keeping in mind the possibility of redeploying some forces to the United States and in turn demonstrating frequently our ability to deploy to Europe in support of NATO commitments.

#### *Other Possible Savings*

I believe that savings of any substantial magnitude over those herein recommended or being reviewed could be accomplished at this time only through: (1) substantial redeployments to the U.S. or other dollar areas, and/or (2) significant reductions in the dependents authorized overseas.



*Recommendation*

I recommend your approval of the actions proposed in Attachment A.

I have discussed these actions with Secretary Rusk and he concurs in recommending approval. Secretary Rusk also stresses the necessity for a carefully coordinated information and consultation procedure to ensure that:

1. These actions will not be interpreted as a U.S. withdrawal of commitment to maintain the integrity and freedom of the Free World.

2. The specific countries involved in the proposed redeployments understand our reasons and are assisted in making any necessary adjustments in their own defense posture.

I suggest that a reaffirmation along these lines be included in the statement which you plan to make in July relating to the balance of payments problem.

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**331. Memorandum from Meyers to Kitchen, July 8<sup>1</sup>**

July 8, 1963

**SUBJECT**

Balance of Payments: McNamara's Memorandum of July 3 to the Secretary

Following are some initial comments on the items pertinent to the general Balance of Payments considerations:

1. *Item 1A(2)(b): Iceland:*

I understand that the F-102 Squadron is a NATO-committed unit (to SACLAN). While the U.S. presumably can always withdraw a unit committed to NATO, this raises in addition the political problem of Icelandic attitudes towards the removal of air defense capabilities which protect them.

2. *Item 1A(3)(b) and (c): Spain:*

I think that, in replying to these proposals, we should note that these two items are obviously intimately related to our negotiations

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<sup>1</sup> Item-by-item review of McNamara's proposals outlined in his July 3 memorandum to Rusk. Secret. 3 pp. Department of State, Central Files, FN 12 US.

with Spain with regard to renewal of base rights. It is quite possible that the Spaniards may insist that the U.S. provide air defense protection. If the U.S. retains interceptor aircraft in Spain, presumably the U.S. would also wish to operate the AC & W network. Moreover, it is pertinent to note that Henry Kuss, in his schedule for programmed military sales for FY 64, has included \$175 million in potential sales to Spain, funded from Eximbank, of which a good part would be fighter aircraft, presumably the same F-102s that the McNamara paper proposes considering offering to Spain in return for base rights.

3. *Item 1B(1)(d): Japan:*

Is it realistic to assume that we can transfer air defense to Japan, including the AC & W network, within the time scale assumed here?

4. *Item 2(a): Army LOC in Europe:*

This proposal assumes that we can close down LOC facilities in France, west of a line running north and south through Orleans, and induce the French to maintain these facilities on a standby basis. Thus, the successful implementation of the proposal requires French consent at a minimum. Moreover, we are presently engaged in trying to reach agreement with Germany on a joint combat logistics support system. Would the maintenance of these facilities in France be pertinent to achieving agreement with the Germans?

5. *Item 5: CARIBOU Cancellation:*

Mr. McNamara's proposed memorandum to the President explains that the Canadians are on notice that CARIBOU must compete on its merits against alternative solutions to the Army's air transport problem. However, since CARIBOU is the main item in the U.S.-Canadian co-production effort, the political aspects of this cancellation will have to be handled with some delicacy. I do not think we should protest the cancellation, particularly after General Williams' remarks to you today, but ought to note the political and economic sensitivities involved.

6. *Item 8: POL Procurement:*

As phrased, and in the light of Mr. McNamara's comment on pages 7 and 8 of the covering memorandum, this item seems to say DOD will not take steps to return Caribbean oil procurement to the U.S. However, it is so vague in its terminology that we should at least obtain a more, definitive explanation of what is contemplated.

7. *Item 10: Reorganized Army Depot Maintenance in Japan:*

This, also, is so vague that some more explanation should be obtained.

*8. Item 11: Maximum Use of Lower-Ranking Personnel:*

This sounds good, but is it practical? For example, how does one reorganize Army divisions or combat aircraft squadrons in such ways that they have more first-term personnel and junior grade officers than higher-ranking personnel, without substantially adversely affecting their combat efficiency?

*9. Item 12: Revised Construction Procedures:*

While we should not object to this in principle, I think it advisable to express our usual caveat that this may be restricted in application by the terms of the agreements with foreign governments on employment of local personnel and use of local material. In fact, this has proved to be the case in many instances in the actions taken under Project Eight.

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**332. Telephone Conversation between Kaysen and Ball, July 9<sup>1</sup>**

July 9, 1963

CK: Chris would like to have a meeting with the President before he goes off. I was sure you and Mike should be there, but Mike thinks the center of our problem will be agriculture. What do you think, should Orville be along?

GB: It would be a good idea to have Orville there.

CK: OK, I'll so arrange it and let you know.

GB: By the way, how much do you know about the plans for the balance of payments announcement next week?

CK: I know this: That the President told Walter that he's going to hold off until two weeks. He's not going to make the announcement next week. That was yesterday. Whether anybody's told Doug this, I don't know.

GB: No, I was just over talking to Doug. Let me just say something to you which don't attribute to me or anything. One thing I think we should never do is to make a big announcement about this troop redeployment thing in the context of a balance of payment statement.

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<sup>1</sup> Proposed Presidential announcement on balance of payments. No classification marking. 3 pp. Kennedy Library, Ball Papers, Ball Telephone Conversations, Balance of Payments, 1963, Box 1.

Particularly, we can't do it at a moment it's schedule now when Averell is in the Kremlin.

CK: This is mad. You mean this is all in Doug's statement?

GB: Yes, I'm sure.

CK: This is absolute madness.

GB: If we want to follow a program of moving troops around, it should be done fairly quietly and certainly with no reference to balance of payments. This is ridiculous.

CK: Yes. Didn't you say to Doug in the flatest terms that this couldn't be done.

GB: I didn't, no. He just threw this thing in at the last minute and I didn't comment.

CK: I would suggest you say to Doug you want the statement for comment. You understand the President is going to wait on it and it seems to me this is the kind of thing which Dean would simply write a little note, saying it's impossible.

GB: Yes. I think we have to hit this one head-on. The problem we're in, you see, is that the deal that's been made between Dillon and McNamara, I am sure, is that Bob says he can't get any of these things done unless he tells them under Presidential mandate to do it for balance of payments reason. Therefore, he wants it announced as a part of the balance of payments program. Dillon is telling me now unless we put this in the Hill is going to make us do it. This is utter garbage. All this would do is add cumulus to get the boys home. I think we get out a balance of payments statement which has some very good things in it. He certainly has come a long way along the route you and I would like.

CK: I'd like to see it.

GB: Well, let him tell you about it.

CK: Sure.

GB: But this troop thing has got to be out of there.

CK: Right.

GB: Otherwise, we're going to be negotiating from weakness and we're going to demoralize the Alliance.

CK: This is perfectly clear it's mad.

GB: Now, the question is how are we going to mobilize Harriman when he can be useful. I don't want to get him into this act yet.

CK: No. You see the real thing is, I think, you have to nail this standstill down. The President and Walter talked about it and I was there yesterday. Walter urged that he make no statement for two more weeks; that he hold it up so that he can get into the discussion; he's going to Paris and what's the hurry? I think Walter's perfectly right.

I think you can always get a procedural handle, so why don't you start out this way?

GB: I think maybe what I should do is to give Doug a little memorandum of my second thoughts on this thing. And just make the record that we're not taking this one lying down.

CK: Right. And I think you ought to say you understand that there has been this holdup. You see the President might not be able to hold Doug to it if Doug doesn't raise the issue. But if Doug raises the issue, it will come back to him.

GB: I'd just as soon not say I know about the holdup.

CK: You don't think so?

GB: No. Just say to Doug this is my feelings.

CK: Maybe I ought to call Doug about the holdup.

GB: All right. But don't indicate that you know anything about . . . that I talked to you.

CK: OK.

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### 333. Letter from Ball to Dillon, July 9<sup>1</sup>

July 9, 1963

Dear Doug:

Since our conversation this morning, I have given further reflection to the balance-of-payments program that would be included in the President's press statement. As I told you, I think most of the program is excellent provided that, as you suggested, the action of the Federal Reserve in increasing short-term rates can be done in such a manner as to avoid deflationary consequences.

I mentioned to you, however, that I was troubled by the inclusion of a statement regarding military redeployment in the President's statement. Further reflection has only served to intensify my concern. It seems to me that the statement should omit any reference to military redeployment for the following reasons:

1. The statement is scheduled to be issued while Averell Harriman is in Moscow negotiating with Chairman Khrushchev. Any suggestion that the United States is reducing its military exertions overseas for

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<sup>1</sup> Ball's concerns about President's statement on balance of payments. Secret. 4 pp. Department of State, Central Files, FN 12 US.

balance-of-payments reasons would inevitably appear as evidence of weakness.

2. Not only would this appearance of weakness impair our bargaining position with the Soviet Union, it would cause apprehension among our NATO allies. Many Western Europeans are already nervous about the Harriman talks, and I doubt that the Gaullist Government would resist the temptation to exploit the built-in suspicion, particularly on the part of the Germans. The announcement of troop deployment—no matter how phrased—could easily be served up as confirming the General's prediction regarding American staying-power in Europe.

3. You indicated that the statement would not spell out the manner in which we would effect a saving of \$300–400 million a year in foreign exchange in connection with our defense effort. But I am afraid that uncertainty would be more likely to create suspicion than allay it, since each area of the world would be likely to feel that it would be affected by redeployment. I have the dismal feeling that on the morning after a Presidential statement regarding measures to achieve a foreign exchange saving of this magnitude our doorstep would be crowded with Ambassadors.

4. Even if we phrased the statement merely in terms of "economies" on our overseas defense operations, I doubt that this would do much to allay suspicion, since economies of the magnitude of \$300–400 million a year would clearly be a signal of substantial troop redeployment.

5. I think, on balance, that there are grave dangers in any public justification of troop redeployment on balance-of-payments grounds—whatever may be the internal basis for our action. After all, defense is a matter of life or death, and this Administration should never repeat the Eisenhower Administration's mistake of suggesting that our defense posture should be dictated by any considerations other than our national security. It would, in fact, be particularly unbecoming for the Kennedy Administration to announce that it was adjusting its defense arrangements for balance-of-payments reasons, since the President played a leading role in 1958 in chastising the Eisenhower Administration for—as he put it—placing "fiscal security ahead of national security".

The President said: "We tailored our strategy and military requirements to fit our budget—instead of fitting our budget to our military requirements and strategy". The President referred to an alleged quotation from Lenin "that the destruction of the capitalistic world would come about as a result of over-spending on arms." After pointing out that Lenin never made this statement, he said: "I should think that in the future it would rank high among the slogans which had proved to be useful in the effort to destroy the capitalistic system." Finally, he said, "Surely our national security overrides budgetary considerations . . . ."

6. What the President said then about budgetary considerations would, it seems to me, apply *a fortiori* to considerations of our balance of payments, since informed Americans will know that there are a number of other measures that can be taken to achieve balance-of-payments equilibrium besides troop redeployment.

I do not think the difficulty could be avoided by any disclaimer that the proposed redeployment would impair our military strength. If that were true, the public would certainly ask why these actions have not already been taken without regard to balance-of-payments considerations.

In making these comments, I do not wish to appear as opposing a carefully-developed program of economies in our foreign exchange expenditures in connection with our defense arrangements, provided such a program can be developed without causing either military or political damage to the American position. But we should never announce such a program. We should undertake it quietly, seeking, so far as possible, to accomplish these economies as routine operations, undertaken in local situations in the interests of modernization and improvement of military strength. Any Presidential announcement of a world-wide program of military redeployment, undertaken out of weakness due to the deficit in our balance of payments, would be extremely costly to our national interest.

Yours ever,

**George W. Ball**

**334. Memorandum of Conversation, July 15, among Rusk, McNamara, and Ball<sup>1</sup>**

July 15, 1963

## SUBJECT

DOD Balance of Payments Proposals

## PARTICIPANTS

Secretary Rusk

Mr. Ball

Mr. U. Alexis Johnson

Mr. Jeffrey C. Kitchen

Mr. Robert Schaetzel

Mr. Seymour Weiss

Secretary McNamara

Mr. William Bundy

Mr. Robert Kovarik

1. In the absence of the Secretary, who was detained, *Mr. Johnson* opened the meeting by referring to the DOD proposal regarding Spain. *Mr. McNamara* stated it was intended that the F-102's should be offered to the Spaniards on a grant, not a sales basis, for a total cost to MAP of \$20 million. (In answer to *Mr. Weiss'* question, *Secretary McNamara* indicated that the \$20 million was on the assumption that the aircraft would be declared excess.) *Mr. Johnson* asked whether it would not be feasible to keep one of the three squadrons in Spain, manned by the US if that might be indicated in the base negotiations in order to deal with Spanish desires for an American "presence." *Secretary McNamara* replied in the negative stating that he would prefer, if necessary, to move out of Spain entirely, rather than keep one US squadron stationed there. However, he believed that the Spaniards would want the F-102. He also pointed out that the AC & W system would also be turned over to Spain. *Mr. Weiss* asked whether, in the event our withdrawal resulted in Spanish refusal to renew the other base rights facilities which we were now in process of attempting to renegotiate, (specifically including the Naval facilities) DOD was prepared to pay this price. *Secretary McNamara* said that if it came to that he would be.

2. (At this point the Secretary arrived.) *The Secretary* complimented the DOD effort, indicating it reflected a political awareness on the part of Defense staff. As a result the proposals advanced were manageable, though there were a few problems. He was particularly concerned, however, that the proposals not be treated as a package, but rather as individual undertakings.

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<sup>1</sup> "DOD Balance of Payments Proposals." Top Secret. 11 pp. Department of State, Secretary's Memoranda of Conversation: Lot 65 D 330.



3. *The Secretary* then turned to Japan asking whether in this case, as well as Spain, it made any particular difference to Defense whether or not we explicitly turned over to our Allies the responsibility for air defense, thereby apparently detaching ourselves from our Allies. He pointed out that it would be advantageous from a political point of view not to have to do so. *Mr. McNamara* stated that he was sorry Defense had raised the issue, particularly in connection with Japan, in this way. He said this was not DOD's intention and particularly, as the Secretary had pointed out, in light of our continuing presence in Japan with large fighter aircraft units there was no need to do so. He said the Memorandum to the President would be changed to strike this proposal.

4. With regard to Spain, *the Secretary* asked whether there was any evidence that the Spaniards had asked for the F-102's. *Mr. McNamara* replied that we had no definite information. *Mr. Bundy* stated that he believed the Spanish would like to have the aircraft and that Defense had asked General Donovan to obtain a better appreciation of the problem. *Mr. Johnson* raised the question of the relationship of the proposal to the current base negotiation. *Mr. Bundy* agreed with *Mr. Johnson* that the aircraft proposal should be made a part of the total negotiation. *Mr. McNamara* stated that we should approach the Spaniards as soon as possible at least on the B-47 portion of the proposal, perhaps indicating as a part thereof that we were planning on re-deploying our fighters. *The Secretary* asked whether a military level approach, first, would be wise. *Mr. McNamara* said that the discussions should be in Madrid (moving it out of the hands of the Spanish Ambassador in Washington) with the US Ambassador participating to the extent and in the manner he deemed most suitable. *The Secretary* asked whether in *Mr. McNamara's* judgment, from a military point of view, the Soviets would be unlikely to attempt to attack Spain with aircraft in the event of war. *Mr. Johnson* pointed out that Soviet aircraft would have to transit wide areas of friendly territory before getting to Spain. *Mr. McNamara* stated that if the Soviets attacked with aircraft they would probably only do so after a missile attack. *The Secretary* summed up by saying that we were prepared to take the proposal up with our Ambassador checking as to whether the Ambassador or our military should try the proposal out on the Spaniards.

5. *The Secretary* then moved to the Icelandic issue, querying whether the F-102's had been requested by Iceland. *Mr. Kitchen* explained the change in Icelandic attitudes toward NATO and the US and the high importance which was attached by our Ambassador and military commanders in the area to a continuance of US presence in Iceland, if we were to retain effective working relationships between the two countries. *The Secretary* asked *Mr. McNamara* how we would handle

Soviet vessels in the area. *Mr. McNamara* said probably not with the F-102's, which he reiterated had very limited military utility. *Mr. McNamara* went on to point out that if this proposal presented serious political problems he was willing to strike it from the list since it represented an item of low priority. He hoped, however, we would be willing to check this out with our Ambassador. *The Secretary* and *Mr. Johnson* reiterated that it was our full intention to do so.

6. *The Secretary* then turned to the question of the contraction of the European LOC. *Mr. McNamara* stated that Defense may have been misleading in their presentation. He stated that they had no intention of introducing German personnel into France as a part of this proposal (though German participation was otherwise being sought as a part of other proposals), and, thus, no negotiation with the FRG was involved. With regard to the question of shipping back supplies, he stated that he hoped that there would be material to ship back (quoting a figure of 100,000 tons), though he stated that the information on this was very incomplete and that he was not sure whether there would be anything worth shipping home. In any event, he stated that any shipments home would be checked with the State Department in advance. *The Secretary* stated that his concern went to visualizing a half-dozen ships being loaded with tanks which would imply a major US withdrawal. He said he assumed that attrition would take care of part of the stocks, that we would try to sell part to our Allies and that only then would we ship home. *Mr. McNamara* confirmed this and reiterated that even under these circumstances any shipments would be checked with State. *Mr. Kitchen* asked, for information purposes, how and whether we would retain the LOC, under the Defense proposals. *Mr. McNamara* pointed out that the LOC was built to meet World War requirements. He stated we have no intention of carrying out a long conventional war in Europe. We do not need more than 90 days reserve for approximately 25 divisions. *The Secretary* asked whether we were, therefore, prepared to close out these facilities. *Mr. McNamara* said we were. *Mr. Weiss* asked whether this meant that if the French were desirous of taking over the facilities we would be willing to turn them over. *Mr. McNamara* said that we should begin to thin down our capability, pointing out that there was something of the order of 6000 out of the 230,000 people involved and he thought we should approach the French and talk about thinning down, but reserve on turning over the facilities if the issue arose.

7. In the foregoing connection, *Mr. McNamara* asked if he might digress for a moment to outline to the Secretary a proposal that he had in mind. He stated that we would soon be in a position to carry out large scale military redeployment exercises to Europe and the Far East. Sometime between October 15 and January 1, he would like to deploy

a full division and a full CASAF to Europe. The purpose of this move would be to (a) test our system, (b) demonstrate our capabilities to our Allies and (c) demonstrate our capabilities to the Soviets. He noted that we had 2 divisions of equipment stockpiled in Europe and the deployed division would be matched with this equipment. He said he would subsequently like to have a similar movement to the Far East, possibly Korea, and then perhaps next year undertake a two division movement. He said that our capability for undertaking such action was in part due to increased airlift, in part to long range fighter aircraft capabilities, and in part to increased Army stocks of equipment. He said that he hoped, within the next 10 days, to have a paper for review and concurrence by the Secretary which would then permit our Ambassadors to talk to the German, French and British about these deployment exercises. This might be useful, politically, in discussing the redeployments growing out of the balance of payments considerations.

8. *The Secretary* shifted the conversation by asking if the Soviets were to withdraw all forces from Hungary and one-half of their forces from East Germany whether this would make a significant difference, militarily, to the US. *Mr. McNamara* stated that he doubted that it would because of the NATO assumption of very rapid redeployment capabilities on the part of the Soviets (an assumption about which he had some personal doubts). He said he would, however, want to check this with the Chiefs.

9. With regard to the LOC proposal, *the Secretary* stated that we should send some people over to explain to our Ambassadors (in France and Germany) what the proposal involved. He did not feel that a cable would be suitable. *Mr. Ball* stated that we should avoid tying the adjustments to the gold flow rather attributing it to increased efficiencies or such other factors. *Mr. McNamara* agreed. *The Secretary* and *Mr. Ball* then exchanged views as to what might be said in a general statement on balance of payments, with *Mr. Ball* suggesting that we should avoid any mention of a dollar figure. *Mr. McNamara* stated that this was not needed, though he thought we should say that foreign exchange costs attributable to Defense were coming down.

10. *The Secretary* mentioned that in contacts with Ambassadors, discussion should be limited solely to the proposals which related to the Ambassador's country in order to avoid discussing the entire package. *Mr. Johnson* stated that this was our intention.

11. *The Secretary* then returned to the problem of Japan, stating that *Mr. McNamara's* earlier remarks had clarified the DOD proposal regarding a shift in air defense responsibility. With regard to the problem as to which base would be placed on a stand-by basis, *Mr. McNamara* indicated that to accept Itazuke would require a serious reduction in operational capability, but that if this provided important political

benefits he would be willing to live with it. In connection with the proposal to redeploy fighter squadrons from Japan, *Mr. Weiss* alluded to the fact that *Mr. Gilpatric* and Ambassador *Reischauer* had given recent reassurances to the Japanese that US forces would not be redeployed from Japan, and in this connection, asked how quickly *Mr. McNamara* felt it necessary to move with his proposal. *Mr. McNamara* said that he hoped to make the move over the next 12 months, but indicated that he appreciated that there was a need for careful handling of the proposal.

12. *The Secretary* touched briefly on the contractual services problem. *Mr. Kitchen* pointed out that our concern was that various reductions in contracts, hiring of personnel, housing, etc., not be concentrated in one area at one time. *Mr. McNamara* stated he thought this was no problem.

13. *The Secretary* then turned to MAP/OSP calling attention to the precautionary note in the State memorandum. He stated, however, that having been subjected to Congressional inquiries on this and related matters, over the past few days he was not too enthusiastic about protesting OSP. *Mr. McNamara* stated he was flatly opposed to additional OSP, though he agreed that he could not object to reviewing each case on its merits. *The Secretary* referred to the Church Amendment. *Mr. Ball* stated that the President was concerned and felt that the entire problem could become politically acute. *Secretary McNamara* stated that our position should be that OSP is being phased out except for prior commitments. *Mr. Bundy* said he thought we had a strong case. *The Secretary* said it was strong to us, but not the man in the street or Congress.

14. With regard to oil procurement, *the Secretary* asked where the most came from. *Mr. McNamara* said Venezuela, but that Defense would not cut down in any sensitive areas without State concurrence. *The Secretary* asked whether this might not be handled as an operational matter rather than a matter of policy. *Mr. McNamara* said by all means, but even so he wished to check it with State. He pointed out, for example, that over the last year purchases from the UK were up 4 to 5 million. *The Secretary* said it would not bother us to see such purchases cut back, though he preferred that this be done on an operational basis.

15. *The Secretary* then turned to the Caribou, asking *Mr. McNamara*, as the expert in the matter, if he were the Canadian Defense Minister what he would say the US commitment was. *Mr. McNamara* stated that he thought it was *Mr. Drury*, Canadian Minister of Defense Production, who was most directly involved in this matter and that he was satisfied with the US overall position. However, he offered to talk further with *Mr. Drury* if this seemed desirable. *Mr. Ball* noted that Ambassador *Butterworth* was in Washington and this might be discussed with him.

*Mr. McNamara* stated that the Army still liked the Caribou, but the Air Force is persuaded that it is not a good aircraft for US needs, and that he agrees with the Air Force. He said it would be at least 12 months before final tests were completed, and that the Army might, during this period, persuade him as to the merits of the Caribou, though he doubted it. *The Secretary* pointed out that we do not have a balance of payments argument to make with the Canadians since we were in a favorable position with them.

16. *The Secretary* and *Mr. McNamara* agreed that the proposal for handling the public relations problem was well taken. *Mr. McNamara* asked who the point of contact with State would be. After it was clarified that *Mr. McNamara* had in mind a single point of contact for the entire balance of payments proposal, including the public relations aspects, *Mr. Kitchen* was designated by State, and *Mr. Bundy* was designated by Defense.

17. *Mr. McNamara* stated he would like to send the memorandum forward to the President with State concurrence, but subject, of course, to review of detailed implementation plans, and subject to an appropriate public relations program. *The Secretary* stated that in addition he would want the condition imposed that the proposals not be treated as an entire package and that publicly they not be related to balance of payments considerations.

18. *The Secretary* and *Mr. McNamara* exchanged views on the problem of Defense representation overseas.

19. The meeting adjourned.

### Attachment

TO

S—Mr. Little

SUBJECT

*DOD Balance of Payments Proposals*

The attached Memorandum of Conversation with Secretary McNamara was prepared with G/PM. The Secretary's remarks have been sidelined in red. May we have your approval prior to distribution.

Approve\_\_\_\_\_

Disapprove\_\_\_\_\_

PARTICIPANTS

FE—Mr. Rice

EUR—Mr. Davis

White House—Mr. Klein  
Defense—General Vogt  
Mr. Rowen  
Treasury—Mr. Dillon

### **Attachment**

TO

U—Mr. Springsteen

SUBJECT

*DOD Balance of Payments Proposals*

The attached Memorandum of Conversation with Secretary McNamara was prepared with G/PM. The Under Secretary's remarks have been sidelined in red. May we have your approval prior to distribution.

Approve\_\_\_\_\_

Disapprove\_\_\_\_\_

The distribution pattern follows:

PARTICIPANTS

FE—Mr. Rice  
EUR—Mr. Davis  
White House—Mr. Klein  
Defense—General Vogt  
Mr. Rowen  
Treasury—Mr. Dillon

### **Attachment**

TO

G—Mr. Heckler

SUBJECT

*DOD Balance of Payments Proposals*

The attached Memorandum of Conversation with Secretary McNamara was prepared with G/PM. Mr. Johnson's remarks have been sidelined in red. May we have your approval prior to distribution.

Approve\_\_\_\_\_

Disapprove\_\_\_\_\_

The distribution pattern follows:

PARTICIPANTS

FE—Mr. Rice

EUR—Mr. Davis  
White House—Mr. Klein  
Defense—General Vogt  
Mr. Rowen  
Treasury—Mr. Dillon

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**335. Memorandum from Kitchen to Rusk, July 24<sup>1</sup>**

July 24, 1963

SUBJECT

Status Report on Balance of Payments and Troop Withdrawals

1. We dispatched cables to Tokyo, Madrid and Reykjavik setting forth the proposed force adjustments and have replies. These, in part, formed the basis of a meeting with Bill Bundy on Tuesday morning where we discussed the following:

a. *Iceland*. In light of Ambassador Penfield's position, Defense is prepared to withdraw from current consideration its proposal to remove the squadron.

b. *Spain*. The preliminary judgment is that the proposal should be politically manageable. The first approach will be through military channels in Madrid; with the Spanish Ambassador here informed as a matter of courtesy. Defense and State are drafting instructions.

c. *Japan*. Ambassador Reischauer expressed the view that the problem is manageable, if there is sufficient advance consultation with the Japanese. There remains the special problem of the Itazuke airfield, but there may be a solution which will meet the Ambassador's persuasive political arguments for closing Itazuke, while at the same time limiting the operational disabilities which are of understandable concern to DOD. (This may involve developing alternate facilities which are available and which the Ambassador believes the Japanese may prefer to do, despite the expense involved, if phasing out Itazuke is thereby facilitated.) We have, accordingly, agreed to draft guidance to permit Ambassador Reischauer to open negotiations with the Japanese and DOD is securing additional detailed military information from the field.

2. *Additional Problems*. Three additional problems warrant notation:

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<sup>1</sup> "Status Report on Balance of Payments and Troop Withdrawals." Secret. 3 pp. Department of State, Central Files, FN 12 US.

a. In connection with Japan, General Smart, head of the USAF in Japan, has come in with a very strongly worded message for Ambassador Reischauer categorically labeling as untrue the DOD contention that planned redeployments would not lessen US ability to fulfill treaty commitments. We are pursuing the matter with Defense and Ambassador Reischauer.

b. Defense has provided an informal indication of the list of phase two adjustments which are being developed in response to the President's request to Secretary McNamara for additional balance of payments reductions. The list, while not as far reaching as we might have expected, does contain some significant force reduction proposals, including removal of the two US divisions from Korea, all B-47's from Europe and the entire complement of 252 fighter and reconnaissance aircraft currently stationed in the UK. In total, Mr. McNamara is shooting for an additional \$300 million in FY 1965 and \$450 million in FY 1966. It is not clear that the list of phase two adjustments will reach these magnitudes so that even more far reaching adjustments may be required in order to make the significant dent on the balance of payments which is desired. While we are taking this into account in our current considerations, the basic confrontation on the issues raised by the phase two proposals must await a more definitive identification by DOD.

c. Defense does not yet have a detailed proposal on the European LOC problem. Accordingly, we have not been able to dispatch anyone to brief Chip Bohlen, as you suggested. In the meantime, however, DOD is thinking of raising the general problem of European LOC (at least as it affects the FRG) during the imminent McNamara-von Hassel discussions. We are hopeful that this matter can be examined further in the meeting we previously recommended that you have with Mr. McNamara before his departure for Germany. (He leaves Tuesday morning, July 30.)

3. For your information, I am attaching the cables sent to the field and the replies received (Attachment A) and the minutes of our Interdepartmental Committee Meeting (Attachment B).



**336. Memorandum from Schaetzel to Kitchen, July 24<sup>1</sup>**

July 24, 1963

## SUBJECT

Balance of Payments and Force Withdrawal

In anticipation of the meeting with Secretary McNamara on Friday, I'd like to set down a few observations which arise out of the President's new request. If the major thrust of the President's recent request of Defense is to accelerate the present program then this is something that we may be able to work out without damage. If on the other hand it is a demand for more far-reaching reductions it seems to me that the following considerations should be borne in mind and that they must condition our judgment regarding cutbacks going beyond those presently under consideration.

We could not be moving into a more difficult period as far as European strategic thinking is concerned. De Gaulle's "nationalization" of French forces, French allusions to the reorganization of NATO, the unilateral withdrawal of the four Belgian battalions, the obscurity and internal contradictions of British defense policy, to say nothing of their imminent elections, all these elements add up to a highly combustible situation. A further factor is the cumulative effect of what the Europeans refer to as the abrupt shifts in US strategic doctrine. Finally, the test suspension treaty and discussions of a non-aggression pact unquestionably will be seized upon in Europe as rationalization for failures to reach agreed force levels or in fact to justify cutbacks from present levels of performance.

In sum, I am baffled by how we combine the following policy objectives: A greater European contribution to a flexible strategy including additional conventional European forces, initiate steps toward a détente with the Soviet Union, and, at the same time, move unilaterally toward significant cutbacks in our present commitments and drift back toward the plate glass doctrine.

A crash cutback program going beyond the carefully prepared and well-thought through Defense program, would seem to me to offer unacceptable risks of unraveling all we have been trying to do with NATO over the last ten years.

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<sup>1</sup> "Balance of Payments and Force Withdrawal." Secret. 2 pp. Department of State, Central Files, DEF 6–8 US/NATO.

Ideally we ought to have Finletter here for the McNamara-Rusk meeting. I intend to suggest to the Secretary the possibility of Finletter accompanying McNamara to Bonn.

September 1963

**337. Memorandum from U. Alexis Johnson to Rusk,  
September 16<sup>1</sup>**

September 16, 1963

SUBJECT

DOD Balance of Payments Reductions: Phase Two

1. We have completed the analysis of the draft memorandum to the President which Mr. McNamara left for you on September 10. (Attachment A). In addition, the DOD, as a separate action not included in the Phase II reductions, has proposed the withdrawal of 6000 combat troops originally dispatched to Europe during the Berlin build-up, "Operation Roundout." (Attachment B). Because the timing of this latter proposal coincides exactly with consideration of the Phase II reductions and since the political effects would similarly be felt during the same period, we are also including our views on this proposal.

2. In summary, our conclusions and recommendations are as follows:

a. A portion of the total savings of approximately \$380 million proposed by DOD (\$375 million Phase II, plus \$4 million Operation Roundout) may well create some foreign policy problems. Nevertheless, since we have proceeded with our analysis on the assumption that it was your desire to exert every possible effort to accept reasonable recommendations for effecting balance of payments savings, to which the President, and all of us, attach such a high priority, we would accept the degree of risk involved in these particular Defense proposals. Included in this category would be such items as: close-out of the B-47 deployment by withdrawal of 40 aircraft from Spain and 40 from the UK, at a total savings of \$37 million; cancellation of planned activation of one squadron of reconnaissance aircraft for Japan, at a savings of \$25 million; reduction by 15% in US personnel in US military headquarters abroad, a savings of \$5 million; plus a reduction in foreign procurement resulting in savings amounting to approximately \$103 million. In this latter category are such items as reduction in employment of foreign nationals, reduction in military construction and some reduction in purchase of foreign POL. Thus, we propose that of the \$380 million savings projected by DOD, we concur in \$170 million. (A

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<sup>1</sup> Analysis of DOD balance of payments reductions. Top Secret. 12 pp. Department of State, Central Files, FN 12.

description of each of these proposals and our analysis of its implication is at Attachment C.) This concurrence would, of course, be subject to DOD agreement to provide us with detailed implementation programs and schedules covering each of the various items to permit us to provide guidance on timing and tactics of presentation to foreign governments.

b. With regard to the remainder of the Defense proposed redeployments, we have concluded that our basic national security posture and foreign policy interests would be so seriously jeopardized through their acceptance that we should not concur in them, but should, in fact, present to the President our view of the probable consequences if they are implemented, strongly recommending against their approval. Included in this category of items are the following: (1) redeployment of US tactical fighter aircraft from Europe (a reduction from 796 to 354), (2) a reduction in US ground forces in Europe, largely in the logistical support category, of 30,000 men, (3) withdrawal of the two US divisions in Korea concurrently with a reduction in MAP support for Korean forces (which will require a reduction in those forces) and (4) reduction in foreign procured POL. All of the foregoing actions are contained in Secretary McNamara's Phase II reduction proposals. In addition, we include in this category of items which should be rejected, the separate DOD proposal for a withdrawal of 6000 combat troops which were part of the Berlin build-up (Operation Roundout). The total savings realizable from this category of items is \$210 million.

3. Our reasons for recommending against acceptance of the reductions described in paragraph 2, are as follows:

a. The withdrawal of the tactical aircraft from Europe (and the Far East) is, in part, militarily justified by DOD by the introduction into US inventories of the F4C aircraft with its substantially increased range. This would, according to DOD, permit basing of these aircraft in the US, with occasional rotation to the European and Far East theaters, and with a rapid redeployment capability to these areas in the event of hostilities.

Since the additional air force reductions in the Far East are relatively insignificant in magnitude, we would *not* propose that the Department take exception to this aspect of the DOD suggestion. The situation is, however, quite different with regard to Europe. Leaving aside entirely the military validity of the concept, we would view the political consequences attendant upon such a massive withdrawal of force to be of the utmost gravity. Even if the technical argument based on the F4C availability can be made, *it will not be politically persuasive*. The primary significance of the US force commitment in the European and Far Eastern theaters is not essentially based upon the intrinsic military utility of these forces, despite the fact that they do in fact have a highly important military significance. Their principal importance has always

been associated with the dramatic and unequivocal political commitment to the defense of Free World interests in these areas which they symbolize. We have, in effect, through this device guaranteed to our Allies in Europe and the Far East an immediate and massive US involvement in any outbreak of hostilities with the Communist bloc. This evidence is required no less today than in the past. Indeed, with various key Allies critically surveying our actions and motivations in connection with recent developments in East-West negotiations, *a massive removal of US military air presence located in Europe (even though sizable US ground forces would remain in the theater) might well be interpreted as the beginning of a major US disengagement* from the area. It might also be expected to give rise to speculation, abroad and in the US, that it represented a tacit if not explicit agreement between the US and USSR. Particularly if the Soviet Union, independent of our actions, effects certain force withdrawals from the satellites (this is predicted in some quarters), the notion of US-USSR collusion will be even more difficult to confront. With those such as DeGaulle, predicting precisely such a development, our ability to hold our multilateral and bilateral alliance structure together would be seriously impaired.

There is one further point related to the NATO aircraft. The aircraft in question are committed to NATO. There is at least a question in our minds as to whether their deployment to the US, even if they remained technically committed to SACEUR, would fulfill either the spirit or the terms of that commitment. If judged by our Allies or SACEUR not to be consistent with our NATO commitments this would represent the first time since the institution of the Alliance that the US had withdrawn forces committed to NATO, leaving a major void in our military commitment.

b. With regard to the ground force reduction of 30,000 men in Europe, it is important to understand that, even though largely concentrated in the logistics area, such a reduction is likely to have widely adverse consequences.

First, its very magnitude will raise a question of US disengagement. Granted that there has been a widespread feeling that US Army support was excessive in relation to combat numbers, it would be difficult to portray a reduction of this magnitude, coming on top of previous streamlining actions, as based solely on the foregoing consideration. Indeed, this is not the sole explanation for the proposed action. Though not pointed up in the DOD Memorandum to the President, we gather that implementation of this proposal involves a *de facto* and significant alteration in our previous strategic doctrine. Specifically, it involves acceptance of the widely held European view (heretofore vigorously rejected by the DOD) that the forces on the ground in Europe should place reliance on the use of nuclear weapons to meet any attack which

is not preceded by an extensive period of warning and with consequent opportunity for mobilization. Thus, e.g., the German divisions in the line are not normally at full strength, but instead depend upon availability of warning to fill out the existing deficiencies. Under the revised concept embodied in Secretary McNamara's proposal, DOD would be depending upon no less than two weeks of strategic warning as compared to the instantaneous responsive capacity of present forces.

In other words, the combat capability of US forces stationed in Europe to meet a conventional attack by the Communists, which was not preceded by significant warning time, would be *significantly degraded*.

As we understand it, Defense would not overtly admit that the 30,000 man reduction represented a fundamental change in our strategic doctrine (indeed, if even admitted in closed US councils) out of fear that such an acknowledgement would result in still further European short-falls below the resulting downward adjusted NATO goals. Our view is that in addition to the politically impressive numbers involved, which in and of themselves can be predicted to create major political problems, we are not at this point persuaded that the political and military implications involved in accepting the revised strategic doctrine implicit in the DOD proposals, permit us to accept it as consistent with US national interests.

c. Finally, in the NATO area, there is the proposed withdrawal of the 6000 combat troops which remain from last years Berlin crisis augmentation (Operation Roundout). (Attachment C). The accelerated withdrawal of these troops (at a savings of \$4 million in FY '64) would be particularly disruptive at this time:

(1) They would be the first sizable *combat* land forces which the US would have withdrawn. (You recall that you drew a sharp line against large combat force adjustments in your letter to Secretary McNamara of June 7, 1963.) (Attachment D).

(2) Allied and especially German concern over the possible hidden implications of US-USSR negotiations, noted in 3 a. above would be particularly pertinent in this case.

(3) The FRG sensitivity and concern which was evidenced over the removal of 600 troops from Berlin would unquestionably be reactivated and intensified.

However, since these forces are above and beyond our NATO commitment and could logically be justified for return as soon as a less fluid and unstable political situation is achieved, we would recommend our acknowledgement to DOD of a willingness to accept the present schedule for withdrawal (by end FY 1964) and even would be prepared to keep under constant review the possibility of accelerat-

ing that time schedule, should the political climate warrant such action. (Note: This item which, as previously noted, was submitted as a separate proposal by DOD and not as a part of the Phase II reductions, would not be raised with the President, as recommended below for other items, unless Mr. McNamara felt it desirable to do so.)

d. You are cognizant of the range of very serious problems associated with the proposed removal of the two divisions from Korea, together with a reduction in Korean force levels. (To refresh your memory, attached is the letter sent to General Taylor last May. Attachment E).

[*text not declassified*]

Our concerns with the proposal are several:

a. The effect of the foregoing upon our position in Japan (given Japanese aversion to nuclear weapons this policy adjustment could trigger a major reassessment of Japanese policy toward the US), the Far East in general and other areas of the world populated by the colored races, could be far reaching.

b. The removal of two US divisions could adversely effect our ability to exercise control over the internal situations in Korea. The present junta government in Korea contains untrustworthy elements some of which may be pro-Communist, and we would find it hard to maintain the UN command, and its authority, if we withdrew our divisions. Military rule has introduced factionalism into the ROK command. The UN command is needed to moderate that factionalism; we dare not increase the risk that important elements of the ROK armed forces may fall into armed conflict against each other. Moreover, we must be able to use fullest possible US influence to prevent ROK forces from being used to perpetuate military rule if it becomes apparent that the populace would revolt rather than accept it.

c. [*text not declassified*] All this would feed directly into the hands of Peiping's anti-US racist propaganda, would weaken our friendships and alliances throughout the area, and would induce accommodation to the Communists. [*text not declassified*]

d. Our two divisions and the United Nations command give us opportunities for exercise of control at the 38th parallel we cannot afford to surrender. Otherwise the present or prospective ROK leadership might, advertently or inadvertently, get into a border clash with the Communists. Alternately, a tempting opportunity might be presented to North Korea if ROK forces fell to fighting each other or the civil populace. [*text not declassified*]

e. The balance of payments savings cited by DOD are *not net savings to the US Government*. A very large proportion of these savings would have to be offset by US input through aid, given the direct dependency

of the South Korean economy on US resources. With the prospect of sharply declining appropriations for foreign aid, it is not clear how the additional burden could be met.

We have considered the feasibility of a one division withdrawal. While the availability of additional strength stationed in Asia but ready for flexible employment rather than being tied down in Korea, is appealing, it appears any withdrawal from Korea would remove the US forces from the Far East area entirely. (There is no readily available place for a division with the possible exception of the Philippines which would aggravate the balance of payments problem). The political visibility associated with a flexibly deployable force stationed in the Far East would thus not be gained.

Nevertheless, for tactical reasons you may wish to agree to further exploration of a one division adjustment.

f. Finally, the proposal for reducing still further POL imports from overseas will hit particularly in the Caribbean area. You are fully familiar with the Venezuelan political problem which we believe should not be further endangered by a prospective loss of US oil revenues. Of the \$35 million POL balance of payments reduction we are assuming that \$20 million will be attributable to the Caribbean area, principally Venezuela. This reduction should not be approved.

4. The DOD proposals, which we strongly recommend not be approved, in perspective, appear to suggest:

- a. Withdrawal of over 50% of US air forces from Europe.
- b. Reduction of about 15% of existing ground force strength.
- c. Withdrawal of over 100,000 US military and dependent personnel, primarily from Europe.
- d. A partial alteration in our existing NATO policy in support of high conventional force capability as contrasted to European desire of continued reliance on nuclear weapons.
- e. A major alteration in our Far East military posture, with implicit, if not explicit, increased reliance on nuclear weapons.

f. Possible serious injury to our relations with certain Latin American States,

—with all of the foregoing resulting in the—

g. realization of net balance of payments savings probably totalling less than \$150 million.

The price seems inordinately high in relation to the benefits.

5. Before jeopardizing the basic US security posture for such relatively modest balance of payments savings, we must first be satisfied that such savings will in fact accrue, and second we would think that other fiscal and monetary measures, however distasteful, should first



be implemented. Although Defense has not afforded a precise breakdown of figures, it is clear that the greatest portion of the recommended savings in Europe would fall in Germany where we have an offset agreement which the Germans would certainly adjust downward as the US reduced its military expenditures. The Defense staff argues that it cannot foresee future large purchases of US equipment by the Germans, but the history of modern military budgeting demonstrates few lulls in spending for military equipment. Indeed, the modernization of military forces seems to require continuous increased spending for ever more costly weapons systems. In connection with other fiscal and monetary measures, we think it important that you offer to the President an alternative package, embodying detailed programs for implementing such measures, for Presidential approval in order to provide the President with alternatives to the Proposed military cutbacks.

6. Consistent with the foregoing conclusions, we would propose the following:

a. That you indicate, first orally to Mr. McNamara, but then directly in writing to the President, your views as to the seriously adverse consequences of the more far reaching DOD proposals, recommending against implementation of these proposals (while at the same time concurring in proposals totalling almost 50% of the value of the package).

b. Indicating further to the President the relative advantage of attempting to solve or alleviate the balance of payments problem through adoption of other techniques as a first preference before turning to the drastic adjustments contemplated in our security position. In this latter connection, we would recommend that you offer to provide for Presidential consideration within the next thirty days specific and detailed proposals with a time schedule for their implementation.

*Recommendation:*

a. That you meet with Mr. McNamara to [discuss] your views, and

b. That you sign the attached Memorandum to the President which expresses views consistent with those set forth in the preceding paragraphs and which recommends a meeting with the President and other appropriate officials to discuss the foregoing proposals.

**Attachment**

Mr. McGeorge Bundy  
The White House

The Secretary asked me to send you the attached unsigned memorandum from him to the President on the military aspects of the balance

of payments drain. This is the question which the Secretary plans to discuss with the President and Secretary McNamara tomorrow afternoon from 4:00 to 5:00.

**Benjamin H. Read**  
*Executive Secretary*



Military Assistance	1961	1962	1963	1964	1965	1966	1967	1968
Program:	(Actual)	(Actual)	(Est.)	(Est.)	(Est.)	(Est.)	(Est.)	(Est.)
Offshore Procurement	131.0	101.1	122.0	105.0	77.0	51.0	30.0	18.0
NATO Infrastructure	104.4	35.3	89.0	75.0	74.0	72.0	70.0	70.0
Other	76.0	91.3	108.0	83.0	84.0	65.0	55.0	50.0
Sub-Total	311.4	227.7	319.0	263.0	235.0	188.0	155.0	138.0
Total Expenditures	2,722.2	2,635.1	2,739.0	2,671.0	2,376.0	2,095.0	2,047.0	2,017.0
RECEIPTS	375.2	898.6	1,275.0	1,000.0	1,000.0	1,000.0	1,000.0	1,000.0
Net Adverse Balance (DOD)	2,347.0	1,736.5	1,464.0	1,671.0	1,376.0	1,095.0	1,047.0	1,017.0
OTHER EXPENDITURES (AEC and Other Agencies included in NATO Definition of Defense Expenditures)	343.5	278.1	250.1	134.0	88.0	47.0	26.0	7.0
Net Adverse Balance (NATO Definition)	1,024.0	2,014.6	1,714.1	1,805.0	1,464.0	1,142.0	1,073.0	2,690.5

<sup>a</sup> Includes expenditures for goods and services by non-appropriated fund activities.

<sup>b</sup> Assumes personnel reductions, following FY 66, will equal annual wage increases.

Table 2

U.S. AIR FORCE TACTICAL AIRCRAFT WITH HOME BASES  
OVERSEAS  
(Number of Aircraft)

	As of End FY '66			
	As of 1 Sept. '63	As Apprv'd 5/15/63	After 7/16/63 Adjust.	After 9/10/63 Adjust.
EUROPE				
France				
RB-66 (Incl. Brown Cradle)	39	12	12	12
RF-4C	—	36	36	36
RF-101	<u>48</u>	<u>48</u>	<u>48</u>	<u>—</u>
Subtotal	87	96	96	48
Germany				
F-100	75	75	75	—
F-102	78	66	—	—
F-105	150	150	150	—
F-4C	—	—	54	144
RF-101	16	16	16	—
RF-4C	<u>—</u>	<u>—</u>	<u>—</u>	<u>18</u>
Subtotal	319	307	295	162
Netherlands				
F-102	20	20	—	—
F-4C	<u>—</u>	<u>—</u>	<u>18</u>	<u>18</u>
Subtotal	20	20	18	18
United Kingdom				
F-100	150	50	150	—
F-101	66	—	—	—
F-4C	—	175	75	54
RB-66	36	—	—	—
RF-4C	<u>—</u>	<u>36</u>	<u>36</u>	<u>18</u>
				(Rot)
Subtotal	252	261	261	72
Spain, Italy, Turkey				
F-100	54	36	18	18
	(Rot)	(Rot)	(Rot)	(Rot)
F-102	40	40	—	—
F-105	<u>18</u>	<u>36</u>	<u>36</u>	<u>36</u>
	(Rot)	(Rot)	(Rot)	(Rot)
Subtotal	112	112	54	54
TOTAL EUROPE	<u>790</u>	<u>796</u>	<u>724</u>	<u>354</u>

## PACIFIC

## Japan

F-100	68	75	36	36
	(18 Rot)		(Rot)	(Rot)
F-102	60	40	—	—
F-105	75	75	75	75
F-4C	—	75	—	—
RF-101	16	16	16	16
RF-4C	<u>—</u>	<u>18</u>	<u>18</u>	<u>—</u>
Subtotal	219	299	145	127

## Okinawa

F-102	26	26	—	—
F-105	75	75	75	75
F-4C	—	—	18	18
			(Rot)	(Rot)
RF-101	16	—	16	16
RF-4C	<u>—</u>	<u>18</u>	<u>—</u>	<u>—</u>
Subtotal	117	119	109	109

## Philippines

F-100	25	—	—	18
				(Rot)
F-102	33	33	—	—
F-4C	—	—	36	18
			(18 Rot)	(Rot)
RF-4C	—	18	18	18
				(Rot)
Subtotal	<u>58</u>	<u>51</u>	<u>54</u>	<u>54</u>
TOTAL PACIFIC	<u>394</u>	<u>469</u>	<u>308</u>	<u>290</u>

TOTAL  
EUROPE  
& PACIFIC

<u>1184</u>	<u>1265</u>	<u>1032</u>	<u>644</u>
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# Financial and Monetary Policy

January 1961

339. Paper, January 10<sup>1</sup>

January 10, 1961

## *Proposed Settlement of Vested German Assets Problem*

### *Background*

German (and other enemy) assets located in the United States on December 7, 1941 were vested by the Alien Property Custodian under the authority of the First War Powers Act of December 18, 1941. The present value of the German assets originally vested is between \$300 and \$400 million.

In the Paris Reparations Agreement of 1946 the U.S. and 17 allied nations (excluding the Soviet Union and Poland) agreed to retain vested German assets within their territories as a form of reparations. They also agreed to hold or dispose of these assets in such a way as to preclude their return to German ownership or control.

In 1948 Congress enacted legislation (the War Claims Act) which provided that:

1. Vested German and Japanese assets would be retained by the United States without compensation to the former owners;

2. Priority would be given to using the net proceeds from liquidation of the vested assets for paying compensation to American civilian internees of the Japanese; to American servicemen captured by Germany, Japan and other governments which had failed to provide adequate subsistence as provided by the Geneva Convention; and to certain Philippine religious organizations that had rendered aid to American

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<sup>1</sup> "Proposed Settlement of Vested German Assets Problem." Confidential. 7 pp. Department of State, Central Files, 811.10/1-1361.

personnel. About \$224 million of the proceeds of the vested assets have been used for purposes of the War Claims Act of 1948.

(The 1948 Act did not provide for the payment of war claims of Americans arising out of war-caused property damage but authorized a study of the problem.)

The War Claims Act in effect endorsed the principle of retaining vested assets as provided for in the Paris Reparations Agreement, by utilizing vested German assets to satisfy certain American war claims.

The Paris Reparations Agreement was followed by the Bonn Convention of 1952 between the U.S., U.K., France and Germany for the Settlement of Matters Arising Out of the War and Occupation. This Convention provided that: (1) Germany would compensate its own nationals for the loss of vested assets and (2) the U.S., U.K., and France would not assert any claims for reparations from current production or pending a peace treaty. In the Bonn Convention Germany reserved certain rights to pursue the question of vested assets even though it agreed not to raise objections against measures carried out regarding vested assets. The Bonn Convention was confirmed in the Paris Protocol of 1954, which came into force as a treaty on May 5, 1955.

For the past six years the German Government has been unceasing in its efforts to obtain a return of the German vested assets. Notwithstanding the Bonn Convention, return has become an important political issue in Germany and a continuing irritant in U.S.-German relations. Chancellor Adenauer has frequently intervened with President Eisenhower and other U.S. officials to press the German viewpoint.

Prior to World War II the United States had historically maintained the principle of the sanctity of private property even in time of war. (For example, the Settlement of War Claims Act of 1928 provided for the return of 80% of the property vested in World War I and vested Italian assets were returned to Italy after World War II.) Also, German agreement to American retention of vested assets in the Bonn Convention of 1952 was widely felt by the German public to have been extracted from the Germans at a time when they were in a weak negotiating position. On balance, the Department of State felt that, notwithstanding the undoubted legal rights of the United States, the Germans had a strong moral case.

Accordingly, on July 31, 1957 President Eisenhower announced the intention of the Executive Branch to submit to Congress a proposal to pay in full all United States war claims against Germany and to provide, as an act of grace, an equitable monetary return to former enemy owners of vested assets.

In March 1958 the Executive Branch was prepared to submit to Congress a plan under which (a) \$100 million would be earmarked



from the vested assets account for the payment of American war claims against Germany; (b) natural persons (but not corporations) who were former owners of vested German properties would be compensated up to \$10,000 per claim;<sup>2</sup> and (c) any additional available sums from liquidating the remaining vested assets would be used first to compensate American war damage claimants in the event the initial \$100 million proved insufficient, and second, to pay former owners of vested German properties who might not have received a full return under the \$10,000 program. If the \$100 million proved to be more than sufficient to satisfy all American war claims then the balance would be used for additional payment to former German owners.

This program was to be financed from the proceeds of vested German assets not wholly liquidated, plus an appropriation of \$100 million, representing a substantial part of the proceeds of German assets already liquidated and earlier used for the payment of American claims against Japan.

This plan was never submitted to the Congress because of the objections of the German Government, which felt that the plan would not provide adequately for a return to the larger former owners (i.e., corporations and large owners whose interests exceeded \$10,000). The Executive Branch thereupon decided to submit legislation to settle the American war claims problem alone, hoping in this way to remove one of the chief obstructions to the settlement of the vested assets problem. The Executive Branch had repeatedly informed the Congress that enactment of legislation authorizing the payment of American war claims out of the vested assets account was a necessary pre-condition to any return program. Legislation for this purpose passed the House of Representatives in 1960, but there was not time for its full consideration by the Senate. During the Congressional discussions of war claims it became clear that majority sentiment was opposed to any substantial return to Germany on the vested assets account.

The German Government has continued to press for a settlement of the vested assets problem. Late in 1959 they proposed that payment of the vested assets should be made from the amount owed by Germany to the U.S. under the GARIOA agreement.<sup>3</sup> The principal sum remaining under the GARIOA agreement is now \$787 million to be paid over a period of 27 years at 2½% interest, with no principal payments due during the period 1961–65. The Germans were informed that any payment of vested assets out of GARIOA debt would require approval by

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<sup>2</sup> Estimated cost: \$50 million.

<sup>3</sup> Government and Relief in Occupied Areas. The Agreement of 1953 provided for German payment of \$1 billion, or about one-third of U.S. expenditures.

the Senate of a treaty amending the GARIOA agreement, which was originally approved as a treaty.

In the protracted discussions with the Germans on the vested assets problem the Germans have taken the position that an equitable settlement would be a two-thirds return of assets which they estimate at \$400 million, or a settlement of \$267 million. They have agreed, however, to accept \$200 million as a compromise lump-sum settlement. The position of the U.S. has been that an appropriate settlement would be the sum of the German assets used to pay American claims against Japan, plus whatever assets remain in the German vested assets account after payment in full of American war claims against Germany. Our best estimate is that this total sum would be \$175 million, calculated as follows:

	(In millions)	
Value of present (unliquidated) German Assets Account	\$152	
Less anticipated administrative expense	<u>11</u>	
	\$141	
Minus American war claims (estimated) <sup>1</sup>	<u>100</u>	
Net		\$41
German assets used to pay Pacific claims		<u>134</u>
Total		\$175

<sup>1</sup>Based on estimate of head of Foreign Claims Commission two years ago. There is no assurance, however, that actual validated claims will not be larger.

During the recent discussions with Germany on actions which it might take to assist the U.S. balance-of-payments, the Germans have indicated that they might now be prepared to prepay the GARIOA debt provided only that an amount could be deducted to settle the vested assets problem. This would mean a payment to the U.S. of approximately \$600 million, which would be of very substantial benefit to our present payments position and would also be a substantial savings to the U.S. in view of the very low interest rate and long term provided for in the GARIOA agreement. In fact, viewed as a straight business proposition prepayment of the GARIOA debt would save the U.S. an amount equal to the greater part of the cost of an equitable return on the vested assets.

It is not yet known whether the Germans would insist on conditioning prepayment of the GARIOA debt on approval by the Senate of an offset for the vested assets program, or whether they would be satisfied with a commitment by the Administration to submit an offset treaty to the Senate for approval. If the latter is the case, the Germans would

pay immediately all of the GARIOA debt except that amount determined to be needed for the return program; and only the allocation of the residual amount to the return program would be conditioned upon approval by the Senate.

In its most recent discussions with the Germans, the U.S. has indicated that because of the various political difficulties surrounding the vested assets problem the U.S., in undertaking a specific legislative program for the return of the vested assets, would wish to be assured that Germany would take action not only to prepay the GARIOA debt but also to assist the U.S. balance-of-payments in other fields, including additional military procurement in the U.S. and removal of certain trade restrictions against our agricultural exports. There is reason to believe that Germany is prepared to take these additional steps as a part of an overall package including settlement of the vested assets. They may also be prepared to pay for part of the cost of U.S. military aid programs to Greece and Turkey. An over-all arrangement of this kind would not only be beneficial to the United States but might also dispose the Senate to approve the proposed treaty providing for a return program.

*Recommendations:*

1. It is recommended that, promptly after the new Administration takes office, the U.S. should seek to conclude the current discussions with Germany on the basis of the following principles:

(a) Immediate prepayment by Germany of \$600 million of the GARIOA debt, leaving a residual of \$187 million.

(b) Conclusion with Germany of a treaty amending the GARIOA agreement to provide that the residual of \$187 million be cancelled in full settlement of the vested assets, with a specific understanding that Germany will compensate the private German owners. (The figure of \$187 million would split the difference between the German figure of \$200 million and the earlier American figure of \$175 million. The vested assets account of \$152 million—net \$141 million—would then be used exclusively for the payment of American war claims.)

(c) Action by the Germans in the fields of additional military procurement in the U.S., the elimination of certain trade restrictions to assist the American balance-of-payments and, if possible, German payment for part of the cost of our military aid programs for Greece and Turkey.

**340. Letter from Anderson to Dillon, January 18<sup>1</sup>**

January 18, 1961

Dear Doug:

With the express approval of the President, I am writing you concerning recommendations that this Administration was prepared to make to the Congress but has deferred so that these and other proposals may be appraised in the light of and in coordination with other actions which the next Administration may plan to recommend to the Congress.

As you know, on November 16, 1960, the President issued a directive setting forth measures to be taken by administrative action to reduce the United States balance of payments deficit. In further pursuit of the same objective, the President was prepared to recommend to the Congress to suspend temporarily part of the existing duty-free allowances for returning United States tourists.

The proposal in question would be to suspend for the time being provisions which the U.S. introduced unilaterally in 1948 and 1949 as one way of helping Europe in its post-war recovery. The relative positions of Europe and the U.S. have changed markedly since that time.

The adoption of this proposal by the Congress would lead to an improvement in the U.S. balance of payments which, I believe, would be of significant size.

Under existing provisions of the Tariff Act of 1930, as amended in 1948 and 1949, a resident who is outside of the United States for forty-eight hours or more may bring back up to \$200 in articles acquired abroad without the necessity of paying any customs duties on them. An additional \$300 allowance is available to persons who are outside the United States for twelve days or more. Originally this Act contained only a single \$100 allowance for returning residents. The present \$200 allowance resulted from a 1949 amendment. The \$300 allowance was separately added by an earlier amendment in 1948.

These amendments were approved at a time, unlike the present, when the balance of payments was running heavily in favor of the United States and it was in the interest of the United States to stimulate purchases abroad.

Accordingly, I recommend that a temporary suspension of the increases in such allowances, which resulted from the 1948 and 1949

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<sup>1</sup> Outgoing administration thoughts on possible measures to reduce balance of payments deficit. No classification marking. 4 pp. Kennedy Library, Dillon Papers, Miscellaneous History, Box 41.

amendments, be considered for inclusion in proposals that may be made by the next Administration. In making this recommendation, I am persuaded that such action can be undertaken without impairing our objective of promoting a higher level of world trade through our commercial policies. For the longer run, I continue to recommend the adoption of strong Government and industry programs to attract foreign visitors to the United States. It is recognized that the Congress, in considering this recommendation, will wish to take into account the effect of such a change upon the magnitude of purchases of foreign goods by American citizens, as well as upon the revenues derived from customs duties. It would seem appropriate also to review in this connection the policies followed by other countries in providing allowances and the manner in which changes under consideration might be related to the question of reciprocity.

There is another field on which I hope that action can be taken at an early date. I am thinking of certain tax reforms, some of which also have a bearing on our balance of payments. As the President stated in his Budget Message, there is a continuing need for a reappraisal of the tax system to assure that it operates equitably and with a minimum of repressive effects on incentives to work, save, and invest.

I need not labor the importance of maintaining the level of receipts necessary, over a period of years, to meet our expenditures. Nevertheless, I believe it would be self-defeating long to postpone a review of our present depreciation allowances and procedures with a view to providing more liberal and flexible depreciation. The survey which we have undertaken will, I trust, be of assistance to you and your associates and to the Congress in examining this field.

I cannot at this time make a judgment as to whether the changes should best be statutory or administrative, other than to say that in either event it would be necessary, as the President proposed last year and again in his Budget Message this year, to treat income on disposition of depreciable property as ordinary income to the extent of the depreciation deductions previously taken on the property. Even apart from concepts of equity in tax policy, I am sure you are aware that many of the highly industrialized nations of the world with which we compete have depreciation allowances which are considerably more liberal than those of this country. To the extent that our world position is to be improved by the efforts of a vigorous and healthy private economy, liberalized depreciation may well be one of the most important contributions that can be made in our tax system.

When one considers the level of expenditures and the tremendous needs for revenue to meet our commitments properly, it is apparent that we will be faced with a very heavy tax burden that must be shouldered by the economy for many years to come. Under such cir-

cumstances, even apart from revenue needs, a number of proposals in the President's Budget Message must be pressed lest there be continued substantial tax differentials between competing enterprises that cannot be defended in terms of logic or fairness.

An important area in the tax law which we have had under study, and, as you know, had in mind for corrective legislation, is the present method of taxing income derived from sources abroad. International trade and investment make important contributions to the American economy and basic patterns of operation which have developed over the years should not be discouraged. However, there have been developments in this field in recent years which are cause for concern. These developments have been fostered in part by inadvertences in the tax system and in part by provisions that have been deliberately enacted, but under circumstances differing materially from those now prevailing.

Under present law, a foreign corporation is subject to United States tax only with respect to its income from United States sources, even though it is owned or controlled by American firms and individuals. Since the repatriation of profits derived abroad through such a foreign corporation would result in a United States tax, there is a strong incentive to retain profits indefinitely abroad in foreign tax "shelters" or "havens." It may be noted that the same factors which tend to promote the creation of foreign subsidiary corporations in tax-haven countries also induce a firm to maximize the amount of income derived by such foreign subsidiaries. This has generated practices among inter-related companies by which profits properly allocable to sources within the United States are shifted to sources outside the United States.

Because of these developments and their implications for the revenue, the tax system, and the balance of payments, it would seem appropriate to modify some of the features of the present income tax law. One approach would be to bring within the scope of the United States tax system profits derived by foreign subsidiary companies which are created in countries where tax exemption or other preferences are granted to holding companies or to those engaged in business primarily outside the country in which they are created. To minimize administrative problems and possible conflicts with existing treaty commitments, the tax would be imposed not on the foreign subsidiary corporation as such but on the United States parents of such foreign corporations. Such a tax would be analogous to that now imposed by the Internal Revenue Code to cope with the tax avoidance resulting from the use of foreign personal holding companies.

This proposal should, I believe, be limited to the removal of special tax advantages accruing to companies operating through "tax haven" subsidiaries, which advantages are not available for investments in the

United States. In recommending that legislation be considered in this area, I am mindful that no barriers should be imposed upon investment abroad and further that private investment in less developed countries should be encouraged. In making this recommendation I am persuaded that this is a step that can be taken without impairing our objective of promoting a higher level of world trade and of maintaining freedom from restrictions on capital movements.

Sincerely yours,

**Bob Anderson**  
*Secretary of the Treasury*

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**341. Memorandum from Ball to Rusk, January 30<sup>1</sup>**

January 30, 1961

I am enclosing a memorandum regarding balance of payments negotiations with the Germans, with particular reference to the settlement of the vested German assets question.

I met today with Foy Kohler, Bill Macomber and Ed Martin to discuss some of the political elements that are involved. Foy Kohler is sending you an EUR memorandum evaluating the German political considerations involved in the negotiations and the vested assets question.

**Attachment**

**SUBJECT**

Balance of Payments Negotiations with Germans and Vested German Assets

This memorandum covers two subjects:

1. It responds to your request for my comments on Mr. Dillon's memorandum of January 13, 1961 (Tab B) regarding the present negotiations with the Germans on actions to support the United States balance

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<sup>1</sup> German negotiations on U.S. balance of payments and settlement of vested German assets question. Attached is a February 1 letter from Rusk to Dillon noting reservations about a U.S. commitment to compensate Germany for vested assets. Confidential. 8 pp. Department of State, Central Files, 811.10/2-161.

of payments position. It deals specifically with the question of whether we should accede to the probable German demand for the settlement of the German vested assets issue.

2. It deals generally with the question of the German negotiations.

# I

## *German Vested Assets*

I recommend against the United States undertaking a commitment with respect to the return of German vested assets as a condition for German agreement. I do so for the following reasons:

1. We should, I believe, insist that the Germans take the measures under discussion without requiring as a *quid pro quo* that we satisfy a totally unrelated demand. The actions we are asking the Germans to undertake are consistent with their obligations as a responsible member of the Western community to help relieve our balance of payments deficit which is attributable to the heavy burdens we are carrying for the defense and economic development of the whole free world. It seems to me that we would detract from the logic of our position by acceding to an irrelevant demand of this kind.

2. We are under no legal obligation to compensate the Germans for the vested assets. Agreements made following the war explicitly provide that the United States is to retain the proceeds of the assets and that only the German Government has any obligations to reimburse the owners of the assets. The fact that the German Government has not seen fit to make such reimbursement is not our responsibility.

3. Nor do I believe that there is any moral basis for the German claim. It cannot even be justified on the ground that the proceeds would be restricted to small holders since there is no limitation of the amount which would be payable to any single claimant.

4. The question of the vested assets is, as you know, highly controversial. To agree to a settlement of the assets question along the lines proposed would provoke opposition on the part of Americans with war damage claims against Germany who have not yet succeeded in obtaining legislation to provide for their compensation. In addition, we can certainly expect that a settlement of the German assets problem would evoke renewed pressures for us to settle the *Interhandel* (General Aniline and Film) matter with the Swiss as well as other vested asset problems with the Japanese.

5. If the Administration were to accede to the German request it would then be in a position where it would either have to take the full responsibility for attempting to justify the German assets settlement on legal and moral grounds—which it could not do in good conscience—or disclose to the Congress that the settlement was being exacted by



the Germans as the price for their cooperation in assisting on balance of payments difficulty.

The first alternative would represent a burden that the Administration should not be asked to assume.

The second alternative might very well generate resentment against the Germans which could poison the atmosphere for our whole foreign aid presentation to Congress.

I think it would be unwise for the Administration to accept the onus of defending either position. This feeling is intensified by the fact that the Congress would quite likely refuse to approve the legislation which the Administration requested. It has been suggested that the Germans would be satisfied if the Administration merely sought legislation, even though unsuccessfully. But I do not think that the President should run the risk of having Congress turn him down on such an issue. He will have too many other important battles to fight.

6. To the best of my knowledge there are only three arguments that could be made in support of acceding to the German demands:

(a) The vested assets question is an important domestic political issue in Germany. The granting of the concession would help Chancellor Adenauer in the fall election.

(b) In 1957 President Eisenhower issued a statement expressing his willingness to submit legislation to Congress providing for compensation to former enemy owners of vested assets. The legislation proposed by the Eisenhower Administration pursuant to this declaration provided for an initial return limited to \$10,000 to natural persons. Further payments were authorized in the event an unexpended balance were available after making certain prescribed payments. The German Government rejected it as inadequate.

(c) The urgency of the United States balance of payments deficit problem requires that we take whatever action is necessary to obtain action by the German Government as promptly as possible. It may be contended that we cannot expect a prompt response from the Germans to assist us in this problem unless we agree to concede the German asset question.

7. In approaching this question I do not believe that the Kennedy Administration should feel bound by any statements of policy which President Eisenhower may have made on this question, nor do I think that we should feel committed to any preliminary negotiating positions that may have been taken during the discussions in Bonn. For the Kennedy Administration to risk defeat on such an unpalatable issue seems to me so disadvantageous as to override any countervailing considerations.

8. I strongly recommend that we take a whole fresh look at the problem of negotiating with our allies toward a solution of the balance of payments problem. To the extent possible it seems to me desirable

that these negotiations be undertaken on a multilateral basis. Our bilateral negotiations with the Germans have not produced a happy result so far. Most of the major issues remain unresolved and we are now waiting for the Germans to come forward with concrete proposals.

9. As you know, the President plans to present a message on the balance of payments early in February. In that message he will put forth a new set of measures to ameliorate the balance of payments problem. These will include action through the OECD to obtain commitments from balance of payments surplus countries (particularly Germany) for economic and financial policies to relieve the United States balance of payments situation. I think we might well prejudice our position in multilateral negotiations by establishing the precedent of a negotiated settlement in which we agree to pay for actions on the part of our European partners in an irrelevant currency.

10. I am attaching a suggested reply to Secretary Dillon for your signature.

## II

### *German Negotiations Generally*

During the last ten days I have had private talks with almost all the members of the Senate Foreign Relations Committee and have also had a long visit with Speaker Rayburn. From these conversations it seems quite clear that if we are to be successful in obtaining passage of adequate foreign aid legislation we must be able to produce tangible evidence that our European partners are prepared to carry a heavier burden in this area.

This means that we must press quickly ahead for a resumption of the German negotiations. So far, the Adenauer Government has been uncertain as to the attitude which the Kennedy Administration would take toward German political problems. I think we would be well advised to push forward for a larger German contribution to our common responsibilities before giving the Adenauer Government too many assurances regarding our sympathy for their position on any of the problems which concern us.

With that in mind I have proposed in the attached letter to Secretary Dillon that you, he and I meet very soon to review the whole situation. (Tab A).

I am having a comprehensive background memorandum prepared which I shall send you shortly.

*Recommendation:* that you sign the letter to Secretary Dillon at Tab A.

**George W. Ball**

**Tab A**

Dear Doug:

I have your memorandum of January 13 and attached memoranda relating to the negotiations with the Germans over actions they might take that would assist our balance of payments position. I have taken note of your recommendation that these negotiations be consummated as quickly as possible and, in particular, that the United States be prepared to reach an agreement to recommend legislative action for a limited return program for vested German assets as a contribution on our part to the satisfactory completion of the present negotiations. I am, of course, anxious to have these negotiations consummated quickly and successfully and would hope to proceed with them as soon as the Germans are in a position to translate their broad interest into specific proposals.

I do have substantial reservations with respect to any United States commitment to the provision of compensation for vested German assets. It is my understanding that this commitment would be directly related to the prepayment of the GARIOA debt and that the two items would constitute a separate component of the total package under negotiation. My reservations are briefly as follows:

1. The vested assets question is a highly controversial political issue in the United States and it is questionable whether it is wise or feasible at this time to seek Congressional approval to such a commitment given the past history of the matter. I would be reluctant to endorse a commitment to submit legislation if there were no reasonable assurance that approval for such legislation could be secured.

2. We are under no legal obligation to compensate the Germans for these vested assets. Any act of grace on our part would certainly provoke opposition on the grounds of equity, particularly from Americans with war damage claims against Germany who have not yet succeeded in obtaining legislation to provide for their compensation. In addition, such action would also lead to considerable pressure from the Swiss for the settlement of the Interhandel matter as well as from the Japanese for the settlement of their vested asset problems.

3. Although I regard constructive measures to solve our balance of payments problem as being of the highest importance, it seems to me that the Germans have an obligation to make a contribution to the solution of this problem without the need for any compensatory action on our part. Even if we should prejudice the prepayment of the GARIOA debt by our unwillingness to compensate for the vested assets or to consider the vested assets question as part of a negotiated package, I believe that adherence to this principle would outweigh the relatively

minor contribution that the GARIOA debt prepayment would make to a durable solution of our balance of payments situation or to an improvement in confidence in the dollar.

4. Finally, the new measures which the President will outline in his balance of payments message will, I trust, make a substantial contribution to the solution of our present balance of payments problem. In particular, negotiations through multilateral arrangements, such as the OECD, offer a good prospect of obtaining further contributions from our Western allies in a position to make such contributions. I fear that we might well prejudice our position in multilateral negotiations by establishing the precedent of a negotiated settlement involving compensation on our part.

George Ball and I would welcome the opportunity of meeting with you at your convenience to review the vested assets question as well as the whole subject of the German negotiations.

Sincerely yours,

**Dean Rusk**

February 1961

**342. Memorandum from Rashish to Ball, February 7<sup>1</sup>**

February 7, 1961

SUBJECT

Attached Memorandum on "Tax-sparing" provision in "double taxation treaties"

The attached memorandum from Ed Martin recommends that you approve the Department's continuing support of tax-sparing provisions in our double taxation treaties with less developed countries. I recommend that you give your approval. This has been a Departmental policy and apparently has the approval of President Kennedy (see Attachment B). In any event the Department could ill-afford to revise its policy given the fact that three tax treaties, containing tax-sparing provisions, have been submitted to the Senate Foreign Relations Committee for approval.

There are some aspects of this problem, however, that are worth noting:

1. The past Administration's commitment to tax-sparing came about, as I understand it, as a result of a visit by Secretary Anderson to an Inter-American conference and because of the pressure of a number of Latin American countries for negotiation of tax treaties containing such provisions.

2. It is not at all clear that the Congress approves of tax-sparing or, for that matter, that the Treasury Department will continue its adherence to the policy.

3. The Senate Foreign Relations Committee delayed in giving its approval to the first tax treaty containing a tax-sparing provision (that with Pakistan) and only did so after the Pakistani tax legislation had expired and the tax-sparing provision therefore was no longer operative. Stan Surrey, recently appointed Assistant Secretary of the Treasury for Tax Policy, led the side against the Pakistan treaty. Moreover Wilbur Mills has made plain his opposition to tax-sparing, both on policy grounds as well as on jurisdictional grounds, i.e., he does not like the

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<sup>1</sup> Tax-sparing provisions in LDC double taxation treaties. Attachment provides additional background information. Official Use Only. 8 pp. Department of State, Central Files, 611.00431/2-761.

idea of the Senate enacting what is in effect legislation reducing the incidents of domestic tax on domestic corporations.

4. In view of the above facts it is not at all certain that the Treasury Department's position on tax-sparing will remain fixed. Indeed the Treasury may face opposition from within as well as from Congress in connection with the three treaties now before the Foreign Relations Committee. It is difficult to imagine how Surrey can defend the three treaties before this Committee having waged such a vigorous and successful campaign before the same Committee on the Pakistan treaty.

5. Therefore, although at the present time the Department's position should be reaffirmed by you as a matter of general policy, it would be well to anticipate the difficulties that are likely to arise in obtaining Senate approval for the treaties and in particular the prospect of Treasury Department defection. I would therefore recommend that you talk to Secretary Dillon about his disposition on the matter and determine whether he proposes to hold the line in support of the three pending treaties.

#### **Attachment**

May we have an H clearance on the attached memorandum to Mr. Ball from Mr. Martin on the above subject. We would appreciate your returning this package to S/S by noon, Friday, February 3.

**C.R. Hartley**

#### **Attachment**

##### **SUBJECT**

Background Information on "tax-sparing"

Among the legislative inducements passed by less developed countries to attract new industry, there is typically included reduction or suspension of income tax. If the investors affected by these incentives also pay income tax in the United States, the tax credit provisions of the U.S. Internal Revenue Code will often reduce or cancel the incentive effect of the tax holiday, since the credit allowed against U.S. tax is generally reduced in the same amount that the foreign tax is decreased, leaving the taxpayer's total tax liability unchanged. We seek to remove this frustrating effect of the U.S. tax credit by providing by treaty, in appropriate instances, a credit for the taxes spared, as if the spared taxes had in fact been paid.

There are at present before the Senate Foreign Relations Committee three treaties including such a provision—with India, Israel, and the

United Arab Republic. A brief discussion of the subject of tax treaties, with special attention to the tax sparing feature, taken from the testimony of Dan Throop Smith, Deputy to the Secretary of the Treasury, before the House Subcommittee on Foreign Trade Policy, is attached (Tab A). Passages dealing with tax sparing are marked in red. President Kennedy, in a letter to *Business International*, published in the October 28, 1960 issue (Tab B) declared, “. . . Specific resumes that should be considered include . . . a much more vigorous utilization of tax-sparing agreements abroad.”

There has been some opposition, spearheaded by Professor Stanley Surrey of the Harvard Law School, to the principle of granting credit for taxes spared. An extract of Professor Surrey’s testimony before the Foreign Relations Committee on August 9, 1957 concerning the tax-sparing clause of the Pakistan treaty is attached (Tab C). Neither the Senate nor the Foreign Relations Committee has expressed a position on the principle of tax sparing. The only treaty ever submitted to the Senate providing credit for taxes spared, with the exception of the three now before the Committee, was that with Pakistan (1957). In that case, the Pakistan tax-sparing law expired before the Committee voted on the treaty. The Committee’s report on the treaty called for deletion of the tax-sparing provision on the grounds that it was most, without prejudice to future consideration of the principle in case the Pakistan law should be reenacted. The Senate gave its advice and consent to ratification on the basis of the Committee’s report.

The Treasury Department, in answer to an inquiry from Senator John J. Williams, agreed in October 1960 not to undertake further negotiations of treaties containing tax-sparing provisions until the Senate’s position on the principle was known, except in cases where negotiations were already at an advanced stage. The State Department’s reply to a similar letter (Tab D) avoided making any commitment of this nature.

It has been proposed, as for instance, in H.R. 5 of the 86th Congress (the Boggs Bill) that credit for taxes spared be granted unilaterally by U.S. legislation. The Department of State and Treasury feel that the provision should remain in the field of treaties (or possibly of executive agreements, if statutory authorization were given). If such a credit were authorized unilaterally by tax legislation, the U.S. would relinquish a large degree of the relativity it now exercises over the foreign tax concessions eligible for credit. Moreover, the prospect of tax sparing is the principal inducement we can offer to lose developed countries to enter into tax treaties with us. If this benefit were granted unilaterally, its incentive effect would be lost.

**Tab A**

Extract from Statement of Hon. Dan Throop Smith, Deputy to the Secretary of the Treasury (in charge of Tax Policy), before the Subcommittee on Foreign Trade Policy of the Committee on Ways and Means, House of Representatives, in its hearings on Private Foreign Investment, December 1, 1958.

The basic provisions of the tax law applicable to income from foreign sources are supplemented by a network of 21 income-tax treaties which help eliminate tax barriers to the international movement of trade and investment. Their principal purpose is to set forth agreed rules of source, either explicitly or implicitly, through reciprocal tax-rate reductions and exemptions, which reduce the cases in which two countries impose tax on the same income without either one giving recognition to the tax imposed by the other.

Let me illustrate the problem.

While we allow a credit for the tax imposed by country X on income derived in that country, our concepts of source may differ from those accepted in the foreign country. As a result, there may be a flow of income to an American firm which is considered under United States law to be income from sources within the United States, but which under the laws of the foreign country may be considered income from sources within its borders. Both countries would impose a tax on that income, but we would not allow a credit for the foreign tax, since the income does not have its origin in that country so far as the United States law is concerned.

With tax rates as they are, the combined tax burden in such a case might well exceed the total income involved. This problem arises, in greater or lesser degree, in connection with various types of international transactions, including trading activities, the rendition of personal services, licensing arrangements, and the like.

Mr. Chairman, if I may, I would like to emphasize the importance of this point I have just mentioned. It is often, I think, overlooked in discussions on the subject and thought of as simply something of a technical nature to be worked out. But it is a thing that does call for bilateral agreements for each country to accede to some degree in its basic concepts. We regard it as a key element in our treaty program, and that is one reason why we are anxious to extend the treaties.

Of late we have undertaken another step in connection with the tax-treaty program which holds considerable promise of facilitating the international movement of investment. I refer to the credit for tax incentives or tax sparing which some less-developed countries have chosen to use as part of their programs to attract capital and know-how from abroad and to encourage reinvestment of profits.



The tax-credit mechanism designed to achieve equality of tax burdens operates so as to offset, to some extent, tax incentives granted by a foreign country. For, as the tax imposed in a foreign country is reduced, whatever the reason may be, the amount of the tax credit allowed against United States tax is also reduced. When the tax credit declines, the amount of United States tax payable tends to increase, and thus to negate the tax reduction offered by the foreign country.

This has been a source of irritation among some foreign countries. Though it may not be desirable from the point of view of an ideal tax system, uniformly administered, to give a credit for an amount of tax which has not been collected by a foreign government, it is our view that, in the interest of foreign economic policy, we should recognize, rather than nullify, the revenue sacrifices made by a foreign government under certain conditions. This question is developed more fully at a later point. . . . (pp. 46–47)

One objective of the tax proposals under review is to make it possible for American firms investing abroad to benefit from the tax inducements offered by foreign governments to attract new capital. As previously noted, such inducements can now be taken advantage of by a foreign subsidiary engaged in business abroad and seeking to plow back its earnings.

However, if a business is conducted abroad through a branch, or if the opportunity and desire to reinvest are lacking, then the tax incentive offered by a foreign country is offset by operation of our tax system. This problem has already been mentioned, but the declaration of policy which the administration has made in connection with the tax-treaty program may be repeated at this point.

It has announced that we are prepared to consider the inclusion in tax treaties with less developed countries of a provision by which recognition would be given to tax-incentive schemes under so-called pioneer industries legislation or laws for the development of new and necessary industries.

Briefly, what we are proposing is this:

If a country believes that by giving up tax revenues in certain cases, it will be serving the cause of economic development, we will forego the opportunity to increase our tax revenues by nullifying their concessions. However, we would be prepared to forego this only under certain conditions.

First, there should be a firm commitment to eliminate unnecessary and inequitable tax barriers to the flow of private investment in accordance with sound rules of taxation such as are generally embodied in our income-tax treaties. This includes agreement not to discriminate against American business enterprises.

Second, its tax incentive laws should be of general application, thus assuring maximum benefit to the economy from such legislation.

Third, the conditions and terms under which the tax incentives are available should be those provided in an existing law with full disclosure of the conditions under which they are granted, and with procedures for granting or withholding tax incentives which involve a minimum of administrative discretion.

Fourth, the tax incentive should be for a limited duration of time, and preferably limited in amount.

Finally, the tax from which exemption is granted must be a genuine part of the country's tax structure and not a spurious levy created for the occasion.

Whatever one may think about a credit for taxes spared as an element in an ideal tax system, and there are some who have misgivings, it is our view that this is a sensible way to approach an issue that is of considerable importance to foreign countries and that has the seeds of substantial growth in promoting private investment abroad at a minimum cost.

It may be said of the tax treaty programs that a credit for taxes spared permits foreign governments to determine the tax burden imposed on American firms and to vary that tax burden among American firms in different ways. In a broad sense, this is quite correct. However, it is a charge that is equally true of any method of taxing foreign income which in any way removes income from the scope of the United States tax. It is true in large measure today of income derived abroad through foreign subsidiaries. (pp. 51-52)

**343. Letter from Ball to Dillon, February 22<sup>1</sup>**

February 22, 1961

Dear Doug:

I would like an opportunity to discuss with you at your earliest convenience a matter of mutual interest—that of the negotiation of treaties with less developed countries for the avoidance of double taxation on income, with special attention to the subject of “tax sparing”.

As you know, the prospect of obtaining by treaty a United States tax credit for taxes spared to attract new investment is the principle, if not the only, inducement for less developed countries to enter into tax treaties with our country. In addition to the treaties with India, Israel, and the United Arab Republic, which are currently before the Senate Foreign Relations Committee, treaties including such a provision are in an advanced stage of negotiation with Ceylon, Chile, the Republic of China, Ghana, and Peru. The tax-sparing principle has also been discussed with Malaya and Thailand, although negotiations with those countries are less advanced. It is expected that other less developed countries will soon wish to negotiate treaties providing credit for taxes spared. The Ghanaian treaty is especially urgent because its entry into force by October 1961 is a condition of the pending Valco investment.

Because doubts as to the propriety of the tax-sparing principle have been expressed by various individuals, including members of the Senate, I wish to discuss the matter with you, with a view to affirming a joint State-Treasury position. It is my belief that inclusion of a tax-sparing clause is vital to our tax treaty program with the less developed countries. The treaty program in turn is important to our foreign policy objective of encouraging American private enterprise to contribute to the economic development of these countries. You will recall that President Kennedy is on record as having favored a much more vigorous utilization of tax-sparing agreements abroad.

I hope we can get together very soon on this matter.

Yours ever,

**George Ball**  
*Under Secretary for  
Economic Affairs*

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<sup>1</sup> Meeting sought to affirm State-Treasury position on inclusion of tax-sparing clause in U.S. tax treaty program with the LDCs. Official Use Only. 2 pp. Department of State, Central Files, 611.00431/2–2261.

April 1961

**344. Memorandum of Conversation, April 5, between President Kennedy and Prime Minister Macmillan<sup>1</sup>**

April 5, 1961

SUBJECT

International Economic Problems

PARTICIPANTS

*United States*

The President  
The Secretary of State  
The Secretary of the Treasury  
Ambassador Bruce  
Mr. Walter W. Heller  
Mr. McGeorge Bundy  
Mr. George W. Ball  
Mr. Foy D. Kohler  
Mr. Charles E. Bohlen  
Mr. William C. Burdett  
Mr. James W. Swihart

*United Kingdom*

The Prime Minister  
Lord Home  
Ambassador Caccia  
Sir Norman Brook  
Sir Frederick Hoyer Millar  
Sir Robert Hall  
The Honorable Peter Ramsbotham  
Mr. John Russell  
Mr. D.B. Pitblado  
Mr. Philip de Zulueta  
Mr. A.C.I. Samuel  
Mr. John Thomson

The President opened the series of talks by expressing his great pleasure at the opportunity to welcome the Prime Minister to the United States again. He recalled Mr. Macmillan's meetings with his predecessors. The President extended a welcome also to the Foreign Secretary. He said he wished to make the visit as mutually beneficial as possible.

Turning to agenda item 1, "International Economic Problems", the President said the Prime Minister could be of special help to us in the economic field particularly in Western Europe. The US is facing some serious decisions posed by the outflow of gold and the necessity of obtaining a renewal of the Reciprocal Trade Act. What happened in Europe, what happened on the Sixes and Sevens problem, would have a deep effect here. The President requested the Prime Minister to give us his views.

Claiming that he was only an amateur, the Prime Minister said he wished to touch on two themes which he thought ran through all of our problems. The first was the relations of the Communists and the

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<sup>1</sup> "International Economic Problems." Secret. 4 pp. Department of State, Presidential Memoranda of Conversation: Lot 66 D 149, January-April 1961.

West. During the past ten years the position of the Communists had grown stronger while ours had become weaker. They had gained and we had lost. This was because the free world was more divided than at any time since the war. Unity was essential. There must be unity in banking, monetary and trading policies. Then by trade and aid the West could help the underdeveloped countries. With the revival of Europe a third force had come into being. The European powers were not interested in problems elsewhere in the world. For example in Southeast Asia, Germany was not involved; France took a detached attitude; Italy stood aside. The Europe of the Six had declared itself non-interested. We must operate to reunite this dangerous division. Today Europe was doing to itself what it did in the 19th century. Under the leadership of the President the West must be reunited.

The second theme he wished to develop, the Prime Minister said, was economic and financial. The short-term and long-term aspects should be considered. Both Great Britain and America had balance of payments troubles. Yet ours were the reserve currencies of the world and thus carrying a double strain. He understood that plans developed by British and American experts were very close together. More pressure was required on the surplus countries. We must decide if the imbalances are epidemic and endemic. The German surplus was almost the same as the sums spent by the US and UK in that country for military purposes. This was an extraordinary paradox. As a short-term measure we should consider enlarging the IMF. Inducing surplus countries to permit currency drawings beyond their established quotas should enable us to get through this year. It is necessary to find ways to increase liquidity. The central banks have shown a most cooperative willingness to help. This cooperation might also help in the long term.

Regarding the longer term, the Prime Minister emphasized that he could not see how we could do four times the amount of trade with only two times the amount of credit. He referred to British experience during the depression of the 30's when Great Britain had allowed money to be the master and as a result had the worst unemployment ever experienced by a capitalist system. We must increase the amount of credit whether by the Triffin or Bernstein plan or some other way. We must also correct the imbalances. One player just could not collect all the digits and just sit on the money. There must be an understanding of the rules of the game. England in the 19th century was a rich country and reinvested its capital abroad. Since the war America has done the same. Now the new Europe must do the same. There was a practical political problem involved. De Gaulle had not forgotten how he and France were treated by Churchill and Roosevelt when they were down and out. We must work through the International Bank or central banks to prevent these imbalances. Capitalist society cannot survive unless

it is running at top speed. The only true thing Marx said is that capitalism must expand or collapse. Formerly, we used to consider these problems within our own countries. Now, unless the Free World as a whole can cope with them in the next few years, the Russians will attract more and more power and we will lose out in the game.

The President asked Secretary Dillon to comment. Mr. Dillon referred to the extensive talks we have been having with British experts and his continuing written exchanges with the Chancellor of the Exchequer. He said we are in fundamental agreement on what must be done immediately. We are addressing ourselves in the first instance to the short-term problem. We must get action promptly. Assets from Germany, Italy and France should be available to make an IMF drawing possible if it should be needed by the US or UK. He did not foresee such a need on the part of the US. We will meet resistance in the Fund as others will not wish to make their currencies available.

Mr. Dillon continued that we were still working on Germany but had not yet achieved the success the British had. We thought the German agreement to purchase military equipment from the UK was fine. It was the easiest thing the Germans could do to relieve the balance of payments problem.

The US is still studying the long-term matters itself, Mr. Dillon explained. The basic problem is not only to find the best solution, but to find something our Congress and the Parliaments of other countries will approve. We are really asking the countries to give up a portion of national sovereignty. We must anticipate substantial political difficulties. We should not prejudice the immediate short-term objectives by talking about the longer-term problems in a European forum now.

The Prime Minister agreed that we should concentrate on short-term matters and discuss the longer-term ones further between ourselves. The President concurred.

The President said we certainly do not wish to reduce our troops in Europe. If in another year we are still losing gold it will put us under tremendous political difficulties here. There will be pressure to reduce our aid or our military effort. We do not want to do either. It is not a satisfactory situation when keeping our troops in Europe costs \$150 million. We must have a suitable arrangement with Germany or we will be under great pressure.

The Prime Minister noted that the UK was spending 170 million odd pounds on British troops in Europe. Unless something is done this drain will continue as long as NATO continues. Should we reduce our troops or should we devise a plan by which our money going into Europe comes back out? We must examine this together or NATO may breakdown. Perhaps two brigades could be brought back to England

and used to protect Norway and Schleswig-Holstein from there. Maybe the UK should bring its troops back.

The President emphasized that we must dispel the unfortunate impression in Germany that our troops are semi-occupation forces. We are willing to bear the internal payments burden. The outflow must be stopped. This matter must be brought to a decision shortly.

June 1961

**345. Memorandum of Conversation, June 14, among Stikker, Ball, and Fessenden<sup>1</sup>**

June 14, 1961

SUBJECT

Balance of Payments Problems

PARTICIPANTS

Mr. Dirk Stikker, Secretary-General, NATO

Mr. A. Saint-Mleux, NATO International Staff

Mr. George W. Ball, Under Secretary for Economic Affairs

Mr. Russell Fessenden, Director, Office of European Regional Affairs

Mr. Stikker said that he wanted to discuss the U.S.-German bilateral discussions which are designed to help alleviate the U.S. balance of payments situation and to raise the question of whether these discussions might be in the NATO framework, given the fact that other countries, such as the U.K., also have similar difficulties. Mr. Stikker said that NATO might be able to be of assistance in this matter, and recalled that Spaak had in fact played a role five years ago when the British were having serious balance of payments difficulties affecting their forces in Germany. Mr. Stikker went on to point out that the Europeans are in fact doing more in the way of defense expenditures today than they had in the past. Figures show some increase—their infrastructure contribution also, in relation to the American share, has considerably increased. As far as aid to less-developed countries, recent OEEC figures show considerable increase, although there may be some question about the OEEC figures.

Mr. Ball said that this general problem is one that might be more fully discussed with Secretary Dillon. Briefly, however, the balance of payments situation seems to be as follows: The short-term capital aspects are well in hand and the situation seems satisfactory. The longer-term balance of payments problem is not so satisfactory. We are making some progress but the basic problem by no means appears to be solved. For the present, the balance of payments situation is temporarily benefiting from the fact of a high rate of economic activity in Europe and a relatively low rate in the United States. Mr. Ball confirmed that we are having bilateral discussions with the Germans,

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<sup>1</sup> Balance of payments issues. Confidential. 2 pp. Department of State, Central Files, 811.10/6-1461.



covering two fields: 1) Procurement of military hardware from the U.S. is being discussed. The French and the British are also having similar discussions with the Germans. We do not feel that our discussions to date have been entirely successful. 2) We are also discussing with the Germans possible sharing of U.S. military facilities in Germany. This is a difficult and complicated problem in which progress is bound to be slow. As for the OEEC figures on aid to less-developed countries, there is some question as to their real significance with respect to the impact on the balance of payments. The OEEC figures are largely in the category of gross capital movements.

Mr. Stikker also asked what we had in mind in our reference in the February 17th Aide-Memoire to the Germans regarding urgent consideration of burden sharing in the defense field in NATO.

Mr. Fessenden replied that we do not have in mind an exercise designed to arrive at some sort of formula for relative defense contributions by NATO countries. Mr. Fessenden also pointed out that our current discussions of NATO planning and strategy do involve increased contributions towards the common defense. We in particular are stressing the need for increased effort in providing better conventional forces for NATO defense. We do not have in mind setting up special new NATO burden sharing machinery. We already have in the Annual Review process established procedures for examining relative defense efforts of member countries.

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**346. Memorandum of Conversation, June 20, among Rusk, Dillon, and Prime Minister Ikeda<sup>1</sup>**

June 20, 1961

SUBJECT

United States and Japanese Balance of Payments Problems

PARTICIPANTS

*Japan*

Prime Minister Hayato Ikeda

Foreign Minister Zentaro Kosaka

Kiichi Miyazawa, Member of the Upper House of the Japanese Diet

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<sup>1</sup> U.S.-Japanese balance of payments issues. Confidential. 4 pp. Department of State, Central Files, 811.10/6-2061.

Shigenobu Shima, Deputy Vice Minister for Foreign Affairs  
 Koichiro Asakai, Japanese Ambassador to the United States  
 Toshiro Shimanouchi, Counselor, Ministry of Foreign Affairs, Interpreter  
 Nobuhiko Ushiba, Director, Economic Affairs Bureau, Ministry of Foreign  
 Affairs

Akira Nishiyama, Minister, Embassy of Japan  
 Tadao Kato, Counselor, Embassy of Japan

*United States*

The Secretary of State

Douglas Dillon, Secretary of the Treasury

Chester Bowles, Under Secretary of State

Edward Gudeman, Under Secretary of Commerce

Rowland Burnstan, Assistant Secretary for International Affairs, Department of  
 Commerce

George W. Ball, Under Secretary of State for Economic Affairs—B

R. Sargent Shriver, Director of the Peace Corps

Edwin O. Reischauer, United States Ambassador to Japan

FE—Walter P. McConaughy, Assistant Secretary

NA—Leonard L. Bacon, Acting Director

NA—Richard L. Sneider, Officer-in-Charge of Japanese Affairs

Edgar J. Gordon, Acting Chief, FE Division, Office of International Finance,  
 Treasury Department

NA—Kingdon W. Swayne, International Relations Officer

James J. Wickel, Interpreter, Department of State

The Secretary called on Secretary Dillon to speak on the subject of the United States balance of payments. Secretary Dillon opened his remarks by stating that he would like to associate himself with the statement made earlier by Secretary Rusk about the GARIOA settlement. He expressed great pleasure that a mutually satisfactory settlement of this difficult and vexing problem had been reached.

Turning to the United States balance of payments situation, Secretary Dillon noted that there has been a considerable improvement in the first few months of this year, the upturn having begun late last year. For the past three years there have been very substantial deficits; for 1960 the figure was \$3.8 billion. However, an analysis of this figure discloses that there was a great improvement in the basic trade deficit, from \$4 billion in 1959 to \$1.9 billion in 1960; the remaining \$1.9 billion in 1960 was the result of short term capital movements.

In the first quarter of 1961 the overall deficit was at the annual rate of \$1.2 billion, made up of a deficit from short term capital movements at an annual rate of \$1.9 billion (identical to 1960) and a *surplus* in the basic trade account at an annual rate of \$700 million (compared with the 1960 figure of \$1.9 billion).

Several points should be made about these figures. The surplus in the basic account is not as favorable as it appears. It is largely the result of a decline in imports due to our business recession which reached the low point of the cycle during the first quarter. Imports (annual

rate) were \$1.3 billion less than last year. Thus, if imports had equalled those of last year, the basic trade account would show a deficit of \$600 million (annual rate) instead of a surplus of \$700 million. The business upswing has now begun and we should begin to see higher import levels in the fall. We expect that they will return to the December 1959 level which was \$2 billion over the level of the first quarter of 1961. This level of imports would create a deficit in the basic trading account of about \$1.25 billion.

While our imports have been temporarily low because of the business recession in the United States, the economies of Europe and Japan have been booming and our exports have been good. We hope this will continue. On the other hand, the temporary drop in our import level should soon be corrected and this will produce a continued imbalance in our international payments. We therefore believe we must continue with the President's program to preserve a reasonable balance in our international payments, for such a balance is essential to the maintenance of the value of the dollar.

Looking to the future, we hope, by carrying out the President's program, to reduce our out-payments by \$1 billion to \$1.5 billion. At the same time we expect our commercial imports will increase by about \$2 billion so that the other trading nations of the world will not be hurt by our reduced out-payments under the President's program.

With respect to the short term capital flow, the rate of the outflow for the first quarter of 1961 was the same as for the whole of 1960, but was much less than the very high rate reached last fall. This year the components of the short term capital outflow are also different. Last year there was a combination of substantial capital outflows for business reasons, such as the search for higher interest rates, plus large speculative outflows. The latter have all but disappeared, but the outflow for business reasons continued during the first quarter of 1961 at approximately the same level as 1960.

The short term capital outflow in the first quarter of 1961 had some interesting aspects. The largest amount went to Japan as financing for Japanese imports from the United States. The next largest amount went to Germany, where German businessmen were borrowing dollars in New York as a hedge against a possible further revaluation of the German mark. (We do not think the Germans will revalue the mark again.) Because of these special factors, we think the short term capital outflow situation during the first quarter of 1961 is better than it appears on the surface. Greater confidence is also being shown in the value of the dollar. There has been a net gold inflow of more than \$100 million since February.

Prime Minister Ikeda expressed his appreciation for Secretary Dillon's analysis of the balance of payments situation. He had watched

the situation very closely and considered that it was no longer a cause for great concern. On the Japanese side, gold and dollar reserves have been built up to about \$2 billion but there have been deficits on merchandise account of about \$600 million so far this year. This is a matter of considerable concern and is a question which the Japanese view as a real test for the Ikeda Cabinet. The Prime Minister said he anticipated that business conditions would improve in the United States in the second half of 1961 and expected that Japan's situation would be helped by substantially greater United States imports from Japan later this year. He expressed the hope that the United States could assist Japan in balancing its payments by continuing to make purchases in Japan from ICA and DLF funds.

Prime Minister Ikeda noted that there are two primary reasons for the imbalance in the Japanese payments situation. First, Japan has liberalized the importation of cotton and wool, and purchases of these commodities have increased considerably. Second, as a result of Japan's trade liberalization program, Japanese manufacturers feel they must improve the productivity of their plants by importing large quantities of expensive industrial equipment. Japan is devoting 20 percent of its GNP to capital investment. It needs this high rate of investment because it is the least developed of the well-developed countries. The rising imports are not for luxury goods but for raw materials and a greatly increased quantity of industrial machinery. Most of this machinery is being bought in the United States.

November 1961

**347. Telegram 2670 from Paris, November 18<sup>1</sup>**

Paris, November 18, 1961

Pass Treasury for Roosa and Daane from Leddy. Subject: Special Resources Through IMF.

After series bilateral talks earlier in week reps of following countries met afternoon Nov 17 to discuss US-French draft "statement relating to creation of special resources for use by participating countries through IMF": Belgium (Janson), Netherlands (Lieftrinck), Canada (Plumptre), France (Sadrin and Esteva), Germany (Emminger and Schleiminger), Italy (Oscola of Bank of Italy and Cardinali), Sweden (Wickman), UK (Rickett and Portsmore), US (Leddy and Willis). Sadrin chaired. Jacobsson and Staff (Gold and Polak) participated. Holtrop and Van Lennep had left Paris but Leddy discussed paper with them earlier in week.

US-French statement, copies of which being brought by Undersecretary Fowler, is based on discussion NAC staff meeting Nov 9.

Results of meeting:

1. General approach of statement appeared acceptable most countries although none in position commit.

2. Agreed that French would call special meeting in Paris of proposed participating countries in advance NATO Ministerial in December, in order seek agreement on definitive text which could be approved by Ministers as document their govts prepared support in IMF Exec Board. Meeting would also consider any further understanding among PC's themselves on procedure to be followed in their consultations.

3. Jacobsson asked prepare draft of IMF decision in light US-French statement and views expressed by various countries. This would be considered at special meeting in Paris referred to above. Jacobsson agreed he would "use ingenuity" in drafting text which would meet views expressed by continental Europeans (especially France), which he specifically accepted, that participating countries must control decision over lending from special resources for specific transaction envisaged. He cited desire to accommodate legal and technical problems of IMF and maintain basic framework of IMF. Noted problem of "handling" LDC's. Sadrin emphasized problem of "handling" European industrial

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<sup>1</sup> U.S.-French draft re creation of IMF special resources fund. Official Use Only. 5 pp. Department of State, Central Files, 398.13/11-1861.

countries, where parliaments not receptive to global use of funds, and stated French-US paper was "our Bible" as to major principles. Several countries, including UK, specifically asked that proposed Jacobsson draft be treated as working paper which would not be circulated to non-participating countries at this stage. We also consider this important. No clear commitment given by Jacobsson on this point.

(US in close consultation Jacobsson throughout week, prior to meeting. Following meeting he assured Leddy he would keep in close touch with US as drafting proceeded in Washington.)

4. Substantive points raised in discussion by other countries included following major questions:

A. Voting procedure. While most thought some weighted voting procedure possibly desirable none satisfied with US-French idea of 60 percent of non-borrowers and felt formula required much further clarification. Some tendency toward voting procedure limited only to decision to activate resources, with amount of loan and allocation among lenders left to less formal decision by negotiation. UK considered essential make each country judge of its own financial ability contribute to specific lending operations although accepted idea no country should be allowed arbitrarily refuse lend, without showing cause.

B. Reversibility. Dutch, Italians and Germans consider reversibility procedure inadequate since it would not permit them treat loans as demand assets which could be counted as part of reserves. This problem important since in case these countries and perhaps others, funds will come from Central Banks rather than govts. German rep stated his govt had indicated unwillingness proceed by budgetary approach. Dutch proposed that problem be handled by giving lender additional gold tranche drawing rights under ordinary resources of Fund equal to amount of loan. Germans cited IMF paper and referred to rights "similar to gold tranche". US inquired whether this meant larger claim on Fund's gold. Neth disclaimed this as motive. (US did not specifically raise at meeting various difficulties in relating this suggestion to major principles of US-French paper, such as limitation of use of special resources and counterpart to PC's, and problem of claim on Fund's existing gold without contributing gold as under quota, but has noted these objections privately with French. Problem needs further consideration, to find acceptable solution.)

C. Counterpart. British have expressed to us the view counterpart should not be sterilized but should be usable for relending by Fund to non-participating countries. No support expressed by others for this view at meeting, and UK did not raise matter clearly at meeting. Rather took line that in general paper required further study.

D. Security of loans. Italians and probably some others would favor having ordinary resources of Fund stand behind repayment of loans

from special resources in event of default by borrower. Italians raised point, and Jacobsson took affirmative view. US has pointed out to French, who agree, that such arrangement might prejudice basis for insisting that participating countries control specific lending decisions, as well as limitation of use of special resources to PC's.

Use of special resources by small PC's

Plumptre (Canada) indicated Canadian Ministers not yet decided whether to participate in lending arrangement, because of position as large importer of capital. Important consideration in decision is whether or not initial recourse to special resources limited to key currencies which alone could represent threat to impairment world payments situation. If so limited would rule out Canadians. Sadrin stated difficult to define clearly eligible transactions. Agreed give further consideration this point.

Summary of meeting by Sadrin (Chmn)

1. Jacobsson would prepare draft IMF decision emphasizing main points in US-French paper and discussions at meeting, and indicating points that might be more appropriate in separate understanding among participants, and which could include his supplementary comments.

2. A borrowing country will not ask help from special resources unless there is a serious situation, and potential lenders recognize that it would be a very serious matter to refuse help in such a situation.

3. French to take lead in calling Meeting of Experts before WP3 meeting in December (Emminger suggested Dec 4–5).

In separate US-French meeting prior to multilateral discussions reported above, Baumgartner said he confident successful negotiations could be completed by end of year. He will take lead at meeting of six Finance Ministers December 1 and 2 to develop full six support for approach desired by France and US.

Leddy, Willis and Smith will spend Monday, Nov 20, in London for further talks with UK.

**Gavin**

December 1961

**348. Telegram 3001 from Paris, December 9<sup>1</sup>**

Paris, December 9, 1961

For Treasury from Leddy. Pass Southard. Reference: Embtel 2963.

As result discussions here December 8 and 9, draft agreement revised, made more concise and converted into form of letters addressed by French Finance Minister (in his capacity of Chairman Ministerial meeting) to each of other participants and short replies confirming understanding as set forth in letters. Text of exchange of letters, draft confirmations thereof, and suggested minute of Ministers meeting to be before Ministers next week, contained in immediately preceding telegram. Jacobsson is cabling over weekend full text of draft fund decision for distribution to EXED Board members. Southard can obtain copy from Fund Monday morning. Basis these documents request Treasury obtain NAC telephone poll accordance Secretary's request. Consensus of meeting here December 9 that only four major questions expected to be discussed by Ministers: (1) Amount of commitments of participants;

(2) Duration of Fund decision (3 or 5 years);

(3) Method of voting procedure (on which clear reservation only by Netherlands);

(4) Chairman of Ad Hoc Committee.

**Gavin**

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<sup>1</sup> Further discussion of IMF borrowing arrangement. Official Use Only. 2 pp. Department of State, Central Files, 398.13/12-961.



**349. Telegram 3064 from Paris, December 13<sup>1</sup>**

Paris, December 13, 1961

Pass Treasury and Southard. Ministerial 10-country discussions on supplementary resources for IMF completed December 13. Text communiqué being released by French MinFin 8:00 PM Paris time and reported separately.

Text of exchange of letters on consultative arrangements approved and being cabled separately. Letters will be sent by French FinMin this week and all replies expected by next week. Sec Dillon will send us reply while in Paris. All agreed that text of letters should not rpt not be released to public until replies received from all prospective participants. Canada, UK, Germany among others still have complete cabinet procedures on exchange letters and amounts commitments. Re amounts, six have agreed on \$2.5 billion but not rpt not yet on division. Apparent Germans and French still arguing about whether French will accept \$600 million instead of \$500 million or Germany \$1.1 billion instead of \$1.0 billion. UK will be \$1 billion, US \$2 billion, Japan \$250 million, Sweden \$100 million and Canada probably \$250 million. Total \$6.1 billion. Also Swiss approached by Jacobsson and they apparently favorable associated arrangement but no rpt no figure available. All agreed division of amounts to be kept confidential for time being although press communiqué refers to expectation that total amount will be “fully six billion”. Only change in IMF decision previously transmitted to Washington by Jacobsson was reduction in initial period of decision from 5 to 4 years.

**Gavin**

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<sup>1</sup> Results of discussions on supplementary resources for IMF. Official Use Only. 2 pp. Department of State, Central Files, 398.13/12–1361.

**350. Telegram 3067 from Paris, December 13<sup>1</sup>**

Paris, December 13, 1961

Pass Treasury and Southard. Ref: Embtel 3064.

Following is verbatim text of exchange of letters as agreed today by the Finance Ministers and other principal financial reps with respect to supplementary resources for IMF:

Begin text of letter from Minister Baumgartner to other participants:

Dear . . .:

The purpose of this letter is to set forth the understandings reached during the recent discussions in Paris with respect to the procedure to be followed by the participating countries and institutions. (Hereinafter referred to as "the participants") in connection with borrowings by the International Monetary Fund of supplementary resources under credit arrangements which we expect will be established pursuant to a decision of the executive directors of the Fund.

This procedure, which would apply after the entry into force of that decision with respect to the participants which adhere to it in accordance with their laws, and which would remain in effect during the period of the decision, is as follows:

A. A participating country which has need to draw currencies from the International Monetary Fund or to seek a stand-by agreement with the Fund in circumstances indicating that the supplementary resources might be used, shall consult with the Managing Director of the Fund first and then with the other participants.

B. If the Managing Director makes a proposal for supplementary resources to be lent to the Fund, the participants shall consult on this proposal and inform the Managing Director of the amounts of their currencies which they consider appropriate to lend to the Fund, taking into account the recommendations of the Managing Director and their present and prospective balance of payments and reserve positions. The participants shall aim at reaching unanimous agreement.

C. If it is not possible to reach unanimous agreement, the question whether the participants are prepared to facilitate, by lending their currencies, an exchange transaction or stand-by arrangement of the kind covered by the special borrowing arrangements and requiring the Fund's resources to be supplemented in the general order of magnitude

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<sup>1</sup> Text of exchange of letters on supplementary resources for IMF. Official Use Only. 4 pp. Department of State, Central Files, 398.13/12-1361.

proposed by the Managing Director, will be decided by a poll of the participants.

The prospective drawer will not be entitled to vote. A favorable decision shall require the following majorities of the participants which take part in the vote, it being understood that abstentions may be justified only for balance of payments reasons as stated in para D:

(1) A two-thirds majority of the number of participants voting; and  
(2) a three-fifths majority of the weighted votes of the participants voting, weighted on the basis of the commitments to the supplementary resources.

D. If the decision in para C is favorable, there shall be further consultations among the participants, and with the Managing Director, concerning the amounts of the currencies of the respective participants which will be loaned to the Fund in order to attain a total in the general order of magnitude agreed under para C. If during the consultations a participant gives notice that in its opinion, based on its present and prospective balance of payments and reserve position, calls should not be made on it, or that calls should be for a smaller amount than that proposed, the participants shall consult among themselves and with the Managing Director as to the additional amounts of their currencies which they could provide so as to reach the general order of magnitude agreed under para C.

E. When agreement is reached under para D, each participant shall inform the Managing Director of the calls which it is prepared to meet under its credit arrangement with the Fund.

F. If a participant which has loaned its currency to the Fund under its credit arrangement with the Fund subsequently requests a reversal of its loan which leads to further loans to the Fund by other participants, the participant seeking such reversal shall consult with the Managing Director and with the other participants.

For the purpose of the consultative procedures described above, participants will designate representatives who shall be empowered to act with respect to proposals for use of the supplementary resources.

It is understood that in the event of any proposals for calls under the credit arrangements or if other matters should arise under the Fund decision requiring consultations among the participants, a consultative meeting will be held among all the participants. The representative of France shall be responsible for calling the first meeting, and at that time the participants will determine who shall be the chairman. The Managing Director of the Fund or his representative shall be invited to participate in these consultative meetings.

It is understood that in order to further the consultations envisaged, participants should, to the fullest extent practicable, use the facilities

of the international organizations to which they belong in keeping each other informed of developments in their balances of payments that could give rise to the use of the supplementary resources.

These consultative arrangements, undertaken in a spirit of international cooperation, are designed to insure the stability of the international payments system.

I shall appreciate a reply confirming that the foregoing represents the understandings which have been reached with respect to the procedure to be followed in connection with borrowings by the International Monetary Fund under the credit arrangements to which I have referred.

I am sending identical letters to the other participants—that is, Belgium, Canada, Germany, Italy, Japan, the Netherlands, Sweden, the United Kingdom and the United States. Attached is a verbatim text of this letter in English.

The French and English texts and the replies of the participants in both languages shall be equally authentic. I shall notify all of the participants of the confirmations received in response to this letter.

End text.

Begin text of replies of other participants:

Dear Mr. Minister:

This is in reply to your letter of . . . setting forth the understandings reached during the recent discussions in Paris with respect to the procedure to be followed by the participating countries and institutions in connection with the borrowings by the International Monetary Fund of supplementary resources under credit arrangements which we expect will be established pursuant to a decision of the Executive Directors of the Fund.

On behalf of . . . I am pleased to confirm that we are in agreement with the statement of understandings as set forth in your letter of . . . I am attaching, in accordance with your suggestion, the (begin bracket) French (end bracket) (begin bracket) English (end bracket) text of this letter of confirmation.

End text.

Gavin

February 1962

351. Memorandum from Dillon to President Kennedy,  
February 28<sup>1</sup>

February 28, 1962

As I mentioned to you on the telephone, the Ways and Means Committee has completed action on the tax bill by adopting provisions on foreign income. What they have done essentially is to tax all income of whatever sort accruing to tax haven companies anywhere in the world with the sole exception that if such income is promptly reinvested in an underdeveloped country it will not be subject to tax. This provision will probably cause great pain and anguish among American manufacturers who have been using tax havens abroad, particularly in Switzerland.

The action of the Committee was violently attacked by John Byrnes as isolationism and as unfair to American business operating abroad. I believe the legislation is moderate and long overdue. The fact is that other countries, with very few and limited exceptions, do not permit their industrialists to make use of tax haven techniques. This is largely an American invention of the last few years and is not at all necessary for the successful operation of our investments abroad.

(1) These measures do not prevent a United States company from competing abroad through a foreign subsidiary on equal terms with the local competitors in the line of business and the country chosen for its operations—it does not eliminate the deferral of United States tax on the foreign operations so long as it is not tax haven income or unreasonably accumulated income. For example, the nontax haven United States foreign subsidiary in Germany can defer paying tax to the United States on profits on its German operations provided it does not accumulate those earnings excessively—and then it can avoid the tax by investing them *in the line of business it has chosen* in Germany or in Western Europe or in *any* line of business in *any* of the less developed countries.

(2) Nor do these measures confuse the legitimate foreign subsidiary with the tax haven. They do not affect adversely the legitimate foreign subsidiary *if* less than 20 percent of its income is in the form of income usually regarded as tax haven income (either passive income such as

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<sup>1</sup> Hill action on tax bill adopting provisions on foreign income. No classification marking. 2 pp. Kennedy Library, Dillon Papers, Memos to President, 1/62-4/62, Box 8.

dividends, interest, etc., or trading profits on transactions outside the country of incorporation), *and if* it does not excessively accumulate profits.

(3) These changes will deter the company which invests abroad largely because of tax haven advantages.

This action should have a substantial favorable effect on our balance of payments. We estimate that it will bring in at least \$75 million a year out of operations currently under way abroad and that it will remove a substantial part of the tax incentive for new investments abroad, thereby reducing the accumulation of capital for new direct investment overseas. It is not possible to estimate how much this will be.

Finally, if Mr. Byrnes decides to try to make this a political issue, I am confident that he has the wrong end of the issue as long as we continually make it crystal clear that what we are doing is attacking tax havens and not legitimate American business.

**Douglas Dillon**

March 1962

352. Memorandum from Trezise to Acting Secretary, March 20<sup>1</sup>

March 20, 1962

SUBJECT

Ways and Means Committee Bill on Tax Treatment of Foreign Income

The bill that emerged from the Ways and Means Committee is extremely complicated. In a meeting at Treasury on March 16 attended by Isaiah Frank, Stanley Surrey outlined its main features.

1. Income of a controlled foreign corporation is to be currently taxed without deferral if derived from the licensing or use of patents, copyrights and exclusive processes developed in the United States. Income of a controlled foreign corporation derived from sales of products manufactured in the United States is to be currently taxed to the extent that the profits are allocable to the parent company.

2. Tax-haven income other than that defined in 1 above—i.e., base company income from interest, dividends, rents, royalties and “trading profits”—is to be taxed as earned whether or not distributed to U.S. shareholders, except if it is reinvested in underdeveloped countries.

3. Income of operating companies engaged in manufacturing or mining is also taxable without deferral unless the profits are either left in the same business or reinvested in underdeveloped countries.

The definition of investment in less-developed countries which would qualify for deferral under 2 and 3 is rather narrow. It would apply to branch or equity investment, and, in the latter case, the subsidiary in the less-developed country must be controlled to the extent of more than 50 per cent by U.S. interests (unless the laws of the country prevent majority ownership). Surrey is giving consideration to proposing widening the qualifying investment to include loan capital, which is often more acceptable to the less-developed country, and also to making less stringent the rule relating to percentage of ownership.

Although Treasury has not fully worked through the complexities of the bill, it would appear to us to go a long way toward a sensible compromise among divergent views on this subject. It would eliminate most of the tax-haven abuses while permitting deferral for bona fide reinvestment in existing enterprises in advanced countries. At the same time it is consistent with our policy of promoting private investment in the less-developed countries by allowing deferral for reinvestment

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<sup>1</sup> “Ways and Means Committee Bill on Tax Treatment of Foreign Income.” Official Use Only. 2 pp. Department of State, Central Files, 811.112/3-2062.

in less-developed countries either of tax-haven income or of income from operating subsidiaries. We are, of course, not in a position to assess the administrative feasibility of the new provisions and expect that they will be subject to continued attack on this score.

There are many other changes incorporated in the bill which would tighten the taxation of foreign-earned income—e.g., the gross-up provision, and the establishment for the first time of a limitation on the exclusion from tax of income of U.S. citizens establishing residence abroad. A fuller listing of the changes in tax treatment included in the Ways and Means bill is contained in the attached Treasury summary.



May 1962

**353. Memorandum from G. Griffith Johnson to U. Alexis Johnson, May 18<sup>1</sup>**

May 18, 1962

SUBJECT

General Objectives, Provisions, and Status of the Proposed Tax Legislation

The Administration objective in the proposed new legislation, as far as measures affecting U.S. investment and other interests abroad are concerned, is primarily to remove the existing tax advantages that encourage U.S. private investment in highly industrialized countries and in tax havens, in preference to investment in the United States and in the less developed countries. The sponsors of this tax reform expect that it will help control our unfavorable balance-of-payments position, contribute to the stimulation of the growth of our domestic economy, aid our policy of promoting investment in underdeveloped areas; increase the revenue; and help to equalize the tax burden.

The House of Representatives has already approved a bill (H.R. 10650) that includes a very large proportion (but not all) of the Administration recommendations. Among the principal innovations in this bill that would affect U.S. investments or other interests of American citizens abroad are: (1) abolition of the tax deferral privilege for the earnings of American controlled foreign corporations in industrialized countries, except earnings reinvested in the active conduct of the trade or business or reinvested in a less developed country; (2) imposition of a relatively low ceiling (\$20,000 per year for the first three years of residence, \$35,000 thereafter) on the exclusion from taxable income of the income of U.S. citizens who reside abroad; (3) subjection of real estate located abroad and owned by U.S. citizens to the U.S. estate tax; (4) provision for taxation of certain gains by U.S. citizens and corporations as ordinary income instead of capital gains, such as certain distributions by foreign trusts, gains from sales of stock in U.S. controlled foreign corporations and in foreign investment companies under certain conditions; (5) inclusion of the amount of the foreign tax paid in the basis upon which the U.S. tax is calculated (the "gross-up" technique) in allowing credit for foreign taxes paid by a foreign subsidiary of a U.S. corporation.

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<sup>1</sup> Objectives, provisions, and status of proposed tax legislation. Official Use Only. 2 pp. Department of State, Central Files, 811.11/5-1862.

The House bill is now before the Senate Finance Committee. Hearings were completed May 11, and the Committee is scheduled to go into executive session on the bill on May 23. The Treasury Department is seeking a number of changes in the House bill, particularly adoption of the original Administration proposal for the general elimination of tax deferral for the operations of controlled foreign corporations in developed countries (the House bill would continue to permit rather extensive deferral in certain circumstances).

Business groups have registered strong protests against a number of the general proposals of the Administration and against specific provisions of the House bill. Among the principal objections are the following: (1) investments in developed countries stimulate U.S. exports, and elimination of tax deferral will destroy the stimulus; (2) elimination of deferral will place U.S. businesses abroad in a bad competitive position as compared with the businesses of other countries which will continue to enjoy tax favors; (3) recruitment of U.S. citizens for the staffs of foreign businesses will be made very difficult if they are denied the tax exemption to which they have been entitled in the past; (4) U.S. foreign investment produces a long-term favorable rather than unfavorable effect upon the U.S. balance-of-payments position, since a very large part of the investments are financed by foreign borrowing and reinvestment of earnings, and since a large part of the earnings are regularly repatriated; (5) the drastic provisions directed at tax-haven operations will do serious damage to the economies of certain under-developed areas, such as Panama, the West Indies, etc.

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**354. Memorandum from G. Griffith Johnson to U. Alexis  
Johnson, May 25<sup>1</sup>**

May 25, 1962

SUBJECT

The Proposed Tax Legislation

The following information and comment regarding the proposed tax legislation is supplemental to my memorandum of May 18.

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<sup>1</sup> Further information on proposed tax legislation. Official Use Only. 2 pp. Department of State, Central Files, 811.11/5-2562.

The proposal to abolish the tax deferral privilege for foreign subsidiaries of American corporations is probably the most significant part of the contemplated legislation as far as possible impact upon U.S. interests abroad is concerned. Under present law, undistributed earnings of American controlled foreign corporations are not subject to U.S. tax. The tax is deferred until the earnings are distributed as dividends, and then the tax liability is upon the shareholder.

The Treasury Department is convinced that tax deferral has given artificial encouragement to foreign investment and has deterred the repatriation of foreign earnings, thus contributing to the balance-of-payments deficit. This aspect of the matter has been greatly aggravated, in the Treasury view, by tax-haven operations, in which income of the U.S. corporations and their foreign subsidiaries is attributed to subsidiaries set up in countries with low income tax rates, such as Switzerland.

The Administration has recommended that tax deferral for controlled corporations operating in economically advanced countries be eliminated entirely. This would be done by assessing tax on a pro rata basis against the shareholders of the controlled corporation just as though the earnings had been distributed as dividends. It would continue to allow deferral for subsidiaries established in less developed countries, except subsidiaries clearly engaged in tax-haven operations.

The Ways and Means Committee accepted only in part the Treasury position on tax deferral. The bill it reported, which was approved by the House, contains a very complicated section on the subject. Its general effect, however, would be to tax to the shareholders the controlled corporation's income except the part reinvested in the required activities of the trade or business or reinvested in a less developed country. A large part of the provisions of the section are designed to assure that deferral privileges are not usually extended to income derived from passive investments or from tax-haven operations, while allowing freedom for the enterprise to plow back sufficient earnings to maintain its competitive status.

The Department of State has an important interest in the tax legislation from several points of view. Effective measures to reduce the balance-of-payments deficit are very important from the standpoint of our foreign policies. The relationship of taxation to our policies for encouraging investment in the less developed countries has always been regarded as a significant factor. We should be very much concerned, also, if the proposed new tax policies should so antagonize the business community as to stimulate opposition to other essential pieces of legislation, such as the Trade Expansion Act or the foreign aid legislation.

The Department has not up to the present, however, attempted to intervene with respect to any basic provisions of the proposed legisla-

tion, although it has been pressed to do so by private interests in a number of instances. The main features of the proposed legislation, including the elimination of deferral, were specifically recommended by the President in his tax message to Congress. The Department has joined with Treasury in seeking the elimination of a provision in the House bill that would interfere with the application of the existing treaties for the avoidance of double taxation. It has also referred to the Treasury for action (with successful results) protests of certain foreign governments against provisions of the bill that would require Americans serving as directors or officers of any foreign corporation to submit to the Treasury such information as it might require regarding the foreign corporation. Adverse criticism of the proposed legislation has generally been referred to the Treasury without recommendation or suggestion.

The elements of the business community involved in foreign investment contend that the Administration tax policy, if enacted into law, will seriously injure American business interests abroad. It is emphasized that other countries do not tax foreign earnings of their corporations, and that the competitive position of the U.S. enterprises will be seriously affected. Some of them take the view that because they have established their businesses under the tax deferral regime, it would be inequitable to deprive them of the privilege now. It is also argued that the special risks accompanying foreign operations entitle enterprises operating abroad to special tax advantages.

The Treasury Department has answered these arguments by asserting that taxation of the undistributed earnings will not make foreign investment generally unprofitable, although it may slow expansion somewhat; that the Finance Ministers of several European governments have advised the U.S. to discontinue tax incentives to investment in Europe in order to check the growth of the balance-of-payments deficit; that the policy of encouraging investment in both developed and underdeveloped countries, which was in the public interest in the early postwar period, is no longer necessary, and preferential tax treatment merely for private gain is not justifiable.

August 1962

**355. Memorandum from Sorensen to President Kennedy,  
August 10<sup>1</sup>**

August 10, 1962

SUBJECT

Report of Subcommittee on Gold and Monetary Agreement

The Subcommittee you appointed to outline the structure of a new international monetary agreement has decided with gratifying unanimity on the attached approach, worked out by Treasury with assistance from State and the Council of Economic Advisers. Representatives of all three agencies worked long and hard to produce this plan which all agree is large enough to safeguard our gold stock at a clearly sufficient level over the next two years.

This is an interim plan, designed to relieve the gold problem pressures of the next two years while a permanent plan is being negotiated. To start the more controversial deliberations over a permanent plan without some interim protection would only cause further trouble. This plan is primarily an expansion and formalization of the Treasury's current approach, requires other nations to agree not to convert to gold only their existing (not their future) dollar holdings, and requires a commitment of only two years—and should therefore be more quickly acceptable.

Participants from the Treasury have been careful, in drawing up this plan, not to commit themselves as to whether it would be more preferable to rely on existing efforts. Many of their concerns are, I believe, met by your Subcommittee's unanimous agreement on three preconditions to this plan: (1) First, that the initiative for such a plan must come from the Europeans and be kept highly confidential until implemented; (2) Second, that the U.S. must use the two-year breathing spell to achieve a balance-of-payments equilibrium, which will increasingly involve both tightening existing procedures and engaging in other difficult negotiations of a burden-sharing nature with Western Europe; and (3) Third, that negotiations for a permanent plan would need to have some prospect for success and begin early in the two-year period.

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<sup>1</sup> "Report of Subcommittee on Gold and Monetary Agreement." No classification marking. 1 p. Kennedy Library, President's Office Files, Treasury, 8/10/62, Box 94E.

## January 1963

### 356. Notes on Dillon's Conversation with McNamara, January 23<sup>1</sup>

January 23, 1963

Notes on Secretary Dillon's conversation with Secretary McNamara, at the Treasury, 1:15 p.m., January 23, 1963 (based on the Secretary's oral briefing of Mr. Roosa and Mr. Bullitt)

Secretary McNamara felt that the gold budget project for controlling U.S. dollar outlays abroad had bogged down and was not proving effective. The Bureau of the Budget and the other technical people were spending too much time trying to reconcile statistical differences and that the BOB was doing little more than assemble agency submissions on their own plans and activities. He considered that the gold budget should be as binding a document as the regular Federal budget, and that agencies should face up to the necessity of changing their programs when they came up against ceilings. He agreed that the Treasury should have a major voice in policy decisions when the gold budget was drawn or revised; that it also should patrol major developments; and that the lines of communication with State and Defense in this area should be cleared.

Secretary Dillon said that for various reasons, including the habit of the State Department of using John Leddy to do a great many things which he shouldn't have had to do in his Treasury capacity, no effective working level group had been set up to act for the Cabinet Committee on the Balance of Payments. He proposed to remedy that by putting John Bullitt at the head of such a committee, at the Assistant Secretary level, and Secretary McNamara agreed that that would be a good idea.

Secretary McNamara was quite pleased with the outcome of his exchange-saving program for FY 1963, and said that it would come within around \$100,000 of the target figure of last July. But for FY 1964, the outlook was less good.

The figure for Germany was larger than the 1963 figure. Overall, a presently planned \$1,550 billion would have to be reduced to \$1½ billion net. Secretary McNamara had ordered the Defense Department to do that. The only way to make these reductions was for the Secretary himself to make it clear that the money had to be saved, and to tell the services how and what should be cut.

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<sup>1</sup> U.S. dollar outlays abroad; DOD deficit proposals; and importance of balance of payments to administration. Confidential. 2 pp. Kennedy Library, Dillon Papers, Memcons, 1963, Box 15.

Meanwhile, Mr. McNamara has also run into trouble with his 50 percent figure because nothing like it was observed by other Departments, whose expenditures may not be large in comparison with those of Defense, but whose refusal to hold the line makes it harder for him to do so.

He expects squawks from the State Department when he has to take measures which cause them political problems, but considers that they have to be handled like the military departments. If, for example, they object to closing a depot in Japan, he will insist that they find an alternative there which saves an equal amount of money.

Secretary McNamara also said that he is going to get the British to start sharing in the costs of the Polaris development. He had had violent protests from Mr. Thorneycroft and from the State Department, but Mr. Thorneycroft had agreed that Secretary McNamara's position was perfectly reasonable, adding only that it came at an unfortunate time.

Secretary Dillon asked for a report on Project 8. Mr. McNamara did not respond directly but gave the Secretary to understand that he would rather not talk about that; he thinks, now, that the only way to secure meaningful further savings is to close bases or cut out other sorts of operations.

Secretary Dillon asked if it would not be useful that he be included in the State-Defense talks, to which Mr. McNamara agreed. Secretary Dillon could be very helpful, for example, in such matters as the Polaris case. He was sure Secretary Rusk would approve, and Secretary Dillon plans to talk to Mr. Rusk.

Secretary Dillon reiterated the importance of the balance of payments in making or breaking the Administration's ability to carry through its entire program; Mr. McNamara agreed wholeheartedly. They agreed it was especially important to the President, both as a matter of national policy and as a political problem. Secretary Dillon also described his plans for a White House Conference on Exports, and discussed monetary policy.

Secretary Dillon will now talk with Secretary Rusk and Budget Director Gordon, and then with the President.

# February 1963

## 357. Table, February 4<sup>1</sup>

February 4, 1963

### OFFICIAL GOLD AND DOLLAR HOLDINGS OF SELECTED COUNTRIES IN RELATION TO THEIR FOREIGN TRADE AND THEIR TOTAL PAYMENT OBLIGATIONS IN 1961 (In Billions of Dollars)

Country	<u>Official Holdings (As of 9/30/62)</u>			Total Foreign Trade (1961)	Total Outpay- ments *** (1961)	<u>Total Gold and Dollar Holdings</u>	
	Gold	Dollars*	Total*			As Percent of Total Foreign Trade	As Percent of Total Outpay- ments
Belgium	1.3	.1	1.4	8.1	4.4	17.3	31.8
France	2.5	.9	3.4	13.7	6.9**	24.8	49.3
Germany	3.7	2.6	6.3	23.8	17.5	26.5	36.0
Italy	2.2	1.1	3.3	9.5	6.2	34.7	53.2
Netherlands	1.6	.1	1.7	9.6	6.0	17.7	28.3
Switzerland	2.5	.3	2.8	4.7	3.5**	59.6	80.0
U.K.	2.6	.2	2.8	23.1	17.9**	12.1	15.6
U.S.	16.0		16.0	34.9	29.5	45.8	54.2

\* Excludes:

(1) Private short term dollar holdings (\$3.0 billion for the foreign countries shown above.)

(2) Holdings of U.S. Government Bonds and Notes (\$0.5 billion)

\*\* 1960 Data

\*\*\* Includes imports of goods and services, transfer payments, and short and long term capital out payments.

<sup>1</sup> "Official Gold and Dollar Holdings of Selected Countries in Relation to Foreign Trade and Total Payment Obligations in 1961." Secret. 1 p. Kennedy Library, Dillon Papers, Memos to President, 2/62-3/63, Box 8.



March 1963

**358. Memorandum from Bullitt to the Cabinet Committee on  
Balance of Payments, March 19<sup>1</sup>**

March 19, 1963

Secretary Dillon has asked that the attached memorandum covering Under Secretary Roosa's recent discussions in Europe be transmitted to you as of possible interest in connection with the discussion scheduled for the Balance of Payments Committee on March 20 at 3:00 p.m. The Secretary has asked that note be taken of the highly confidential nature of certain portions of the memorandum dealing with certain aspects of current conditions.

**John C. Bullitt**

**Attachment**

**SUBJECT**

Conclusions from my trip to France (and OECD), Italy, Switzerland, Germany and England, February 25–March 6

This is a summary for the confidential record of conclusions already reported to you orally. My conversations were almost exclusively with financial officials and bankers (in addition to our ambassadors and embassy staffs). Since returning, I have had further discussions with European financial people at the meetings in Princeton, March 7–8. Some of my findings have been reflected in the report to you on "Financial Measures for the Balance of Payments Deficit, 1963–64," submitted on March 15 by the Long Range International Payments Committee.

1. The dominant financial concern in Europe is with the U.K., although the British themselves are trying to appear oblivious to this attention. The present balance of payments position of the U.K. is good, but many Europeans fear that it will soon deteriorate. Having lost the stimulus and momentum of the drive toward the Common Market, Macmillan and Maudling must do something. The worst would be early devaluation; the next worse, some kind of home expansion program that would cause capital flight and perhaps lead to devaluation.

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<sup>1</sup> Provides read-out of Roosa's recent European discussions on balance of payments. Confidential. 6 pp. Kennedy Library, Herter Papers, Balance of Payments, Box 1.

Short of either, sterling will be subject to “bear raids” which could in themselves be disruptive.

2. The fear of sterling devaluation is giving the United States an unearned assist, in that Europeans are increasingly aware of the need to strengthen the framework of cooperation now identified with our operations in foreign currencies, including the swaps and the borrowings. In all five countries (as well as from the Dutch, Belgian and Swedish representatives at the OECD meetings), I heard that the accomplishments in cooperation among the leading industrial countries must not be impaired by the present splintering of other political and economic efforts toward unity of action. If anything, the desire for monetary cooperation is increased. This is true in France, too, particularly in the Banque de France.

3. The highest authorities are hoping that the United States will, in close confidence, take the lead in assuring a firm protection against the risk of sterling devaluation. None believes that sterling is in fact overvalued. All fear devaluation of sterling—not only because it would mean the final end of sterling as a reserve currency but also because it would gravely threaten the ability of the United States to maintain the \$35 gold price. All have full confidence that we intend to maintain our price. They hope that we will take appropriate action to avert any British move toward devaluation. Since they believe that any attack on sterling would be purely speculative, and not supported by a basic appraisal of the British position, they believe that another British drawing on the IMF would be entirely appropriate to withstand a raid. They hope we will urge this approach on the British and will make use of our own special defenses if needed to protect the dollar against any repercussions from a run on sterling or from a British drawing on the IMF.

4. Prospects are good for extending the use of our swap and borrowing arrangements, provided we move ahead through bilateral negotiations—but discussing the outlines of these arrangements on a multilateral basis, from time to time. Even if Germany, Italy and Switzerland should not have balance of payments surpluses in 1963 and 1964, their central banks will probably take substantial additional amounts of U.S. securities denominated in their currencies. Central banks will not, however, at present take maturities beyond two years (although they are prepared to renew, and Italy has just agreed to extend all its present holdings to 1965 maturities).

Borrowings of longer maturity (5 years or beyond) would have to be arranged on a government-to-government basis, which means that the internal counterpart of funds loaned to the United States would have to be obtained through a budget surplus (or borrowing in the home market by the government). Given the uncertain political situa-

tions in Germany and Italy today, nothing can be usefully explored along these lines for the present. The Swiss Confederation, having already purchased \$80 million equivalent of our under-two-year securities, foresees no budget surplus in the coming year and is reluctant to borrow on the home market for the purpose of making a longer-term government loan to the United States. Substantial possibilities do exist within the established maturity ranges for additional borrowing by the United States from the Swiss National Bank, and through it, from the Swiss banking system. The French may possibly extend us a modest loan, but only through the Banque de France and for 1 to 2 year original maturity. The Finance Ministry will continue debt prepayment in amounts related to the balance of payments surplus.

5. The Germans and Italians advise against a technical drawing on the IMF by the United States in existing circumstances. They regard our swap and borrowing arrangements as adequate for meeting any technical problems arising from the fact that the Fund presently holds dollars up to 74% of the United States' quota. They warned that a U.S. drawing, regardless of its size, would create doubts in their financial communities concerning the ability of the Fund to provide the full support needed to keep the monetary system functioning if sterling suffers a run over the months ahead. They believe the world is not ready for the spectacle of both reserve currencies drawing on the Fund at the same time—short of an unusual emergency which would make the reasons clear to everyone.

6. All central bank and treasury officials in the five countries (including the United Kingdom) stated confidentially their flat opposition to any devaluation. All are equally opposed to a "floating rate." The French, Germans and Italians consider a floating rate even more harmful and disruptive than an actual devaluation.

7. While concern continues over our balance of payments situation, the Europeans generally still believe that we can eliminate the deficit. They appreciate that we have not used exchange restrictions or trade restrictions or a slashing of military or economic aid to *stop* the deficit. Many recognize that our effort instead to *solve* the deficit by making lasting improvements in our competitive trade position must necessarily take time, and be difficult to predict in both timing and magnitude. Because most of them admire our effort to evolve a solution "in the right way" and because most also know that there is no usable substitute for the dollar, they will undoubtedly continue to cooperate—but we cannot take this for granted. Our own performance must show steady real improvement.

8. Many financial people continue to believe that much of our deficit is produced by capital outflows which could be limited or offset if our interest rates were higher. Some are beginning to understand

that our long-term rates are held low by the enormous volume of domestic liquid savings and that the only zone for effective action is the short-term area in which we have been operating with some success. Nonetheless, there is no question that a further rise in the short-term rate, if this were practicable, would not only help reduce our outflow of short-term funds but would also impress European financial people as evidence of further determined effort by us to reduce the balance of payments drain and preserve our gold reserves.

9. There is still much uneasiness over the prospective size of our Federal Government deficit, though understanding and support for the tax bill are widespread. Few realize that we have been able to finance the entire rise of the Federal debt in 1962 outside the commercial banking system—a result achievable within the existing structure of long-term rates because the volume of domestic liquid savings increased so impressively in 1962. As Europeans were informed of these facts, their concern over our domestic deficit was satisfied. It is clearly necessary to improve our communications with Europe in this regard (your Princeton speech of March 7 was an effective start; that was followed by a special press release on March 14).

### **Attachment**

#### AGENDA

1. 1963 Projections.
2. Prospects for Financing the Deficit—1963–64 (Report of the LRIPC).
3. Further nonfinancial measures to reduce the deficit—status of Executive Committee paper.
4. Time table for future discussion.

May 1963

**359. Memorandum of Conversation between President Kennedy  
and German Federal Minister Krone, May 15<sup>1</sup>**

May 15, 1963

SUBJECT

Balance-of-Payments and Trade Problems

PARTICIPANTS

*GERMANS*

Dr. Heinrich Krone, German Federal Minister for Special Problems

Ambassador Heinrich Knappstein

Counselor Heinz Weber (Interpreter)

*AMERICANS*

The President

Assistant Secretary William R. Tyler

Mr. Robert C. Creel, Director, GER

Following opening amenities, in which Dr. Krone extended his congratulations on the successful launching one hour earlier of the Faith 7 space capsule, Dr. Krone said that he had had talks with both Chancellor Adenauer and Vice Chancellor Erhard just before leaving on his trip and both had specifically asked him to convey their best wishes and greetings to the President. Dr. Krone said he had already had extensive and very useful talks here with Secretaries Rusk and McNamara and other U.S. officials. He would be glad to answer any questions the President might have.

The President said that relations between the U.S. and the Federal Republic were proceeding on a satisfactory basis. He was appreciative of the attitude shown by the Germans toward the MLF project, on which a general meeting of minds had been reached between us. The task now was to secure the participation of other major powers. The President was hopeful on this score. The contributions being made by the Federal Republic in building an expanded Atlantic community were very helpful. As concerned the military situation and Berlin, we were in a better position than in 1961. The primary problem facing us now was the economic situation, not only as concerned internal economic problems in Europe and America but on the international level. He was concerned that we should not let our monetary systems control

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<sup>1</sup> "Balance of Payments and Trade Problems." Confidential. 3 pp. Department of State, Central Files, FN 12.

us to the point of deflation or of producing an imbalance in the community. The President did not think the Soviet Union would make any move against Berlin at this time. For one thing this would involve them in a direct confrontation with the U.S.; for another, they undoubtedly felt themselves to be in an exposed position in Cuba. Berlin was in a more secure position than it had been during the last four or five years. If we all met our obligations in the defense field, he felt that Europe would be in a relatively well protected position. Our primary job was to prevent an economic slowdown (he mentioned concern in this connection over the situation in Italy, Greece, Portugal and Spain), and he felt this was the central problem right now as concerned the defense of the Western community. We had had an outflow from the U.S. over the past seven years of \$15 to \$20 billion. This could not continue, bearing in mind that the U.S. was responsible for the liquidity of the Western community. It was essential that trade policies be developed which would enable us to meet our international obligations and at the same time permit the Western economy to continue to expand.

Dr. Krone said he was struck by how much the President had emphasized economic factors and problems. He had heard the same concern expressed on Capitol Hill yesterday. Everyone in Bonn, and this included the Chancellor, fully realized the importance of these factors to the U.S. and their relationship to our balance-of-payments problem. Since 1949 the Germans had carried forward a clear and consistent policy of partnership with the Free World. For a number of years there had been some resistance from other political parties in Germany to this policy but at the present time all parties were united in support of it. He considered the internal situation in the Federal Republic to be better than in some other European countries, and this was a stabilizing factor for Europe as a whole. The big problem was the farmers, who had political importance disproportionate to their numbers. It would be the Federal Government's policy to try to bring about changes in the German agricultural and crop structure (he mentioned particularly vegetables) in the interest of the common good. While he was no technician on this subject, he was fully aware of the political significance of the agricultural problem and wished to assure the President the Germans would do their best to help.

The President said that while his concern was partly with our own farmers, it was more generally with the balance-of-payments problem. No other country could continue to accept the prospect of losing \$3 billion a year. In addition to the amounts spent abroad by tourists, there were very heavy expenditures in the areas of defense and foreign aid. He appreciated the action taken by the Bundestag in the ratification process of the Franco-German Treaty. What primarily concerned him, however, was that we would find ourselves in a situation like that of

the British in the Common Market negotiations, where the French would insist on trade arrangements which the others in the Community would accept rather than see the Common Market destroyed; the Community would then enter into negotiations with the U.S. on a basis which would put us in a disadvantageous position. Unless Europe approached these trade negotiations in a way which would enable us to protect our balance-of-payments position—after all, the President interpolated, we did have a favorable balance of trade—we would be in difficulty. The President appreciated the declaration in the Treaty ratification by the Bundestag and hoped it would serve as a guide in the trade negotiations over the next 18 months. It was important not to let the French dominate these negotiations and end up by putting us in a position where we would be almost forced to withdraw from Europe, and then have the French say they had predicted this development all along.

Dr. Krone said that the Bundestag declarations in the preamble to the Treaty ratification, when enacted, would have the force of a law fully binding on the government. This would therefore establish very clearly the future course of German policy. The Germans had done things this way expressly in order to allow no room for doubt as to what this course would be. He wished to express his agreement with the President that the main concern was the balance-of-payments problem and not the farmers. Dr. Krone said we (the Germans) also have our worries about the French, since it is clear that they wish to protect their own agricultural system and make it dominant in Europe. He nevertheless felt that some progress had been made recently in Brussels toward a satisfactory solution through the efforts of Ministers Erhard and Schroeder. The Germans were in any event fully aware of what the Kennedy Round means for all of us.

The President said that in any case we did not wish to create any new farmers. Dr. Krone said he completely agreed.

**360. Minutes of Meeting at Embassy Paris, May 31<sup>1</sup>**

Paris, May 31, 1963

## PARTICIPANTS

<i>Department:</i>	The Under Secretary Deputy Assistant Secretary Blumenthal Deputy Assistant Secretary Schaetzel
<i>Embassy BONN:</i>	Ambassador McGhee Mr. Cronk
<i>Embassy BRUSSELS:</i>	Ambassador MacArthur Mr. Catlett
<i>USEC BRUSSELS:</i>	Ambassador Tuthill Mr. Fessenden
<i>U.S. Mission GENEVA:</i>	Mr. Evans
<i>Embassy THE HAGUE:</i>	Mr. Howe Mr. Abrams
<i>Embassy LONDON:</i>	Ambassador Bruce Mr. Beale
<i>Embassy LUXEMBOURG:</i>	Ambassador Rivkin Mr. Cunningham
<i>Embassy PARIS:</i>	Ambassador Bohlen Mr. Reinstein* Mr. Anderson
<i>USRO PARIS:</i>	Mr. Farley Mr. Brown Mr. Stibravy
<i>Embassy ROME:</i>	Mr. Williamson Mr. Ainsworth
<i>Rapporteurs:</i>	Messrs. Allen, Anschuetz, Davit, Finn Robinson, of Embassy Paris *Also rapporteur for evening session

## III

BALANCE OF PAYMENTS PROBLEMS  
AND FORCE LEVELS

*The Under Secretary* thought it appropriate to make some comment on the U.S. balance of payments situation. It appears likely that natural forces will bring an equilibrium in five or perhaps four years. Among the natural forces he had in mind were the trend toward inflation in

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<sup>1</sup> Force levels and balance of payments problems. Secret. 7 pp. Department of State, Secretary's Memoranda of Conversation: Lot 65 D 330.



Europe and the slowing down of European growth rates. Nevertheless, in spite of the measures already taken, we are obliged to look very hard at what can be done, especially in attempting to work out a way of reducing the burden of maintaining our forces in Europe. He said we will have to be very firm on this within one or two years, and that the situation is complicated by the policy of the French in creating a *force de frappe* and submarine fleet.

*Ambassador Bohlen* pointed out that so far the French have received only an informal statement from us regarding the current status of Mr. Gilpatrick's offer last fall to consider favorably the sale of a skipjack type submarine. He felt that it was under the circumstances, more or less incumbent upon us to clarify our position. *Mr. Schaetzel* thought that a lot of water has gone under the bridge since then. *Ambassador Bohlen* asked if we intend to hold to this line, and if not, when do we drop it.

*The Under Secretary* said that the French are constantly calling into question U.S. intentions with regard to the maintenance of its forces in Europe, in effect calling into question our honesty. This was a point he had sought to draw to the attention of Couve de Murville in their conversation a few days previously. He asked if the initiative wasn't up to the French. *Ambassador Bohlen* felt it was important both that the American position should be made clear, notably in NATO, and at the same time that no inference should be permitted which would unjustifiably raise French expectations.

*Mr. Schaetzel* returned to his comment on how the situation has changed. He pointed out that there has been Nassau and also the MLF. He noted that any favorable action by the U.S. with regard to Skipjack would produce the worst possible impression elsewhere and, particularly, in Germany and Italy where we have been making strenuous efforts to convince these governments that the surface mode was the most desirable one to be used in connection with the MLF. In the past, suggestions have also been made to the Germans and the Italians which might have led them to believe the U.S. was prepared to cooperate in some way in the construction of nuclear-powered submarines.

*The Under Secretary* drew the discussion back to the balance of payments question. He said there has been some consideration of proposals for troop redeployment. He said there were two conditions for this: (1) that the military effectiveness of our forces stationed in Europe not be diminished; and (2) that it not create undue political problems. He asked for comments on this question, and suggested that it might be possible to reduce logistical support troops without reducing combat efficiency.

*Ambassador Bohlen* commented that there has been no effort on the part of the French to move the U.S. to disengage in Europe. He

expressed the view that General de Gaulle's remarks in this connection were made with a very long-term context in mind. He had never seen any statement indicating the French would like us to move out of Europe in the immediate future. He was of the opinion that, under the circumstances of the withdrawal of the Jupiter from Italy and Turkey so soon after Cuba, it was difficult not to give an impression of a deal with the Russians. He mentioned the effect closing some military installations in France would have on the French employment situation and argued that if there is to be any reduction in U.S. forces stationed in Europe we should have ample time to prepare the way. If we cannot present the reduction in a convincing fashion he thought the consequences would be undesirable.

*The Under Secretary* supposed that it would be necessary to argue convincingly in NATO that the cut in strength would not lead to a reduced combat capability. He asked whether it should also be discussed with the governments. *Ambassador Bohlen* thought this was the sort of thing we should discuss directly with General de Gaulle in order that he not receive misleading impressions from other sources.

*The Under Secretary* pointed out that if the European countries could give us help on our balance of payments problem we wouldn't have to reduce our forces in Europe. *Ambassador Bohlen* noted that the French had shown little responsiveness to our proposal to sell the residual rights in our \$4 billion MAP program for \$250 million. *Ambassador MacArthur* asked if the approach mentioned by the Under Secretary wasn't susceptible to misinterpretation.

*Ambassador Bohlen* expressed the view that we had made a mistake in the early '50s in committing ourselves to keeping six divisions in Germany in order to get the French to agree to German rearmament. We ought to try to get back to a situation in which our commitment under the North Atlantic Treaty for the defense of Europe is the essential American contribution. *The Under Secretary* noted that if Berlin were not a problem, the requirement for conventional forces would be a great deal different.

*Ambassador McGhee* emphasized that American troop reductions in Germany would be extremely sensitive, that any such reductions would have to be effected over a period of time and after a period of proper preparation and discussion with the Germans. He noted that from a balance of payments point of view, the Offset Agreements with the Germans would make the advantages of such a reduction illusory. He also noted that a reduction of the American division slice at a time when we are trying to encourage the Germans to increase theirs would be extremely awkward.

*Ambassador Bohlen* noted that under present circumstances the European allies are dependent on the U.S. for their defense notwith-

standing the fact that some reduction of our forces might be necessary, but that a very different problem and atmosphere would be created if the Russians were suddenly to change their position with regard to Eastern Germany. In this event strains within the Alliance could become serious.

*The Under Secretary* asked how the Germans view their own balance of payments situation. *Mr. Cronk* said that the balance of payments of the Federal Republic is now in bare equilibrium. The outlook is not too good but the Germans believe the situation will be controllable. *Ambassador McGhee* returned to the point that we would run into serious dangers with the Germans if we drastically reduced the size of our forces there. *Mr. Fessenden* said that he didn't think any reduction in our forces is politically feasible, citing the continuing presence of 20 Soviet divisions in East Germany.

*Ambassador Rivkin* said he had a different view. He thought there was a certain ambivalence on the part of some Europeans toward the presence of U.S. conventional forces in Europe. Some would find a reduction in these forces cause for rejoicing since they would interpret this to mean the end of the Taylor doctrine of the "pause". Many Europeans don't want a conventional war and feel that the only real deterrent is the nuclear one. A reduction in U.S. conventional forces in Europe would mean a reaffirmation of the U.S. intention to respond to any attack with atomic weapons. *Mr. Schaetzel* noted that the "pause" based on the presence of an adequate conventional force was a basic element of U.S. doctrine. *Ambassador Bohlen* remarked that American reliance on the "pause" is regarded with the greatest skepticism by most Europeans. *Ambassador Rivkin* thought that the "pause" thesis was not realistic, not practical in Europe.

*Mr. Williamson* thought that a reduction of our forces in Italy would create problems. He said that when the Jupiter missiles were being removed from Italy, the Italians were extremely sensitive to the timing of the arrival of the Polaris submarines in the Mediterranean so that there would be no time gap in their atomic defenses. He thought, on the other hand, that there was a great opportunity for the reduction in the number of U.S. support troops in Italy.

*Ambassador Bohlen* said that de Gaulle doesn't believe a war will take place. He is using the possibility of our withdrawal to sell the *force de frappe* to his own people. He thought that de Gaulle doesn't really believe we will withdraw and would be horrified if we did. *Ambassador McGhee* thought that our strategy is not really as different from what the Europeans would like as they seem to believe. If we could only get down to cases they would find that our strategy is not so different from theirs, *Ambassador Bohlen* agreed.

*Mr. Brown* said he was glad the question can now be considered with an open mind in Washington. He pointed out that our commit-

ment at the present time is stronger than it was in 1961 when we had fewer dependents stationed in Europe; there were fewer European troops and the nuclear balance was different. How much reduction in our forces is possible is hard to tell.

*The Under Secretary* thought there had not been any discussion of European use of the U.S. capital market either. *Mr. Brown* replied that this has been discussed. He went on to say that military items are dealt with by means of the Offset Arrangement, which is vulnerable.

*The Under Secretary* asked to what extent we can expect European help to maintain forces around the world, although this probably carried with it the obligation to consult with them on the use of these forces. *Ambassador Bohlen* thought we could not give any commitment to consult Europeans on problems in which they are not involved.

*Ambassador Bruce* expressed the opinion that it would be easier if policy were decided before it is discussed publicly. He thought that the desperate way in which our decisions with respect to other countries have to be announced is very bad. In his opinion, if we reduce our forces, we must show that the reduction will not reduce combat effectiveness. He thought that advance preparation is extremely important in the implementation of our decisions.

*Ambassador MacArthur* thought that our best chance of carrying out a reduction in U.S. forces lies in the combat effectiveness argument, if it is a reasonably credible one.

The meeting was adjourned with discussion to continue at Ambassador Bohlen's residence after dinner.

### **Attachment**

Attached is a copy of the record of the Under Secretary's meeting with the Ambassador in Paris on May 31, 1963. Please note that this record has not yet been cleared by the Under Secretary. It is not being distributed outside the Department with the exception of copies sent to the Chiefs of Mission or senior participants represented at the meeting. Accordingly special handling is required.

**Benjamin H. Read**  
*Executive Secretary*

June 1963

361. Memorandum from Ball to President Kennedy, June 21<sup>1</sup>

June 21, 1963

SUBJECT

Talking Points for Your Conversation with Vice Chancellor Erhard

*General Approach*

This memorandum takes account of the comments in Bonn #3544 reporting an Erhard-McGhee conversation about Erhard's meeting with you. This telegram is attached as *Tab A*.

I think it important that you talk to Erhard, not as the German Economics Minister, but as the Chancellor-designate and a distinguished economics professor. The emphasis on these two latter capacities would, I think, tend to evoke the most useful response.

I suggest the emphasis on his role as Chancellor-designate because it is important that Erhard begin to think of himself as the potential leader of Germany, responsible for political as well as economic decisions. Not only will he respond to the implied flattery of being treated by the Head of State of the world's leading nation as the potential Head of the German Government, but he may be somewhat hurt and disappointed if you still appear to regard him merely as an Economics Minister. Finally, and most important, he desperately needs political education, and he will take it better from you than from anyone else.

I suggest a secondary emphasis on his role as a distinguished economist, because, in my experience, he responds far better to appeals to his intellectual purity as a classical economist on commercial and economic issues between our two countries than as a minister forced to make accommodations to domestic political forces.

*The Political Education of Professor Erhard*

As I have suggested in the memorandum I sent you entitled "The Mess in Europe and the Meaning of Your Trip", one of the great dangers we face in a post-Adenauer Germany is the fact that Erhard operates without a fixed political philosophy. I think it important, therefore, that you spend as much time as you can spare outlining the fundamental framework of East-West and Atlantic relationships. Erhard has never

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<sup>1</sup> Talking points for the President's conversation with German Vice Chancellor Erhard. Secret. 9 pp. Department of State, Central Files, POL 7 US/KENNEDY.

progressed beyond thinking of Europe as a potentially big customs union, which he would like to expand to include not only the United Kingdom but also the United States.

It is important that he be made to understand our own conception of a Europe integrated, not merely economically but politically—a united Europe capable of playing an effective role in the Atlantic Partnership. He must be made to see this in the larger strategic and political terms, and must be made to understand clearly the motives and objectives of American policy.

#### *Balance of Payments*

It is in this context that the balance-of-payments problem might be touched upon. Erhard understands very well the nuts and bolts aspects. We have all been over them countless numbers of times, and he knows the answers as well as the questions. But what has not been sufficiently brought home to him is the security and political context of the present imbalance in the accounts of the Atlantic nations.

I understand that Douglas Dillon is sending you a detailed paper on the current state of our balance of payments, which contains details on offset arrangements, the present state of German reserves and the evolution of the German balance of accounts. What I think you should emphasize is that Germany has not merely an interest in, but some responsibility for, helping the United States manage the difficult transition period until equilibrium is restored.

Our deficit reflects our overseas expenditures for security and economic development, and Germany is the most direct beneficiary of our vast defense efforts. Now that Germany has achieved economic strength and good economic health—for which you can pay tribute to Erhard's leadership—she must begin to carry a commensurate share of responsibilities. And these responsibilities should include an obligation to help the United States weather the difficult days until balance-of-payments equilibrium can be restored.

Germany can do this by assisting the United States both to reduce and to finance her deficit. The reduction side includes such matters as offset arrangements. The financing side might include not merely German cooperation in funding some of our short-term dollar claims through three to five year loans, but also a German willingness to continue to increase the proportion of dollars carried in its reserves.

In this connection a flat, private assurance from you to Erhard that the United States will not devalue the dollar or revalue gold could be useful.

There is an interesting passage in Bonn's #3544 in which Erhard suggests that he has several ideas on the dollar problem which he feels "should be considered as a world-wide problem". I think it would be

useful to draw him out a bit on these ideas. It is possible that he is concerned with the liquidity question. As a background for that I would strongly urge you to read pages 2–4 and 12–15 of the brilliant chapter of recommendations from the forthcoming Brookings balance-of-payments study. I have attached that Chapter as *Tab B*.

### *Trade Negotiations*

Here I would emphasize Erhard's profound belief in sound classical economic theory.

It is important *not* to discuss trade negotiations in the context of our balance-of-payments problem. Such an emphasis would be taken to mean that we expect to profit from trade liberalization at the expense of Europe. I am personally convinced that we can improve our trade balance with Europe as the result of the Kennedy Round negotiations for a number of reasons. But this is not something to be said to Europeans, since it puts them on the guard against American ambitions to get a net advantage over them in the negotiations. This, they cannot accept, for obvious reasons.

Instead, you should emphasize that we have a mutual interest in bringing about a world of free and expanding trade. Erhard religiously believes in liberal trade, particularly through the reduction of tariffs on industrial products. Quite likely he regards access to the UK and EFTA countries as more immediately important for Germany than access to the US market. But he is, by conviction, a free trader. He devoutly believes in the most liberal commerce, particularly in industrial goods, all over the world. He understands the value for Germany of imports as well as exports and the advantages to everyone from the better use of resources that expanding world trade can bring about.

For these reasons he is firmly committed to the success of the Kennedy Round. He played a key role at Geneva—for which you should thank him—in pressuring the French to agree to a workable negotiating formula.

In this connection, I suggest that you develop two major lines of argument:

1. *The basic political role that the Germans will have to play if the Kennedy Round is to succeed.*

In view of the present evolutionary state of the European Economic Community, we find it difficult to know how to negotiate with the Six. Dealing with the EEC Commission and six separate governments puts a strain on the negotiating process. It buries important political objectives in a mass of technical detail. The great role that Erhard personally can play is to take the lead in the Council of Ministers, in order to assure that the Commission is given adequate leeway in negotiating. In this way we can avoid having the special and narrow



interests of individual Common Market countries impede the achievement of our common objective of trade liberalization.

With this in mind, the United States intends, so far as possible, to negotiate with the Commission, since, if we are forced to work with six separate governments, the French will be able to play one off the other—with the result that all of us would lose the leverage that can be applied to a reluctant French Government by having the Common Market countries thresh these problems out in the Council of Ministers.

2. *We do not intend to lose sight of the basic objective of these negotiations—trade liberalization.*

There is danger that the highly technical issues emerging can obscure the real objective of the Kennedy Round, which is large-scale trade liberalization. This is why we stood firm at Geneva in insisting that the Conference adopt the principle of equilinear cuts. The negotiating formula we proposed could make possible 50% cuts in the EEC and US tariffs. The EEC proposals, which concentrated on disparities in rates, would have limited cuts closer to a 10% average on both sides.

Our negotiators freely recognized that the problem of “high and low” tariffs (disparities) should be given attention when it affected the flow of trade, just as we recognized other special problems, such as structural peculiarities in the economies of certain of the major trading countries. But this could not be the main negotiating principle if we were to liberalize trade. (A further and more technical discussion of the disparity problem is attached as *Tab C*. This paper was prepared by the Trade Executive Committee.)

### 3. *Agriculture.*

In talking with Erhard you should have in mind that Germany is the leading obstacle to the liberalization of agricultural trade. Much of German agriculture is medieval. German prices are pegged at abnormally high rates to keep uneconomic production alive.

The French, with a far more efficient agriculture, are pressing for lower prices under the Common Agriculture Policy of the Common Market. On this issue, the French interests are much closer to ours than the German interests.

Unfortunately, Erhard’s Party, the CDU, depends for much of its support on the German farm vote, and the present German Government feels heavy pressure from farmers, particularly as its voting minority diminishes.

You should make it quite clear to Erhard that from the United States’ point of view it is essential that agriculture be liberalized through the current trade negotiations. To be most effective, you might appeal to Erhard as a good economist. United States agriculture is highly efficient, and it is to the interest of Germany and the whole Free World



that it have a cheap food supply. If Germany would only buy an increasing portion of our low-cost agricultural products this would lower food costs and reduce the inflationary pressures of wage increases. German industry would thus be able to compete even more advantageously.

Beyond that Erhard, as a distinguished economist, must understand that the principle of comparative advantage requires that Germany, should take more and more of her food from America, an efficient agriculture producer, thus releasing agriculture workers for the German industrial labor market where there is a persistent labor shortage.

While making these economic arguments you should, of course, sympathize with Erhard's problems as a politician facing heavy pressures from the farm sector. But you should point out that the United States has reduced its farm population from about 13% of its working force in 1950 to less than 9% today, while at the same time rationalizing agriculture. It is important that for the economic health of the Free World that Germany also get her men off the farms where they are inefficient producers and into the factories where they can produce with high efficiency.

#### *The Central Problem for Our Agricultural Exports*

The central question that must be faced in freeing agricultural trade is, of course, the wheat price. Here I think you should emphasize that the maintenance of an artificially high price, such as the present German average producer price of \$3.01 per bushel (as compared with the American price of \$1.83 and the French price of \$2.33) would only mean a perpetuation of all the worst distortions of the German economy. Moreover, it would mean the gradual extension throughout the European community of agricultural autarky.

You should indicate that we are prepared—and in fact, plan—to attack this problem on a global basis. We hope that serious negotiations for a world grains agreement can begin this summer. We recognize, of course, the complexity of such an undertaking and the lamentable consequences if it should fail.

If you feel you must deal with the problems of *poultry*, be blunt. You should state that we regard the bilateral negotiations between ourselves and the EEC as offering virtually a last chance for providing redress for the unquestioned trade damage we have suffered. Emphasize to Erhard that it is essential, if the broad trade negotiations are to progress in an amicable climate, that the Council of Ministers authorize the Commission to negotiate a fair settlement of the poultry problem.

In this connection you should be aware that Erhard, in his conversation with McGhee, took credit for the fact that the German Cabinet

had just decided to favor a 27 pfennig kilo reduction in the levy application to US poultry, such reduction to be subject to approval by the Council of Ministers. If it became operative, this would have the effect of lowering the present levy from 14.2¢ per pound to 11.1¢ per pound.

Such a reduction would be helpful and we would welcome it. However, there are indications that the French may block even this. Moreover, our minimum position in the US-EEC negotiations aims at a total levy under 10¢ per pound. At least for the time being, we should continue to have this as our target.

**George W. Ball**

July 1963

362. Memorandum from Heller to President Kennedy, July 8<sup>1</sup>

July 8, 1963

SUBJECT

A Program for the Balance of Payments

Rather than wait for my return from Paris, let me respond immediately to your challenge to CEA to provide *its* balance of payments program. (Whatever additional nuggets I may pick up in Paris I will report to you on Monday.)

We have no hidden panacea. If we had, it would have been brought out long before this. But it has been some time since we restated for you what has been, and still is, our basic approach. It can be easily summarized.

Essentially, our policy position rests upon the conviction that *basic* economic developments both in Europe and the U.S. are moving to restore payments balance—and the Brookings Study agrees. Our policies should be designed to reinforce these basic forces, and, in the meantime, to “finance” our transitional deficit. The measures we take need not and should not sacrifice vital domestic and foreign policy objectives of the United States. (We agree, of course, that if defense savings are possible without weakening our military or political posture, we should hasten to take full advantage of them.)

1. The two basic developments which will solve our balance of payments problem in the course of time are (a) the continued stoppage of inflation in the U.S. economy, and (b) the irresistible inflationary forces at work in Europe. We obviously cannot directly reinforce the latter forces. But we can and should continue to impress on the Europeans (through OECD and otherwise) the necessity—in their own interests and in the interests of the rest of the developed and underdeveloped free world—to maintain high demand and employment and to avoid restrictive and recessionary policies. The strength of the European commitment to full employment can probably be taken for granted; but we can encourage them to combat promptly any signs of weakness in the levels of their domestic demands, and urge that they use monetary policy for stimulus and fiscal policy for restraint (the

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<sup>1</sup> CEA's program for the balance of payments. No classification marking. 4 pp. Kennedy Library, National Security Files, Kaysen Series, Balance of Payments, General, 4/63-7/63, Box 362.

obverse of their prescription for us). And we can insist that the tendency of their balance of payments to move from surplus toward deficit—as ours moves the other way—should provide no excuse for new trade restrictions.

2. Our developing price advantage must not be allowed to be dissipated by unnecessary price rises here. Renewed emphasis must be placed upon our wage-price guideposts, and there must be a demonstrated willingness to use governmental pressures to clamp down on incipient inflationary wage and price settlements. We in the CEA (with John Lewis taking the lead) have initiated a new hard look at the guideposts themselves, at the adequacy of economic intelligence in the Government to provide an “early warning system” of incipient trouble spots, and at the channels available for exerting influence on price and wage decisions.

In this context, the recent steel agreement is of crucial importance. It is clearly below the economy-wide productivity increase, and below the productivity increase in steel. It comes at an excellent time, and we should not hesitate to make the best use that we can of it (without unnecessarily offending Dave McDonald).

3. Rapid and sustained expansion of our own economy is not only an urgent domestic requirement (now made more than ever important by the new significance of Negro unemployment), but also it is the best means of stemming the outflow of long-term and short-term U.S. capital. It will affect both direct investment and financial investment abroad. When profits rise and investment opportunities expand at home, the attention of investors will shift to the domestic scene. When banks and insurance companies find ready borrowers at home, their lending abroad will taper off. This is a far better way to cut down outflows than to restrict the sources of lendable funds.

Because of the overriding importance of domestic recovery—for balance of payments as well as domestic reasons—we must take no action, such as higher long-term interest rates, that would imperil continued and accelerated expansion.

4. We should freely use our reserves—which are still large—to tide us over. We should not hesitate to draw on the IMF in the near future, not only to help supply our foreign currency needs but also to strengthen the IMF by making clear that it is an effective international mechanism for large and strong economies to use and not just for the underdeveloped ones. If necessary, we can activate the special borrowing arrangements.

5. Efforts like those you made in Europe can surely impress upon our allies the necessity—in their interest as well as ours—to maintain the strength of the dollar by

- Cooperating in its defense against speculative attacks;
- being willing to hold and to add to their holdings of dollars (while we in return, in one form or another, provide a guarantee for such holdings against exchange devaluation of the dollar—which is precisely what the Roosa bonds do on a limited scale);
- assuming larger financial burdens in behalf of the common defense and aid efforts;
- actively exploring with us interim and longer-range multilateral solutions to the problems that arise when major industrial nations encounter relatively intractable (in the short run) deficits that do not result from inflationary domestic policies.

6. In this connection, the joint studies now about to be initiated by the Finance Ministers of the “Ten” (the first meeting of their deputies will be held Thursday in Paris), should receive every support and encouragement of the U.S.; and we should make clear to the other governments that we regard this as an initiative of major significance for the reasonably near term, not the distant future.

7. Further steps to tighten U.S. procurement or to tie U.S. aid seem unwise. If anything, we should retreat slightly from some of the more obviously silly and inefficient things we have done, especially those that are purely cosmetic.

8. We must continue to pursue a hard bargaining line in the GATT negotiations, in the expectation that a general tariff reduction that is really reciprocal will help us more than it can hurt. The agricultural negotiations—and EEC agricultural policy—are, of course, crucially important.

9. If short-term money rates are to be raised, we must make sure that the Fed and the Treasury are committed to take all actions necessary to prevent any rise in long-term rates. They have the ability to do so—to do a twist operation on a really grand scale. It would mean that the Treasury would stand ready to finance the entire deficit and, if necessary, its refundings, by selling bills, and that the Fed would stand ready to supply all of the necessary reserves by buying long-terms, and, if called on, to buy even more long-terms while selling bills. If we decided to embark on such a spartan program, a rise in the discount rate could form part of the package.

10. If long-term capital flows persist at the level of the past year, we should—as a last resort—invoke controls on flotation or placement of foreign bond issues in our markets. This is not equivalent to, nor would it inevitably force us into, exchange controls, as both practice and experience in Europe so clearly demonstrate.

This is recognizably no panacea. But it is no less a program because some of its elements involve refraining from action rather than initiating it. It involves risks, but so does any policy. It will not satisfy those who feel that we court disaster unless we knuckle under to the prejudices

of the international bankers. The present division of Europe does not make it easier; but then, it exacerbates other problems as well. In our view, a calm, determined, non-crisis approach will find support and understanding in those places where support and understanding are crucial, and will in the end engender rather than impair confidence even in the financial community.

**Walter W. Heller**

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**363. Telegram 255 to Moscow, July 19<sup>1</sup>**

July 19, 1963

For Harriman. FYI Only.

1. With reference President's July 18 balance of payments message, Defense proposals include some force reduction in Europe and Far East, principally in fighter squadrons and B-47 decreases; some reduction of LOC facilities in Europe; reduction in MAP/OSP; and miscellaneous other adjustments. No combat ground force reduction involved in either Far East or Europe.

2. Effort is being made to avoid treating proposals as a package to avoid leaving impression that US is making major withdrawals from its overseas commitments. (In actual fact, Department's view is that reductions proposed by Defense do not represent major withdrawals and are politically manageable. Nevertheless, dollar magnitude of adjustments being made, which total slightly less than \$400 million together with its world-wide distribution, could lead to interpretation by news media, or others, that major withdrawals were contemplated.)

3. Actual implementation of individual programs within total proposal will take place over a period of several months, some of the actions not being completed until 1964, and in a few cases until 1965. However, exact timing on implementation of programs, including timing on approach to governments involved, is awaiting receipt from DOD details of individual programs.

4. You should also be aware that DOD has been requested prepare for consideration within ninety days an additional package of balance of payments reductions. It will probably be necessary for this package

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<sup>1</sup> U.S. troop reductions in Europe. Secret. 2 pp. Department of State, Central Files, FN 12 US.

to contain proposals for more far-reaching force reductions since availability of relatively marginal items has for most part been exhausted in first proposal.

5. If you desire further details, will be glad provide.

END.

Rusk

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**364. Memorandum of Conversation between Ball and Japanese Ambassador Takeuchi, July 29<sup>1</sup>**

July 29, 1963

SUBJECT

Interest Equalization Tax—Japan

PARTICIPANTS

Ryuji Takeuchi, Ambassador of Japan  
George W. Ball, Under Secretary of State  
Mortimer Goldstein, Deputy Director, OFE  
Thelma E. Vettel, Special Assistant to the Director, EA

Ambassador Takeuchi referred to his conversation of July 26 with Secretary of the Treasury Dillon and Under Secretaries Fowler and Roosa regarding this subject. As it stood following that conversation, the U.S. Government had indicated it was not prepared to extend an exemption to Japan. But, he said, the matter is still under negotiation. He said the Japanese economy was being greatly affected by this action. The stock market was again collapsing; on July 29 it fell another 59.54 points to the lowest postwar level. He said the stock market drop since July 18 was the greatest since World War II. The most recent drop was caused by press reports (based upon the statements of a “high U.S. Government official”) that after negotiations with Japan the U.S. had decided not to give an exemption to Japan.

The Under Secretary said that one of the problems the U.S. was facing was the fact that the dollar had been under attack. Any indication of a further broadening of the exemption would create problems for us.

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<sup>1</sup> Interest equalization tax. Limited Official Use. 2 pp. Department of State, Secretary's Memoranda of Conversation: Lot 65 D 330.

The Ambassador said that Prime Minister Ikeda and Finance Minister Tanaka both wanted to minimize the effect of these new measures on Japan's economy. Therefore they had been saying that the future was not so dark; that the measures would somehow be moderated; and that even with the tax there would be some chance of future borrowings. Meanwhile, he had instructions to explain to the U.S. Government that this was not so. But, he said, the U.S. Treasury is apparently of the opinion that the tax will not greatly affect the Japanese economy. In Japan, however, they were very worried.

The Ambassador's call on Under Secretary Ball was for the purpose of determining whether the draft legislation would name certain countries for exemption or would leave the granting of exemptions to the discretion of the President. He explained that if the latter were the case the Japanese would have more time for negotiation. If certain countries were named, however, the question of discrimination and of the FCN Treaty would be raised immediately. Furthermore, the Ambassador said, if Canada were to be named in the draft legislation the Japanese must hurry their negotiations. He said his Government was considering sending two Cabinet Ministers to the U.S. for such negotiations. After Saturday's press statement, however, the Ambassador felt the U.S. would not be in such a hurry to say that Japan was excluded from exemption.

The Under Secretary said that although he had not seen the draft legislation, he was sure it would not name any countries. He said the Department would strongly oppose legislation which did not leave exemptions to the discretion of the President. He asked Mr. Goldstein to determine the status of the legislation and inform the Ambassador later in the day.



October 1963

**365. Memorandum from President Kennedy to Martin,  
October 14<sup>1</sup>**

October 14, 1963

I am asking the Secretary of the Treasury to form a Committee to review the United States position in the discussions now in progress on the evolution of the international monetary system.

The Committee is described in the attached memorandum. I would appreciate it if you would be willing to sit with the Committee when it meets.

**John Kennedy**

**Attachment**

Now that the Deputies of the Committee of Ten have begun their examination of possible improvements in the international monetary mechanism, I wish to insure that the U.S. positions in these discussions are formulated after thorough consideration within the Government.

I understand that Under Secretary Roosa has the assistance of a committee of experts from the departments concerned (the long-run International Payments Committee) which was set up last year to discuss possible changes in the international monetary mechanism. I think it would be useful to have this group's deliberations reviewed at a higher level, now that we are considering this problem in an international forum. Since the issues involved do not fall within the sphere of concern of all the departments and agencies represented on the Cabinet Committee on the Balance of Payments, I wish to designate a smaller committee consisting of the Secretary of the Treasury as Chairman, the Under Secretary of State, the Chairman of the Council of Economic Advisers, and my Special Assistant for National Security Affairs, to review the progress of the deliberations of the Deputies and the U.S. position in their discussions, and to report to me as appropriate.

I am also asking the Chairman of the Federal Reserve Board to sit with the Committee.

**John Kennedy**

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<sup>1</sup> Martin's participation in meetings to review U.S. position on evolution of international monetary system. Confidential. 2 pp. Kennedy Library, National Security Files, Subjects Series, Balance of Payments and Gold, 10/63-11/63, Box 292.

**366. Memorandum from Dillon to Ball, Martin, Heller, and Bundy, October 17<sup>1</sup>**

October 17, 1963

Pursuant to the President's memorandum of October 14, I am sending you the attached draft memorandum which Mr. Roosa proposes to submit to the Deputies of the Group of Ten. Each of the ten Deputies has agreed to prepare a brief statement indicating the questions which his government considers relevant to the scope of studies being undertaken by the Deputies. While this initial indication of questions of interest to the United States does not, in any way, bind the United States to any position with respect to the questions, I thought you would like to review this—as the first document to come under our purview as the committee designated by the President to oversee the participation of this Government's representative in the work being carried out by the Deputies of the Group of Ten.

This memorandum, and the accompanying summary in abbreviated question form, represents the combined efforts of the Long-Range International Payments Committee. I hope you can send an indication of your approval, with any additional suggestions or questions, to Mr. Roosa no later than Monday morning, October 21. Mr. Roosa will then, under my direction, put this material in final form for immediate distribution to the other Deputies.

**Douglas Dillon**

**Attachment**

MAJOR QUESTIONS TO BE DEALT WITH BY  
THE DEPUTIES IN THE STUDY OF THE GROUP OF TEN  
(Submitted by the United States Representative)

*GENERAL QUESTIONS*

The Deputies are, in effect, undertaking a study of the international payments system. What are the major objectives of the system? How does it relate to domestic economic policies and to the commercial policies of industrial nations? What are the necessary conditions for its effective operation? And what may be needed to assure those conditions over the years ahead? How can the system contribute to financial,

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<sup>1</sup> Questions to be addressed by the Deputies in Group of Ten study. Limited Official Use. 5 pp. Department of State, Central Files, FN 1 US.

economic and political progress? Interest among the Ten necessarily centers on the functioning of the system in relation to the industrial countries—particularly with respect to the variations in their individual balance of payments positions, and to the interaction of economic forces among them. The implications of the system for the less developed countries are obviously of great importance, but need not at this stage be studied separately by the Deputies.

As presently constituted, the system presumes fixed (though perhaps infrequently adjustable) exchange rates, a fixed and continuing \$35 price of gold, and at least one currency freely exchangeable into gold at that price. It is also necessary, in order to economize gold, that most countries hold something in addition to gold in their international reserves—mainly key currencies widely usable in settling foreign accounts. Gold reserves may also be supplemented by quick drawing rights (gold tranche) on the International Monetary Fund. The reserve position may be bolstered by credits arranged with the IMF, or obtained from other countries.

These are the major elements of the system. The Deputies should attempt, however, to describe this system more precisely, noting current practice, but especially those features which appear to be essential conditions for the most effective performance of the system. This effort to formulate an agreed description of the present system, in its most efficient form, will lead to four sets of questions: (1) what are the essential parts of the mechanism for balance of payments adjustment among convertible-currency countries and how is the function of this adjustment mechanism interrelated with the use of reserves, and (2) what is the appropriate role of a reserve currency, including the duties of the country supplying it and the obligations of countries making use of it, bearing in mind the advantages and disadvantages of reserve currencies to the respective participants; (3) what determines the adequacy of foreign reserves for any country, in amount and in composition; and (4) what is the acceptable scope for credit arrangements to supplement existing reserves, either through the IMF or between and among countries, and when are short, medium, or long maturities appropriate?

Once so described, in terms mutually agreed by the Ten, the system must meet even sterner tests: (1) where does present practice fall short of model conditions? and (2) where does this prescribed model itself fall short of the needs and potentialities that a fully satisfactory international monetary system should fulfill? Or put differently, what is not now being done the way it should be, under existing arrangements; and what should be introduced to strengthen and expand the structure for the future?

In this appraisal, we suggest that projections and suggestions relate to roughly the decade extending from 1965 to 1975. Secondly, it might

be assumed for at least part of the analysis that the United States would not on average over this period run a balance of payments deficit; thus it could only provide an increase in the reserves of the rest of the world through deliberate action, such as adding to the level of gross reserves of other countries by acquiring their currencies for dollars.

The two following sections and the attached outline suggest further points that may arise in considering the process of adjustment, and the financing of imbalances.

# Foreign Assistance Policy

March 1961

**367. Memorandum from Rostow to President Kennedy,  
March 13<sup>1</sup>**

March 13, 1961

## SUBJECT

Draft of Crucial Portion of Foreign Aid Message

If the principles I have outlined are followed we cannot now state with confidence and precision how much external capital can be productively absorbed by the underdeveloped nations over the coming years. That amount will be determined by the energy and the talent they apply to the mobilization of their own resources.

But it may be useful to set a target. I should like to see the underdeveloped nations growing at the rate of about 2% per capita each year. That rate of progress—if widely spread among each nation's citizens—should convince men and women that growth is a reality—that the lives of their children and grandchildren will be better than the lives of their parents and grandparents.

Such a growth rate requires, however, a higher level of investment in most developing nations than is now taking place. Most of that increase in investment they must generate themselves. Some of the increase must come from abroad.

In what terms should we envisage the responsibility of the more developed nations. What is the gap in aid if a growth rate of 2% per capita is our common goal in the underdeveloped areas.

The answer appears to be about \$2 billion a year, on average, over the next four years. Very substantial programs of assistance are now under way: American, British, French, German, Canadian, as well as

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<sup>1</sup> Thoughts on foreign aid message: getting the Congress and Allies on board. Confidential. 4 pp. Kennedy Library, National Security Files, Meetings and Memoranda Series, Staff Memoranda, Rostow-Foreign Aid, 3/61.

significant contributions from smaller developed nations. They now amount to something like \$5.5 billion each year. But taken together they fall below a critical minimum by something of the order of \$2 billion. If regular growth is to become a widespread reality in the underdeveloped areas we must all increase our efforts. The independent calculations of many experts suggest that total Free World development aid each year should be about \$7.5 billion.

Let me repeat: We cannot now tell precisely how much additional aid will be required and justified until the underdeveloped nations themselves organize careful forward looking programs; but it may be helpful if we envisage as a first approximation Free World capital assistance programs averaging some \$2 billion higher than they are at present.

How should this extra burden of the Free World be allocated? That is an urgent job for the OECD. But again it may be helpful if I suggest an initial target. Right now the United States—aside from military assistance—is furnishing something like 75% of the long-term capital assistance available to the underdeveloped nations. We are a rich and a large nation. We should be prepared to meet our communal responsibilities without flinching. But I believe the percentage of our contribution is now too high. In an expanded program I believe the extra burden should be shared on an even 50–50 basis. Roughly speaking this may involve an extra \$1 billion each year from the United States; an extra \$1 billion each year from the rest of the Free World. I am confident that this increase will be promptly pledged and fairly apportioned in the forthcoming negotiations of the OECD.

On this basis the American aid proportion would decline from about three-fourths to about two-thirds. That is where it more fairly belongs at this stage of Western history. The major developed nations would then be contributing about 1% of their GNP to long-term development purposes.

As an indication of our nation's seriousness in launching this Decade of Development, I propose that the Congress authorize our new economic assistance agency to make long-term development loans of \$2 billion over the next four years. The level of lending in fiscal year 1961 would be little more than planned in the Eisenhower budget; but if the underdeveloped nations do their job, it would rise in subsequent years. A program on that scale would permit us both to shift some of our present aid from a grant to a loan basis; and it would permit us to play our part in the international scheme which will be taking shape in the next weeks and months.

I believe it is essential that the Congress act at this session to signal to all the world that this is the road we are prepared to follow. Among the contributors—although the burden will be more equitably shared than in the past—we shall remain the leaders. And a leader must lead.

In the underdeveloped nations it is essential that the governments and peoples understand that there is a solid basis for them to think through their programs; to work hard this year on how they propose to develop their assets; and to look to a future where the whole of the industrialized Free World is prepared to assist them in bringing to life the possibilities that exist within their human and material resources.

The whole enterprise is, of course, contingent on what others are prepared to do. But I am convinced that to mark this watershed in modern history—to launch this decisive Decade of Development—the American people, the American Congress, and the American President must firmly lead the way.

This great barn-raising is a thoroughly realistic and possible effort. But it must begin here and now; and it must begin with us. I tell you most solemnly that our nation's security—and the Free World's security—do not permit us to wait.

If this line is taken, I would propose:

1. Macmillan, Adenauer, Diefenbaker, and De Gaulle be informed of your proposal before it is delivered.

2. A personal message to Adenauer should state that, despite the difficulties with Congress, despite the forthcoming German election, you judged the position in the underdeveloped areas so urgent that we would all have to make order of magnitude commitments promptly. We need urgently a new element in the equation if we are to deal with the underdeveloped areas. You are counting on him to back you in this matter; for in your view the capacity of the North Atlantic Alliance to deal with the pressures in Asia, the Middle East, Africa, and Latin America hinge on a display of boldness and unity among us in this as in other matters on the common agenda which you look forward to discussing personally with him soon. It would be useful if a German order of magnitude, interim commitment could be made on the occasion of Under Secretary Ball's forthcoming visit to Bonn. Although U.S.-German relations involve many other matters—Berlin, NATO, etc.—much hinges on prompt unambiguous German support.

3. A personal message to Macmillan should state that, despite his short term balance of payments problems, you are counting on his prompt support. This program would supply a new under-pinning to the Commonwealth and to our relations with the underdeveloped areas in general. This was a moment when, setting aside immediate pressures, we must all step off into the dark together; and that you are confident that he will respond, as well as Adenauer and others. You look forward to an early order of magnitude interim British commitment and to your discussions with him in April.

4. A personal message to De Gaulle should state that, despite his understandable preoccupation with the Algeria affair and despite

France's great efforts in Africa that you are counting on his support for a long-term commitment to this effort. You should recall his own earlier inspiring statements in this direction. You should explain that you believe we need an initiative of this kind and a display of allied unity in this area if we are going to be able to deal effectively with the crisis areas in the southern half of the globe.

5. Parallel message to Ottawa.

6. Raise with Erlander, Dutch, Swiss, etc.

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**368. Letter from Bowles to Goodwin, March 18<sup>1</sup>**

March 18, 1961

Dear Dick:

I am concerned about the lack of a sense of urgency and importance in the present draft of the President's message on foreign aid. While it adequately explains the serious need for improved organization of our aid operations, for long-range planning, and for clear concepts and more effective operations in the handling of the aid programs, I feel that it fails to put these ideas in a framework that reflects the challenge which we face.

More specifically, I am concerned that the message as drafted does not make clear to the American people the appalling problems we face in the lesser developed areas of the world, and the fundamental adjustments in the dimensions and direction of our policies which must be made if America is to remain a major influence in world affairs.

Most Americans are pretty well aware of the tremendous importance of the military challenge from the Soviet Union and Communist China, which we are now moving to meet more effectively. In the longer run, however, I believe that the future of Western civilization is more likely to be determined by political and economic considerations, and I think the political and economic challenge at this moment is even more acute and in many ways more difficult to deal with than the military challenge.

Our task is made more difficult by the fact that most Americans are only dimly aware of the proportions of the revolution in the lesser

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<sup>1</sup> Concerns about present draft of President's message on foreign aid. No classification marking. 3 pp. Department of State, Central Files, 700.5-MSP/3-1861.



developed half of the world—the dimensions of the needs and demands—the critical importance of the time factor—and its implications for the future of our own society.

I believe they are unaware of the fact that time is running rapidly against us unless we are able to offer substantial assistance quickly in meeting the demands and needs of the lesser developed nations.

Up until the present time the Soviet Union and Communist China have contributed smaller resources to the lesser developed areas than we have. However, with the growing economic power of the Communist societies, these resources are rapidly increasing.

Furthermore, because of their controlled economies, the Communist governments have proved capable of using their limited resources with considerable effectiveness, by applying them selectively in critical situations.

In the case of Cuba, for example, we contributed approximately \$10 million a year to Cuban economic development over a period of years, while the Soviet Union, since the beginning of the Castro regime, is committing more than \$500 million.

I am well aware of the limitations on the size of this year's aid request, including the balance of payments problem and the desire to keep the budget within bounds. However, unless we move immediately to inform the American people about the nature of the position we are facing, I fear it will become impossible to do so at a later date.

If we want an adequate aid program in the years ahead, we must begin now to help the people and the Congress to understand the real nature of the situation we are facing and the initial significance of the decisions we are making.

I know there are many who believe that the American people are incapable of understanding, much less meeting, the challenge. They say that the economic needs of the lesser developed areas are too tremendous—that the Communist economic offensive is too enormous and fierce. They say that we cannot possibly persuade the Congress and the people to commit the resources required.

Yet our present-day skeptics are no more vociferous or determined than these who opposed F.D.R. in 1941 when he proposed the Lend Lease program and Truman when he proposed the Marshall Plan. By clearly describing the challenge and the response necessary to meet it, they demonstrated that large ideas are easier to sell the American people than small ones.

I strongly suspect that if the Marshall Plan had been limited to two or three countries and perhaps a half billion dollars, it would never have been approved by the Congress.

I think our responsibility is to put the full facts and their implications to them clearly and to ask the right questions.

I believe the speech is now cast in a rather low key and that it deals too much with technical considerations which are likely to be more appealing to professionals than to the general public.

I would like to see the entire speech emphasize points which I have made in this letter, with a broad, bold sweep which will help us to capture the public imagination.

As a minimum, I suggest a new introduction to the speech, together with a few other specific moderations in its text, which I am attaching to this letter.

It is impossible for me to overestimate the importance I attach to this matter. I believe that the future history of this country and the world may well depend upon the boldness of our concepts at this critical moment and upon our ability to communicate these concepts widely. If we fail to do so now, when the President's popularity is so great, I seriously doubt we will be able to do so in 1962, 1963, or 1964.

I have written frankly, as I know you would want me to do.

With my warmest regards,

Sincerely,

**Chester Bowles**

**369. Memorandum of Conversation, March 20, between Ball and German State Secretary van Scherpenberg<sup>1</sup>**

March 20, 1961

UNDER SECRETARY BALL'S TRIP TO EUROPE  
March 19–22, 1961

PARTICIPANTS

*U.S.*

Under Secretary Ball  
Ambassador Dowling  
Minister Bourgeria  
Mr. Schaetzel  
Mr. Rashish  
Mr. Bator  
Mr. Getzin  
Mr. Cizauskas

*Federal Republic of Germany*

*Foreign Office*

State Secretary van Scherpenberg  
Ministerialdirektor Dr. Harkort  
Ministerialdirigent Dr. Hess  
Dr. von Schweinitz  
Dr. Dumke

*Economics Ministry*

Ministerialdirektor Dr. Hanckel  
Ministerialdirektor Dr. Myer-  
Cording  
Ministerialdirigent Dr. Stedfeld  
Dr. Seiberlich

*Finance Ministry*

State Secretary Hettlage  
Ministerialdirigent Dr. Fechner  
Dr. Klamser

*Chancellor's Office*

Ministerialdirektor Dr. Vialon

*Bundesbank*

Vice President Dr. Troeger

SUBJECT

New U.S. Aid Program and Proposals for Fourth DAG Meeting

State Secretary van Scherpenberg welcomed Under Secretary Ball on behalf of the German Government, and hailed the opportunity to examine with friendly frankness and a cooperative spirit common problems in preparation for the Fourth DAG meeting.

Under Secretary Ball responded in kind. He then referred to the opening of a new period of Atlantic cooperation. He mentioned that the Senate had just ratified U.S. participation in the OECD which the President regarded as an important instrument of such cooperation. One of the most vital tasks confronting the OECD would be the problem

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<sup>1</sup> Aid commitments and proposals for Fourth Development Assistance Group meeting. Confidential. 6 pp. Department of State, Conference Files: Lot 65 D 366, CF 1819.

of justifying the developing countries' hope for reasonable progress. This was important not only as a moral obligation of the West but also as a means of channeling those countries' energies constructively so that they might not be drawn into the Soviet orbit. In the short time the Under Secretary was here he realized the Federal Republic also viewed this problem in the same light.

Under Secretary Ball wished to make suggestions to help the [illegible in the original] meet its challenge more effectively and to make known in advance to his hosts the substance of a new U.S. aid program which would shortly be announced by the President. This program would call for a very large effort by the U.S., with authority to commit resources over a long period since development aid was a problem which could not be met by a single-year, or even a two- or three-year program. Secondly, a long-term program would enable the U.S. to respond more effectively to the following basic types of situations encountered in the less developed countries: (1) Countries in which little hope of real economic development existed, although strategic and political considerations required the extension of financial aid. He cited Jordan as a country in this category. (2) Countries which required social and economic infrastructure assistance as a prerequisite in development. (3) Countries already in the development stage, which had to be assured of external resources in order to plan effectively further advances and to undertake the requisite internal measures to ensure such progress.

Specifically, the President was asking the Congress for authority to centralize the somewhat diffuse aid efforts of the U.S. within a single new agency under the overall authority of the Secretary of State. This would enable the U.S. to achieve the maximum of efficacy in its aid programs by commanding a flexible mix of various types of aid to meet the variable requirements of the developing countries. For example, the new agency will be empowered to extend grants for technical assistance, very long-term credits at low interest rates and repayments in soft currencies if necessary (and the bulk of this aid) would probably be in this category), and the utilization of surplus agricultural products. U.S. overseas missions responsible for [illegible in the original] country aid programs would also be strengthened to facilitate country [illegible in the original] and to prevent too little attention being paid to the impact of any one project on the country's overall needs to realize self-sustaining growth.

Under Secretary Ball emphasized this program because of the large funds being requested of Congress at a time when revenues were substantially reduced because of the domestic recession. This action underlined the importance which the Administration attached to development aid.

The Under Secretary also wished to discuss the substance of the proposals which he would present to the DAG. He would recommend a general agreement on the [illegible in the original] obligation of the advanced countries to help less developed countries [illegible in the original] self-sustaining growth. A general consensus would be required on the means to meet this goal. In the U.S. view, two principles were involved here. One was quantitative for which he had no precise formula, but believed that the aggregate contribution of DAG members might approximate one percent of [illegible in the original] annually on a systematized budgetary basis as much as possible. In this respect, however, he would suggest that other relevant factors such as military contributions should also be taken into account and that the principle of progressivity be adopted in which the richer countries would assume a larger relative share of the common burden. These were, however, all matters for the experts to discuss.

The second principle referred to the qualitative nature of development aid which had to be considered in conjunction with the quantitative measure. In the U.S. view, foreign aid should meet the three general types of situations to be encountered in the less developed countries listed above. Under Secretary Ball would exclude primarily commercial, short-term (under seven years), high-interest credits since they generally represented a burden on a developing country's resources rather than a net addition thereto. The U.S. definition of genuine foreign aid embraced grants, loans repayable in local currency, or if in hard currency then for very long amortization periods (20 to 50 years) and at very low rates of interest (2 percent or about 2 percent). The Under Secretary recognized that the latter involved a substantial element of grant assistance and he thought that this was desirable. Moreover, aid to be effective had to be considered within the framework of the recipient country's overall development needs rather than on the isolated virtues of a single project. The Under Secretary also wished to mention that in his view the balance of payments was relevant in determining not the amount but the form of assistance, that is, whether or not aid should be tied.

The second general proposal to be presented to the DAG would be a recommendation to establish a reporting mechanism which would represent an improvement over and expansion of the present system. It was important that DAG members be collectively informed about the details of each member's individual programs in every country. He himself had been unfavorably impressed by the fact that U.S. officials working in Far Eastern countries did not possess exact information on the assistance programs of other friendly countries in those areas. Precise and complete exchange of information was an indispensable first step in a more effective free world aid effort.

Thirdly, the Under Secretary proposed to recommend that membership in the DAG be assigned at high levels in order to enable decisions to be taken more effectively and rapidly. He would also recommend that a permanent chairman be appointed who would be able to spend full time on DAG problems. A permanent chairman, equipped with full information on member capabilities and programs, would be able to suggest specific programs to individual countries or to several countries acting in consort. The chairman should be an American in view of the past experience of the U.S. in this field and [illegible in the original] of its aid effort.

State Secretary van Scherpenberg expressed his appreciation for the Under Secretary's statements which he thought were very important. With regard to sharing the burden of development aid, he said that a one percent GNP annual aid contribution as modified by a progressivity formula was basically not unacceptable to the Federal Republic. However, it would be difficult to determine relative national wealth in order to apply progressivity. He also suggested for consideration per capita income adjusted by relative purchasing power as a more accurate criterion of ability to contribute [illegible in the original] or the balance of payments. Among possible distortions he cited the fact that Communist China would be in the forefront if GNP alone were used as a yardstick of national wealth, while the U.K. would come off poorly if only the balance of payments were looked at. The State Secretary then quoted some 1959 data, on per capita income for several countries: the United States—\$2,700; Switzerland—\$1,500; Sweden—\$1,500; the United Kingdom \$1,260; Belgium—\$1,260; France—\$1,140; and the Federal Republic \$1,100. Corrections for relative external purchasing power would scale the U.S. per capita income down to \$1,800. However, the absolute magnitude of a country's GNP should also be taken into account so that its ability to contribute would not be magnified by unadjusted per capita income nor minimized by taking the lower figure but would fall somewhere in between. He mentioned these factors as points that would have to be considered in arriving at an acceptable and realistic measure of a country's capacity to contribute to development aid but he believed that the problem was not insuperable, although adjustment and flexibility would be required.

Dr. van Scherpenberg expressed more concern about a qualitative definition of aid. For example, the availability of export capital, including grants, from the smaller developed countries was proportionately less than from the larger developed countries since the former had limited internal markets and required relatively more foreign capital to sustain a desirable level of productivity. He stressed the importance of considering private credits in determining a country's total aid contribution. In this respect he cautioned that the usefulness of commercial

credits should not be minimized since these often financed the soundest investments. Dr. van Scherpenberg acknowledged that special assistance including grants might be appropriate particularly when a country was at a very primitive level of development. However, he believed that grants should be the exception rather than the rule and that even long-term, low interest credits repayable in soft currency are preferable to outright grants. It was important in his view that the DAG should develop procedures and rules relating to qualitative criteria most carefully. This would also obviate the possibility of invidious comparisons by LDCs on the different types of assistance extended by donor countries.

Although Dr. van Scherpenberg was not too well acquainted with the organizational framework of the DAG, his initial reaction was favorable to Under Secretary Ball's proposal for a permanent chairman who would be an American. He also agreed that DAG should act as a clearing-house of information on members' aid programs but he believed that detailed exchanges could probably be worked out more satisfactorily at the field level. He said that elements of competition would continue to exist so long as export-type of assistance was given by all countries including the U.S. This might [illegible in the original] a full exchange on all projects a difficult goal to achieve. He expressed surprise at the Under Secretary's statement that U.S. foreign aid officials in the War past did not have data on German programs in these countries as he was under the impression that this was in fact being provided.

The meeting adjourned at this point.

**370. Memorandum of Conversation, March 20, between Ball and Van Scherpenberg<sup>1</sup>**

March 20, 1961

**UNDER SECRETARY BALL'S TRIP TO EUROPE**  
March 19–22, 1961**PARTICIPANTS**

*U.S.*  
Under Secretary Ball  
Ambassador Dowling  
Mr. Schaetzel  
Mr. Rashish  
Mr. Bator  
Mr. Bourgerie  
Mr. Getzin  
Mr. Bee

*Federal Republic of Germany*  
State Secretary van Scherpenberg,  
Foreign Office  
Dr. Harkort, Foreign Office  
Dr. Hesse, Foreign Office  
Dr. von Schweinitz, Foreign Office  
Herr Dumke, Foreign Office  
Dr. Henckel, Economics Ministry  
Dr. Stedtfeld, Economics Ministry  
Herr Seiberlich, Economics  
Ministry  
Herr Klamser, Finance Ministry

**SUBJECT**

U.S. Proposals for Fourth DAG Meeting

Under Secretary Ball began by saying that he would like to mention two points regarding the matters discussed during the morning meeting. He believed, first of all, that the defense effort of each country should be an element considered in trying to arrive at a fair sharing of the burden of development aid. Secondly, he wished to explain the U.S. attitude toward commercial investment. He believed that in the past the U.S. tended to overestimate the value of financing from private industry. In 1947 the reconstruction of Europe could not have been achieved so rapidly if the major part of the financing had been extended on a commercial basis. Now the situation of the underdeveloped areas is considerably more difficult. The less-developed countries do not have the stable governments, established institutions, technical skills and capital which were available in Europe. It is very difficult to squeeze savings out of people in the less-developed areas and still provide for their minimum needs. Thus capital will have to come from abroad, and most of it from foreign governments. Commercial credit, moreover, does not meet the balance of payments problem of the recipient countries. This kind of credit will create problems so that

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<sup>1</sup> Continued discussion of aid proposals. Confidential. 4 pp. Department of State, Conference Files: Lot 65 D 366, CF 1819.



these countries will have to be bailed out by others. Thus while commercial credit may play an ancillary role, it can do no more than that. Also, commercial credit should be put in the context of the development plan of the recipient country. There have been cases where the supplier has encouraged developing countries to embark on foolish and uneconomic projects. Therefore, U.S. experience shows that the bulk of the financing must be made available from the public sector on very favorable terms.

Dr. van Scherpenberg replied that there cannot be much difference of opinion on these points. The Federal Government believes that private investment should be included in the total assessment of aid effort. Private investment, however, cannot be distributed evenly; about 40 per cent of German foreign investment goes to Latin America while other countries like Ghana and Ethiopia have little chance of attracting private investment. This does not mean that we should take full account of investment in calculating the aid burden, although it does come from the economy of the donor country. With regard to the balance of payments position, Dr. van Scherpenberg said the Federal Republic has been accused of extending too much in the way of 5-year export credits. He believed, nevertheless, that this type of financing was sound, and that commercial transactions should not be made to compete with longer-term credits. At the same time, he added, a large proportion of these export credits cannot be met on time and the Federal Republic is therefore required to arrange refinancing. Dr. van Scherpenberg thought that all types of financing should be assessed within the total program of the recipient country, and should be related specifically to the balance of payments position of the recipient. Thus there would appear to be no basic difference between the German and the U.S. views on this issue.

Dr. van Scherpenberg went on to say that he thought private investment was the best possible form of financing since payments are not made until the project has become profitable. With regard to internal capital formation in the less-developed countries, he believed that one must accept that this can only be done by governments; it is necessary to have government planning and government financing. He also stressed the importance of good will and cited the example of penniless refugees who had formerly been successful businessmen. Many were able to recoup their fortunes rapidly largely on the basis of their good reputations.

The State Secretary also pointed out that in most cases it was not the supplier who persuaded the developing country to undertake uneconomic projects but the other way around. He said he was of the opinion that steel works had very little to do with economics.

Under Secretary Ball suggested that the two sides try to agree on the terms of reference for the experts working group. He thought that

while there may be some differences, it might be possible to agree on the basic figures. He believed that the qualitative aspects were as important as the quantitative aspects because over the long term a grant is a greater burden than a loan. He thought that it might be possible to agree on general principles, including recognition of defense effort and the element of progressivity as well as assigning values of different types of aid.

Dr. van Scherpenberg agreed that the experts should consider both qualitative and quantitative aspects. He considered it important to examine first the possibility of finding a simple measure of general burden on the basis of GNP and, secondly, a simple answer to the question of progressivity, perhaps on the basis of per capita income. He also thought that it might be useful to examine what other elements might be added to the standard. He doubted the value of trying to define progressivity and believed the other elements entering into the picture, such as defense effort, should be borne in mind but without calculating them. With regard to qualitative considerations, he thought the experts should somehow try to develop ideas on the needs for different types of aid—grants, hard and soft loans, subsidized loans, etc.

The members of the technical working group were then designated and the meeting was adjourned.

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### 371. Memorandum from Weiss to Bell, March 21<sup>1</sup>

March 21, 1961

SUBJECT

Marshall Study

1. I met yesterday with Mr. Bowles, Mr. Marshall, Mr. Hughes and Mr. Newman to discuss the assignment of Mr. Marshall to a restudy of the MAP.

2. Mr. Bowles (who had to leave midway through our meeting to keep another appointment) outlined his views as to what the Marshall study should attempt to achieve. He emphasized that it should be an objective effort to get at the real motivations which underlie our military programs. He acknowledged that we might for a variety of reasons

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<sup>1</sup> MAP study and Mr. Marshall's role. Secret. 2 pp. Department of State, Central Files, 700.5-MSP/3-2161.

have to strike a posture of justifying the programs on grounds other than their real motivations but that when we did, this should be a conscious act. Thus if we were required to undertake military aid for political rather than military reasons we should be candid at least to ourselves and thus be in a better position to assess the implications of our action. While stressing the theme of objectivity and indicating that the result of the study might well show the need for an increased fund availability, Mr. Bowles made it clear that he would hope that the opposite result might demonstrate itself.

3. Mr. Marshall asked a series of questions, most of them substantive in nature, presumably as a effort to begin to re-acquaint himself with some of the major trends of thinking on military assistance, its problems, virtues, etc. So far as I can tell on the basis of this exchange, it appeared to me that Mr. Marshall was approaching the job with a quite open mind, (but this is necessarily a judgment based on fragmentary evidence).

4. Mr. Marshall requested various documents, memoranda, etc. which were mentioned in our conversation, and I have provided him with this material. He will be out of town today but will return on Wednesday to take up the task full time. So far as I am concerned the first and most immediate problem which he must face is that of timing. Mr. Bowles is still thinking in terms of about May 1. Since Mr. Marshall will begin his effort on March 22, I think such timing is entirely out of the question if any useful end product is to be hoped for. This is a matter on which you can personally be helpful. You mentioned that you planned to talk to Mr. Marshall at an early opportunity and I would suggest that you begin to inject a more realistic consideration of the time factor into his thinking. Assuming I have the opportunity to do so I propose to raise this matter with him myself.

The following para. was *not* included on the copies of this memorandum which were dispatched as shown below.

**372. Telegram 1524 from Bonn, March 22<sup>1</sup>**

Bonn, March 22, 1961

Paris for Ball; Brussels for BUSEC. Embassy telegram 1504. US and Federal Republic technical affairs discussions held March 20 and 21 on quantitative and qualitative elements of foreign aid. At meeting morning 22nd attended by Under Secretary Ball, Ambassador, Van Scherpenberg (Foreign Office) and others, suggestions of US experts on possible areas of agreement were examined. Van Scherpenberg expressed substantial agreement with US suggestions but proposed some minor modifications. Also stated he would discuss suggestions more fully with Federal Republic experts and possibly with Cabinet prior DAG meeting London on March 27. Both sides agreed this morning's discussions would be set forth in informal minutes, and these follow:

"Possible areas of agreement:

"1) With respect to the principles of burden sharing and their application the following points of possible agreement were identified:

"A. A figure of roughly one percent of the combined GNP's of the DAG countries is an appropriate general target for foreign aid.

"B. The DAG should serve as an instrument for discussing and proposing a fair allocation of this joint aid effort.

"C. The determination of fair share should not await agreement by experts on a precise formula since the final determination of what is fair is necessarily a political matter.

"D. The principal test of what is each country's fair share is 'capacity to pay', as measured by its national product or income, adjusted to take due account of the use of its population demand perhaps of divergences between actual exchange rates and the purchasing power of national currencies.

"E. The final allocation should reflect some measure of progressivity—the richer nations should contribute a larger fraction of their income than those who are less rich. The reduction of gross national product or national income by an exemption of 100–200 dollars per capita to arrive at a 'contribution base' might be a good way to achieve such progressivity.

"F. In determining fair share for aid, appropriate account should be taken of contributions to the common defense.

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<sup>1</sup> Readout of bilateral foreign aid discussions. Confidential. 3 pp. Department of State, Central Files, 611.62A/3–2261.

“2) With respect to qualitative aspects of aid, i.e., the types of financial flows to less developed countries which will qualify as aid, the following points of agreement were reached:

“A. Private and public financial aid which is extended to the less developed countries on commercial terms is both useful and to be encouraged.

“B. The appropriate composition of assistance of the less developed countries—the combination of grants, long-term soft loans, long-term hard loans, short and medium term assistance—should be determined by the needs and stage of development of the recipient country.

“C. There is today a need for a substantial expansion of long-term assistance on terms more liberal than appropriate for private finance.

“D. The governments of the DAG countries must meet this need for long-term non-commercial assistance.

“E. In the determination of fair shares, account must be taken of the fact that aid provided on such terms constitutes a greater burden on the donor country than public or private finance on commercial terms.”

US experts accompanying Under Secretary Ball inclined believe that foregoing maximum Federal Republic willing explicitly agree to at this stage.

**Dowling**

May 1961

373. Memorandum from Freeman to President Kennedy, May 5<sup>1</sup>

May 5, 1961

SUBJECT

Agriculture and Problems of Foreign Policy

For several works I have wanted an opportunity to discuss some important questions with you, but under the current pressures of problems relating to Laos, Viet Nam, Cuba, et al, I have not felt it appropriate to take any of your time. If and when this pressure lets up a bit, I would appreciate the opportunity to discuss with you the matters that I am presenting here, because I believe they have an important relationship to the immediate problems we face in these trouble spots in the world.

We in the Department of Agriculture are particularly concerned with (1) the use of food as an instrument for economic development and human well-being in the world; (2) the development of an efficient agriculture in the developing nations; and (3) the development of a political climate and political instruments under which people in these nations can grow toward both freedom and a higher standard of living.

I am concerned, not only as Secretary of Agriculture but also personally, with this third point, because in a very small way years ago we took part in some counter measures which resulted in the effective purging of communist influence in our political party back home. At that time we learned that we can't beat something with nothing—that you have to both have a program and be decisive and tough minded in carrying it forward if you expect to meet the kind of financial zeal and twenty-four-hour-on-the-job service that the communist [illegible in the original] mount so effectively.

There are a number of areas which relate to this objective with which we are concerned.

A. I have previously reported to you how we are seeking, for the first time, to assemble adequate information on the nutritional needs around the world and the effectiveness of our food programs. We organized, for this purpose, an interagency committee headed by our

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<sup>1</sup> "Agriculture and Problems of Foreign Policy." No classification marking. 5 pp. Washington National Records Center, RG 286, AID Administrator Files: FRC 65 A 481, Administration, FY 1962.

director of the Foreign Agricultural Service. Its first report, a preliminary evaluation of the world's nutritional gap, has been issued. The second step in this study will be an evaluation of the results of our own food programs.

I am asking that this second phase, originally scheduled for completion in September, be speeded up—and expanded to include the state of agricultural technological development in underdeveloped areas. I would hope that this report will be useful to the new economic aid agency, so that it would not need to start with fast gathering but could immediately get on to the job.

B. I would like to bring to your attention some of my thinking in connection with this new economic aid agency. I hope that it will be so set up and administered that it can be most effective in planning and negotiating the kind of economic aid programs that will best serve our foreign policy and our national interest. At the same time I am concerned lest it be set up in such a way that would militate against making the best possible use of our resources. I believe that the latter would be the result if the new economic aid agency sought, in itself, to operate every program for economic aid.

Let us be more specific. It would appear to us that the new economic aid agency should certainly have the central responsibility for economic assistance as a whole and for each particular country involved, and that in carrying out that responsibility it should be charged with planning, coordination and negotiation, with authority to make final recommendations to the President. In that planning it would, of course, need to consult with other Departments:—for example, it could not plan a food program except in consultation with agriculture. Once the plan was made, I would envisage that the economic aid agency would have over-all direction of the total program in each country.

At this point, however, it seems to us that the actual operation of each program should be carried out by the Department (be it Agriculture, Health, Education and Welfare, or Commerce) in which that function normally resides and in which are found the expert knowledge and experience. Only in this fashion can the maximum resources of each operating agency be available.

I am sure such a plan of operation could be worked out satisfactorily. As I envision it, the new economic aid agency would assign, to each country for which a program had been worked out, a director who, with the assistance of whatever staff might be necessary, would be responsible for the total program. But under his coordination and broad general direction—and under his final authority—there would be assigned to the Department of Agriculture the responsibility for these parts of the program that deal with distribution of food and assistance in developing local agricultural programs. Those operating

the agricultural programs would report both to the economic aid director in the country concerned and to this Department, just as our foreign agricultural attaches now report to the ambassador in the country to which they are assigned and to this Department.

In this matter I believe we could get the most effective operation of our program both in the field of food utilization and in the field of technical assistance to agriculture. Any other form of organization would, it seems to me, involve a duplication of both personnel and work and would tend to militate against the assuring of our highest ability for the economic aid program. To succeed in this important field we will need access to all of the best of our human resources—in ability and experience. It hardly seems possible that a new operating agency could duplicate all the scientific and technological resources of ability that we have in the many agencies of the Department of Agriculture.

I would suggest to you that our capacity is limited in terms not only of dollars, but of personnel. It will not be utilized to the fullest, if the foreign economic aid agency attempts to operate each specific program on its own by calling an specialists from the present operating agencies. For one thing, these will be an absence of permanency, and it will be exceedingly difficult to recruit and hold the most competent people. As a result, the present high level of morals, efficiency and knowledge in our operating agencies could not be as effectively harnessed as if the agencies themselves conducted the actual operations.

In this connection I would emphasize the great variety of our resources and operating programs, ranging from the Extension Service, Rural Electrification Administration, Farmers Land Administration, and our Foreign Agricultural service to all of our scientific and technological services. I would point out how much there is in common between the kind of programs we are launching in our own rural distressed areas and programs needed in many foreign areas. We have experience, ideas and know-how in this field that can be of value and should be used.

C. I believe that the present situation in the developing areas of the world, and particularly in most of these in which the threat of communism is the greatest, is such that there is a tremendous opportunity and a tremendous challenge for the kind of leadership that we find in agriculture in this country. It is clear, it seems to me, that the communist appeal is being made to farmers and peasants rather than to workers. Even in a kind of cynical paragraph, in a recent news magazine, forecasting what might happen in Laos and predicting that Soviet and Red China military advisers would be invited in and that technicians from India, Cambodia, Burma, and Thailand would also be invited, the forecast concluded "and from the United States a few



agricultural experts". This indicates not only our area of leadership but our area of challenge and opportunity.

I believe that in this regard we ought to use every resource we have, openly and clandestinely, publicly and privately. We need to concern ourselves with means whereby we can assist and develop local leadership for freedom, to combat communist infiltration.

I think that in the one single area of building cooperatives and credit unions in the rural areas of the countries involved the opportunity is tremendous. I believe that some of this could be done through government and some through our cooperative and credit union leadership, perhaps with essential government aid. There exists convincing evidence of the success that kind of effort has already achieved in the very small and limited fields in which it has been tried.

I would like to point out two special advantages to be expected from this kind of encouragement of cooperatives in the countries in which we find it most essential to bolster the force of freedom: (1) Economic development through cooperatives avoids the tinge of "imperialism," that, whether justified or not, is bound to be a by-product of private development in the hands of private corporations. Yet cooperatives in this country are strong in both experience and talent to provide the leadership for economic development particularly in rural areas that is so badly needed.

(2) Cooperatives are by their very nature organizations of people through which could be developed democratic leadership among the citizens of the country involved, and such democratic leadership could be most effective politically in opposing the communist threat and in building strong, democratic friendly governments. We can assist in finding and developing such leadership most effectively by means of working through organizations of the people themselves—and labor unions and cooperatives provide the most fertile fields for this kind of effort. Here in agriculture we not only have knowledge and experience in organizing and assisting cooperatives, but we have the nucleus of a fine relationship with voluntary cooperative associations and federations here in the United States.

I have planned to reactivate an advisory committee on cooperatives that used to perform an important function in connection with the Department but was allowed to languish for the past eight years. As it was previously used, this committee met with and advised the Secretary of Agriculture with regard to the domestic scene and proved to be a helpful instrument. I have intended all along to reactivate this committee but it now occurs to me that in reactivating it, and at its first meeting, I might ask the cooperative leaders that constitute this committee what they can do for their country instead of what we can do for them. If you approve, I would like to mention specifically in

my call for the first meeting of this committee a request that they come prepared to discuss to what extent and in what ways the cooperatives of the United States can help us to meet the challenge we face in the developing countries of the world in which democracy is not yet secure and in which we must exert every possible effort to combat the threat of communism.

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**374. "Current Economic Developments," May 9<sup>1</sup>**

May 9, 1961

*CONGRESS ASKED TO EXPAND FOOD-FOR-PEACE PROGRAM*

President Kennedy has asked the Congress for a multi-billion dollar authorization for a long-range Food-for-Peace Program. The request is based on the conclusions and recommendations of the President's Food-for-Peace Director, George McGovern, and is contained in the omnibus farm bill which, among other things, extends and strengthens the core of the Food-for-Peace Program—the Agricultural Trade Development and Assistance Act (PL-480). The President has stated that the revised bill will enable the US to correlate its agricultural programs more efficiently with our foreign aid and permit the US to maximize the rise of our agricultural productivity to further economic development, peace and freedom in the world. The President has also set up an American Food-for-Peace Council composed of prominent citizens to advise the Food-for-Peace Director, develop public information on world hunger, and enlist support for the attack against hunger.

The McGovern recommendations specifically emphasize the need for a vigorous program for the utilization of US surplus agricultural commodities as a part of economic development programs and for improving nutrition in the developing countries. The request to Congress is for authority for a five-year \$7.5 billion program for Title I sales as well as other amendments to PL-480. The Secretary of Agriculture would still determine the quantities and commodities which are to be disposed of under PL-480 but the right to determine which

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<sup>1</sup> Expansion of Food for Peace Program. Unclassified. 5 pp. Washington National Records Center, RG 59, E/CBA/REP Files: FRC 72 A 6248. Current Economic Developments.

countries should get surpluses would be shifted from Agriculture to the President.

*Title I* According to McGovern's report to the President, the surplus agricultural disposal program has been hampered by the difficulty of entering into long-term agreements under Title I (sales for local currencies). A particular problem is the fact that total obligations under all agreements must remain within the current total authority, which for 1960 and 1961 is \$1.5 billion per year. Authority to commit funds for this calendar year had been depleted as the commitments for the May 1960 multi-year Indian agreement had to be met. To correct this weakness in the program, the President asked the Congress for increased authority for the remainder of calendar year 1961 and for a long-term extension of PL-480. The House and Senate have already approved the request for \$2 billion in additional authority for this year, and the President on May 4 signed the legislation. Committees are holding hearings on his request for extension of Title I until 1966 and for an authorization of \$7.5 billion over the next five years, no more than \$2.5 billion of which would be committed in any one calendar year. This authorization, the Administration believes, would provide the flexibility needed for long-term agreements, at the same time eliminating the possibility that all funds would be expended in the first year or so of operation. (It might be noted that a \$2.2 billion multi-year agreement has already been signed with India and that long-term Food-for-Peace agreements are under consideration for Brazil and Pakistan. These latter agreements would run about four years and provide for the sale of approximately \$600 million of commodities to each country.)

The President has also asked the Congress to amend Title I to authorize the building of national food reserves. Under this provision, the President would be authorized to make surplus agricultural commodities available through the CCC for the establishment of such reserves. Agreements with the recipient country would require payment in dollars or local currency depending on the terms of the agreement, but the payment would not be made until the commodities were withdrawn from the reserve. Enactment of this amendment would encourage the creation of badly needed reserves, since many of the underdeveloped countries are susceptible to drought and other natural disasters which cause wide fluctuations in crops. Even those countries which have storage facilities have found it difficult in the past to fill them with US commodities, because they have had problems in financing such purchases.

Another amendment would allow reuse of foreign currencies which represent principle and interest from PL-480 loan repayments. The present bill is silent on the use of such repayments and in the past

this has not been a matter of concern because repayments had not yet started to accumulate. Repayments now, however, have started to grow and will continue to do so.

*Title IV Amendments* Particular emphasis has also been given to long-term dollar sales under Title IV. This Title was added to PL-480 in September 1959 but no agreement under the Title has yet been completed. The Title would be broadened to encourage increased dollar sales through long-term supply agreements and through the extension of credits. Safeguards for usual marketings, the use of private trade channels, etc., would be required as under Title I.

*Titles II and III* The benefits of emergency feeding programs and their continued use is also emphasized in the McGovern Food-for-Peace report. While these programs have been successful as a visible demonstration of US help to the needy, McGovern believes that they have been too limited in number and volume. In addition, the food that has been offered is limited and generally supplied for a relatively short period of time. He recommended that the Administration encourage new programs of this type and expand old ones. Authority for such programs is contained in Title II (which provides for famine relief and grants) and Title III (which provides for donations of food to voluntary agencies for foreign assistance to the needy.)

To meet this objective, the President has asked the Congress to extend Title II through December 31, 1966 and to continue the present yearly authorization of \$300 million in addition to any carry-over. There is no statutory limit of Title III expenditures since such donations are simply treated as losses by the CCC which receives an annual appropriation to cover losses.

The McGovern report stresses quality as well as quantity as a factor in Food-for-Peace aid. It calls for an improvement in the variety of our food package, including the addition of protein and fat which are badly needed. The US has in the past included frozen poultry under Title I programs but only in special cases. The President has, therefore, requested authority to have the CCC make available not only commodities from its surplus stocks but also commodities from private stocks.

In connection with this increased emphasis on nutrition, a special task force was appointed to survey the world's food needs not only in terms of quantity but in terms of the types of food required to maintain normal physical activity and health. The study reveals that total calories, total proteins, and particularly animal proteins, are on the whole very low for the underdeveloped areas. Initial calculations on these needs, however, are considered a "first approximation" only, which should be followed by a more detailed, thorough, and refined calculation including a fuller account of each country's special situation.

The McGovern report calls for increased coordination with voluntary agencies to find out if any further changes are required to render

Title III more effective. Food-for-Peace help in the development of truly national programs in needy countries is recommended in addition to the establishment of programs in needy areas where no assistance is presently given.

A large expansion of Title II and III grant programs has been recommended. The McGovern report foresees an especially significant role for the Peace Corps in this respect. Peace Corps services should be made available to voluntary agencies as well as to governments.

Certain grant programs are also emphasized. The school lunch program is particularly stressed, whether it be on a government-to-government basis or through voluntary agencies. The US has used surplus agricultural commodities for this purpose in Japan, Italy and Tunisia. Difficulties were encountered, however, when some governments were unable to continue the programs on their own. The McGovern plan would permit US support of school lunches for longer periods of time.

Another unique plan which McGovern desires to expand is the food-for-work-program. Under this program, surplus commodities are used as wages in economic development projects such as small dams, irrigation and drainage canals, wells, cisterns, rural roads, reforestation, and soil protection and restoration. A pilot project has worked very well in Tunisia where for about eighteen months workers have received approximately one-third of their pay in surplus food. On May 4 the US signed a \$17.8 million work project agreement with Morocco. Under this program, the largest of its type ever undertaken by the Food-for-Peace program, 200,000 tons of US wheat will be utilized by the Moroccan Government as partial wage payments to 200,000 workers employed in economic developments projects. Negotiations nearing completion will result in additional work programs in Dahomey, Eritrea, Greece, Indonesia, Iran, Republic of China and Tunisia.

*Latin American Mission* The use of surplus agricultural commodities in connection with agrarian reform and other land projects is an additional program which the McGovern report emphasizes. This is especially significant for Latin America and is closely allied to the President's "Alliance for Progress."

Early this year, a special mission was sent to Latin America to determine how US abundance could serve to further programs of social and economic development in these countries. In all of the ten countries visited, the mission found a need for surplus commodities which could be supplied under one or more of the provisions of PL-480. For example, wheat sales for local currency could contribute materially to Brazil's food and economic development needs, whereas famine relief and private agency grants would do much to help the drought stricken northeast area. Title II aid could play a significant role in Colombia's

school construction effort and rural resettlement projects. Furthermore, the increased use of feedgrains toward the production of hogs and poultry in countries such as Brazil might increase the availability of protein for consumption. As a direct result of the Latin American Food-for-Peace mission, Title I agreements have been signed with Ecuador, Bolivia, and Brazil.

The Latin American mission, however, pointed out that food by and of itself cannot provide an answer to the overall development needs of Latin America. Some of the countries must first develop better ideas of the funds, materials, and technical assistance that will be available to carry out their programs. Even donation programs can be effectively implemented only to the extent that financial and technical problems of preparation, transportation, and distribution can be solved.

*Multilateral Programs* Multilateral programs do not conflict with the Food-for-Peace program. On the contrary, such programs as UN activities to relieve hunger through multilateral food distributions complement the US effort. At a recent meeting of the FAO Advisory Committee on Surplus Food Utilization, the US took the initiative by proposing a \$100 million multilateral food fund and offered to contribute \$40 million in commodities. It is hoped that other nations will make similar contributions to help meet the needs of the underdeveloped nations.

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**375. "Report of the Development Assistance Panel," President's Science Advisory Committee, May 18<sup>1</sup>**

May 18, 1961

RESEARCH AND DEVELOPMENT  
IN THE NEW DEVELOPMENT ASSISTANCE PROGRAM

I—INTRODUCTION

Since the end of World War II it has been the policy of the United States to stand ready with financial assistance for those foreign countries where resources were insufficient to meet pressing needs. Initially, this assistance was directed to the rehabilitation of the devastated areas of Western Europe and, when this task was well in hand, to their

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<sup>1</sup> Research and development unit to help manage the U.S. development assistance program recommended. Official Use Only. 5 pp. Washington National Records Center, RG 286, AID Administrator Files: FRC 65 A 481, White House, FY 1962.

economic recovery. Later, emphasis was placed upon the ability of those nations, and others, to defend themselves against aggression. But in recent years, as the industrialized nations have achieved and surpassed their pre-war capabilities, the focus of attention has become fixed upon the less developed nations of Latin America, the Middle East, Africa and Asia. It is clear that in the future American foreign aid, augmented now by those nations which were themselves its recipients only a few years back, will be directed predominantly to the complex task of assisting in the economic and social development of nations, new and old, in the less developed areas of the world.

The development assistance program that is now being shaped is intended to meet these new responsibilities. They differ both in kind and in scope from those of the past. The fundamental problems with which the new agency will deal are not problems which will be resolved in one year, or five, or ten. The task is not to rebuild, but to build; not to restore economies but to create them. The needs are urgent. The United States must not only manage its own effort, but must coordinate its activities with those of the other industrialized nations which are joining in the task, and must help provide leadership for the less developed countries themselves as they strive to further their own ambitions. These are new dimensions in foreign aid programs, necessitating profound re-examination of means and mechanisms.

The people of the United States have come to realize that freedom at home is affected by the fate of freedom in the rest of the world, and that human misery and social chaos anywhere in the world imperil free men everywhere. Both our present concern for the state of the world and our historic commitments to human dignity and freedom justify our continuing attention to the grave problems facing less developed countries.

In doing this, we associate ourselves with men of understanding and good will wherever they may be. We do not see this as a matter of an advanced nation helping less advanced nations—we have by no means solved all our own problems. Nor do we see it as a matter of a big nation helping smaller nations. It is a matter of men of conscience, here and everywhere—men concerned with the state of the world and the condition of man—joining hands in the ancient battle against the afflictions of mankind.

Our goals are these:

1. To assist in the growth of social orders responsive to the needs of the individual.
2. To bring about a steadily rising level of living in the less developed nations.
3. To help the developing nations learn the difficult art of accomplishing change within a framework of order.



4. To help create an international order that will serve the maintenance and the improvement of mutual security.

There is a faith that goals such as these can be met by means of a development assistance program, but there is also an awareness that we will encounter difficulties along the way. Earlier tasks of rehabilitation, of economic recovery and of military assistance could be approached confidently and expertly. The problems encountered were those to which we are accustomed in our own society, and the solutions were as familiar to those who needed our aid as to those who brought it to bear. Indeed, it was often the foreign country itself which identified its problem and suggested the form that aid should take. This is no longer the case. The economies, the customs, the political structures and the resources of the less developed countries have little or nothing in common with our own. Each of these nations has special problems which the industrialized nations, in their evolution into modern societies, were never called upon to face; their economic, cultural and social differences rule out any single, simple solution. Rarely can we rely upon basic resources which normally we take for granted, such as minimal public health standards or widespread literacy. Before we can hope to see answers, we must wage our own intellectual struggle to recognize the questions in their proper perspective.

No development assistance program can hope to be effective unless it is built firmly upon two broad foundations. The first of these is the organization of skilled inquiry to define the needs of the nation we hope to assist; to develop techniques by means of which the process of inquiry itself may be made more efficient; to establish the knowledge that can be brought to bear on these needs and the framework within which that knowledge can be applied; to discover means of stimulating the flow of human resources, here and in the less developed nations, into the stream of development assistance. The second broad foundation is the detailed and imaginative engineering of each proposed solution in terms of its actual application in the field, and the education and training of those who will be called upon to apply it.

#### *SUMMARY OF REPORT*

#### DEVELOPMENT ASSISTANCE PANEL

#### PRESIDENT'S SCIENCE ADVISORY COMMITTEE

Estimates of the scope, pace and long-term efforts required to meet the explosive problems of the emerging nations and regions are rising rapidly. Imaginative programs to meet this challenge call for the effective mobilization of diverse talents and resources—public and private, national and international. The private business and academic communities, in particular, must be more fully tapped as a source of study,



knowledge and experience as well as a source of qualified personnel. A Research and Development Unit to serve the pending consolidated U.S. Development Assistance Program is needed to help bring about such a mobilization of effort and to ensure that the aims of the new Program will be efficiently met and the huge investments involved protected.

The R & D Unit would have as its tasks to improve developmental planning, to identify requirements and priorities, and to define the most effective forms and channels of external assistance to the emerging countries; to help generate new knowledge and techniques to meet the problems of the emerging nations; to conduct appropriate experiments and pilot projects in the less developed areas; to assist in the transition from pilot program to operation; in doing so, to utilize existing institutions and to help them to provide the necessary trained personnel; to create, where necessary, new institutional resources; to coordinate relevant R & D activities outside the Development Assistance Program and to serve as a unifying factor among the elements of the assistance program and to ensure that the entire effort is responsive to our foreign policy objectives.

The areas in which the Unit may expect to be active include the natural sciences, and intimately involve the full range of social, political and cultural sciences. It must deal particularly in the identification of those forces which mold a society, with the adaptation of existing technology, with the pursuit of problems that were by-passed in the evolution of our own society but which are nevertheless central to less developed societies, and to a limited degree in basic research. Its primary criterion must be the needs of the operational programs in the field.

The Unit itself is envisaged as small and compact, with a director of high eminence, a small professional staff and a large body of able and energetic consultants. Special steps should be taken to ensure the participation of individuals from private industry.

The Unit should lay great stress upon the promotion of international cooperative activities and the creation of joint institutions with other industrialized nations and the emerging countries. It should employ the services of academic institutions by means of grants and contracts designed to maintain and strengthen those institutions, should work with industrial firms, particularly in the area of adaptive engineering, and should enter into joint ventures with private foundations, international agencies and other governmental institutions. It should promote action-oriented conferences and studies, and design ambitious field activities around consultant teams.

The budget may be expected to attain a level of approximately \$95 million in four or five years; the Panel recommends a first-year budget on the order of \$50 million.

**376. Letter from Bowles to President Kennedy, May 22<sup>1</sup>**

May 22, 1961

Dear Mr. President:

Last week I discussed the outlook for the foreign aid legislation with Bill Fulbright at considerable length. Bill feels that the need for a strong foreign aid bill with truly adequate funds and a long-term commitment has been vastly increased by recent developments in Cuba and Laos.

If the Administration's reaction to these set backs appears to be largely military and paramilitary, followed by substantial Congressional cuts in our economic aid program and a rejection of your proposals for long-term commitments, the impression created abroad will be most unfavorable.

As you know, the hearings are expected to start around the early part of June. This should mean that the legislation will reach the floor of the House and Senate early in July.

Our efforts to develop the kind of strong public organization and support for this program that we had at the time of Lend Lease and the Marshall Plans have, unhappily, not worked out as we had hoped.

I almost persuaded Bill Benton to act as head of a major volunteer organization, but he was too involved. I then tried Chuck Percy, whom you may know as a rather liberal Republican who was chairman of the Republican Platform Committee. He was also unavailable.

There is, of course, some advance public relations work going on, although I am afraid the scope is nowhere near adequate. Because of this, I hope that you can agree to speak at the Eighth National Conference on International Economic and Social Development to be held here in Washington either June 15–16 or 19–20, depending on your schedule.

David Lloyd who is handling the arrangements, was in to see me last week, and I believe it will be of major importance. I am enclosing a letter which I wrote Mac Bundy outlining the details.

I am also hopeful that you will agree to take the dramatic step of going before a joint session of Congress to make a special personal plea for the passage of truly adequate foreign aid legislation.

This speech would give you an opportunity to reaffirm some of our positive objectives in world developments which have been inevitably confused by the military nature of the Laotian and Cuban emergencies.

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<sup>1</sup> Foreign aid bill and the Hill: Bowles conversation with Fulbright. No classification marking. 4 pp. Department of State, Central Files, 700.5–MSP/5–2261.

It would also place your own prestige and influence solidly behind the new program which, with adequate funds and long-term commitments, represents our greatest single opportunity for positive action in foreign affairs.

It would be most reassuring to people throughout the world in affirming our constructive objectives in dealing with problems of poverty, injustice, and lack of development.

More than that, it would have a profound effect on the American people in bringing their own minds back into proper balance in foreign policy matters.

Bill Fulbright also stressed the importance of a limited number of private talks with legislative leaders either just before or just after the new legislation goes before Congress. He felt the most important individuals were the following:

*Dick Russell*—As you know, Dick has been opposed to foreign aid generally ever since the days of the Marshall Plan. However, Bill feels he is beginning to understand the requirements, and that he would be so flattered if you paid him some special attention that he might become a powerful and perhaps decisive force in support of your efforts.

*John McClellan*—As you know, John is now in charge of the subcommittee on appropriations for foreign aid, and a very key individual. Fulbright felt that he too would be flattered by any attention you might give him and that would have a great influence.

*Bourke Hickenlooper*—Fulbright feels that Bourke is by all odds the most important Republican as far as this legislation is concerned. If we win his support, we will be a long way toward getting what we must get. I often wonder if Hickenlooper might not be induced to picture himself as Vandenburg in the days of the Marshall Plan, and to take a major role in getting this legislation through.

*Jerry Ford*—Ford, as a rule, has been favorable to foreign aid but critical of some aspects of it. Fulbright felt that he might be persuaded to see himself in the role that Chris Herter took in the House during the Marshall Plan.

*Otto Passman*—It would be foolish to assume that we could get Passman really to support our views. At the same time, a visit with him stressing long term requirements of foreign aid with the view of making the system more effective would help a great deal. I know that your visit with him on the Latin American aid bill was instrumental in getting him to go along.

Fulbright also made a strong personal “suggestion” that I ask you to invite the Foreign Relations Committee and also the Foreign Affairs Committee to come to the White House for a personal talk with you. He feels that this will pay very great dividends. He felt that they should

be asked separately but that the Appropriations Subcommittees of each House could probably be included.

Let me finally say that I think Bill Fulbright can be easily persuaded to be one of the strongest supporters of the administration and you personally. Right now, however, he feels slightly left out.

He has not been in the regular leaders' conference at the White House, yet as Chairman of the Foreign Relations Committee, he has to deal with virtually all important problems. His itchiness grows from the belief that his opinions have not adequately been sought out.

What Fulbright would like to do is to feel that he could stop by the White House and have a drink with you every week or two. If it were possible to set this up and if on every other occasion he would bring some individual he feels is in a key position to help, it would pay big dividends.

In view of the pressures you are under, this is a lot to ask of you. But Bill spoke with such feeling and conviction that I thought his views and my impressions of them should be passed on to you.

With my warmest regards,  
Sincerely,

**Chester Bowles**

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### **377. Letter from Bowles to President Kennedy, May 23<sup>1</sup>**

May 23, 1961

Dear Mr. President:

I understand there is some difference of opinion as to whether you should go before Congress in behalf of the new economic aid program and the new agency we hope Congress will authorize.

This is simply to establish myself as strongly in favor of such an action for two reasons.

The first relates to our appearance to the world: Inevitably during the next few weeks the Administration will become connected in the public mind with measures which in spite of their essential nature are militantly negative, i.e. further increases in military expenditures, an

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<sup>1</sup> President's Hill appearance in support of new economic aid program. No classification marking. 2 pp. Department of State, Central Files, 700.5-MSP/5-2361.

increased space program to help to catch up with the Soviets and the possible resumption of nuclear testing.

However essential to our security, these moves all tend to strengthen the image of a nation striving to keep bad things from happening rather than striving to create the kind of free societies throughout the world to which you are so deeply committed.

The second reason relates to the support of the aid program by the American public and the Congress. I'm sure I need not stress to you the concern with which friends of the bill in both Houses view the difficulties confronting it—particularly the long-term aspects which are the key to its success. A personal presentation by you after you return from Vienna and immediately before hearings in both Houses would be in the tradition of the special appearances of President Truman in behalf of Greek-Turkish aid and the Marshall Plan in 1947.

I know that you believe as I do that a truly adequate long-term economic aid program is an essential and very likely decisive element in American foreign policy. A personal appearance by you before Congress in behalf of this program will go far to assure its acceptance and at the same time enable you to underscore our affirmative objectives in world affairs.

With my warmest regards,  
Sincerely,

**Chester Bowles**

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**378. Personal Memorandum from Bundy to Rusk, May 25<sup>1</sup>**

May 25, 1961

I would like to put in one more word about the organization of the AID agency, and in particular the rank and salary of its Administrator and four Regional Directors.

Two propositions seem to me fundamental about AID. One is that it should be under the Secretary of State, and the other is that it should command the best possible talent. The first point, which has been much debated in the past, now seems settled in everyone's mind. Not only is it clear that the Administration will be in the Department—it is

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<sup>1</sup> Organization of AID. No classification marking. 1 p. Kennedy Library, National Security Files, Departments and Agencies Series, AID, 1/61–12/61, Box 268.

crystal clear that you as Secretary will have direct authority and responsibility and can exercise it through any staff officer you choose. This is parallel to the decisions being made about Disarmament.

But this is only half the battle. We shall soon need to recruit half a dozen men of the highest quality for AID. It is the universal judgment of men close to this kind of talent that this will be just about impossible if the Administrator cannot rank with the Under Secretary, and the Regional Directors with the Assistant Secretaries. This "with" should be "with, but after," and in no case should the title of Under Secretary or Assistant Secretary be used. It is, oddly enough, salary that is decisive in terms of prestige; we can get men at \$20,000 that we cannot touch at \$19,000. And for the agency as a whole, the extra \$500 for the Administrator will be worth millions in morale.

I understand and share your conviction that *The* Under Secretary must be the Secretary's alter ego and full deputy. It seems to me that this is a standing and a role which, with your support, any Under Secretary can always fulfill, as long as no one actually outranks him. All the cards are in his hand as long as you put them there.

Finally, let me say only that the whole concept of foreign aid is both so important and so hard to defend, that we ought to give its soldiers the very best send-off we can. They will surely need it as time goes by.

I have had a word with Bob Lovett on this general topic, and I think that in general he agrees with the views of this memorandum, which is not an official document but a personal note.

McGeorge Bundy

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**379. Letter from Freeman to Rusk, May 25<sup>1</sup>**

May 25, 1961

Dear Dean:

Pursuant to our brief discussion at the Cabinet meeting this morning I would like to elaborate a bit further. If you have time, it might be useful to review the enclosed memorandum which I sent to the Economic Aid Task Force for it outlines our feeling here in Agriculture.

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<sup>1</sup> Agriculture's role in the new AID Agency. No classification marking. 2 pp. Department of State, Central Files, 411.0041/5-2561.

We feel very strongly about the matter of the Economic Aid Agency from the standpoint of our anxiety to contribute to doing a good job. The crux of the matter, I expect, as a new aid agency develops will be contact and consultation at a high level on the plans and programs.

Here in the Department it is felt rather keenly that Agriculture has been generally ignored and more or less regarded as a kind of procurement agency. We envisage that to have the best program possible the resources of this Department must be mobilized, both in terms of the use of food and also in terms of agricultural technical assistance and development programs. I am sure you know that running across the board from research through extension, loan programs, forestry, conservation, marketing, and I could go on, there are some of the best qualified and most dedicated people that can be found anywhere in the Department of Agriculture. I am most anxious that they be motivated and organized to give on a long-term basis with real continuity of effort the best that they have for this essential foreign aid program that you will head.

You will note in the memorandum that it is our judgment that subject to operating responsibility in the country and subject to the authority in the Secretary of State to develop a plan for said country, we feel that the delegation of responsibility to Agriculture and other operating departments will be the best way to get an effective, long-term program which will have continuity and call forth the best efforts and all the resources of the operating departments. There may well be, of course, problems of control and direct lines of responsibility which have existed in the past, but I think this will depend upon the nature of the delegation and the kind of attitude of the operating departments.

In any event, I did want you to know our thinking and I wanted you to know that foreign aid programs occupy a top priority in this Department and we feel keenly the responsibility for serving to stimulate land reform and agricultural development in the countries which will have priority for the attention that is needed.

I have talked and conferred with Chet Bowles about this before and I am sending along a copy of this letter to him. Perhaps some time we might have a chance to discuss this.

Warmest personal regards.

Sincerely yours,

Orville

P.S. It is good to have you home. Hope you can be around for a while.

**380. Telegram 5184 to Paris, May 27<sup>1</sup>**

May 27, 1961

Verbatim text. For Ball from Martin. Terms of US Assistance.

1. Increasing concern in Department, which I share, over disparity between terms contemplated within USG for future US loans and what other governments willing offer. Indian Consortium April meeting illustrative: We had assumed India would qualify for softest terms feasible under new US aid program, (i.e., minimum interest, 50 year maturity 10 year grace). Other free world governments offered assistance to India at conventional interest rates (5½–6%) maximum maturities 25 years, except Canada which on grant basis. Soviet terms on aid to India at 2½% but maturities only 12 years.

2. Such marked differences between terms US and others, likely have following consequences:

a. US in effect would be financing repayments interest and principal to others countries, including Soviet Bloc,

b. Distorts value US long-term credits by comparison others. Country extending three 15-year credits of same amount considered to provide three times amount US 45-year credit,

c. Extremely difficult explain to Congress why US soft terms necessary and how justifiable in face performance other countries,

d. Relieves pressure on other donors liberalize terms, even over time.

3. On other hand, also argued within Department that would be serious mistake to attempt establish US terms substantially harder than 50-year, zero or low interest.

a. Congress might regard harder terms as an upper limit and would therefore be unlikely to provide authority for the desired degree softness.

b. Having settled for less than the desirable upper limit, it might be difficult to move toward softer terms, if this proved feasible on basis performance by others. Experience in past has been that difficult within USG obtain agreement any softening of terms once hard loans accepted by borrower. Effect is to “lock” oneself in on harder terms.

c. The less-developed countries now expect us to seek and use authority for loans on very soft terms. In some cases, e.g., Pakistan, we plan use such loans as means moving away from grant aid. We

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<sup>1</sup> Terms of U.S. assistance loans. Confidential. 4 pp. Department of State, Central Files, 700.5–MSP/5–2761.



may already have at least implied to some countries at we would provide loans on IDA-type terms. At India meeting US indicated very large opposed commitment probably would be extended on terms comparable IDA. May also have even similar understanding to Brazilians.

d. Liberalization of the terms offered by other donors will at best be a slow success. If we do little more than match their terms, the LDC's will be losers in the long interim period. Countries not now receiving assistance in significant amounts from others (e.g., Korea, Taiwan) would in particular be penalized by a general policy at limited softness of US terms because of terms of other free world donors relatively few countries.

e. US use of relatively hard terms may result in reduction of IBRD participation in consortium.

4. I believe US posture should be willingness extend assistance on at least equivalent of, probably in most cases a little better than, best terms offered by important other sources assistance, but we should not be much more than step ahead of others. We can always review US terms in future and soften if warranted. Much more difficult to restrict after very soft terms in wide use. Softest terms referred to in President's Aid Message could be considered as desirable objective for which we require authority, but not as starting norm. This language reads "The terms of repayment will vary from as long as 50 years for those countries just starting on the road to development, to much shorter period of time for those countries nearing stage of self-sufficient growth."

Purpose this approach not to impose tougher conditions on recipients. On contrary, intended to exert pressure for general liberalization of terms. Balance payments burden on recipients can be minimized by appropriate means. In case India, for example, above approach would probably force periodic review terms by all donors and agreement on revisions necessary in terms in order avoid payments problem. It would help insure our participation in such reviews on more equal basis and thus with more influence on liberalization.

5. Recognized here that may not be possible resolve this issue quickly. Most immediate instances where question US terms may arise are reconvened India Consortium (May 31) and Pakistan Consortium (June 5). Plan leave matter at these meetings in general terms described para 4. This along lines consistent with May 25 reply by President to May 13 Nehru letter: we working hard secure Congressional actions and cooperation other donors, both necessary if our aid to be forthcoming in amount and on terms which we have in mind.

Would indicate importance terms to other members Consortia but not repeat not bind US to fixed maturities or interest rates. In my

judgment not necessary for US to provide details on terms at India or Pakistan meetings.

Appreciate any guidance you wish to provide.

**Rusk**

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**381. Letter from Martin to McGovern, May 31<sup>1</sup>**

May 31, 1961

Dear Mr. McGovern:

Mr. Ball has asked me to comment on your memorandum of May 9, 1961 to the President with regard to the possibility of exchanging wheat and feed grains for imported foods, such as coffee and cocoa. It is suggested that the coffee and cocoa could be retained in Civil Defense stockpiles, and that its acquisition might assist in stabilizing world market prices.

As I see it the first consideration would be whether Civil Defense as a matter of policy would consider that a stockpile of cocoa beans and coffee beans was essential in an emergency. There is the further consideration of whether the quantity of wheat exchanged would really be in addition to normal commercial sales and sales under Public Law 480, and thus represent a demonstrable increase in our surplus disposal. Producers of cocoa and coffee would of course only be interested in an exchange if the quantities involved were clearly in addition to what they could otherwise sell for cash. They would also want assurances that the cocoa and coffee would not be thrown on the market later and depress prices.

Unfortunately the magnitude of the coffee surplus is such that storing a pound of coffee for each person in the United States would make no appreciable reduction in the surplus. In cocoa the threat of low prices recently eased when the market absorbed a record crop. Steps are well under way toward intensive discussions of international commodity agreements for both commodities. Thus I feel that further

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<sup>1</sup> Proposal to exchange wheat and feed grains for imported foods. Attached is a copy of a May 9 memorandum from McGovern to Kennedy explaining proposal. No classification marking. 3 pp. Department of State, Central Files, 800.03/5-961.

study of the exchange proposal may suggest that the timing is not propitious for its advancement.

Sincerely yours,

**Edwin M. Martin**  
*Assistant Secretary*

**Attachment**

SUBJECT

Exchange of Wheat and Food Grains for Imported Foods

To further the Food-For-Peace effort, this office is considering with interested U.S. agencies the desirability of exchanging some of the U.S. stocks of wheat and food grains for imported foods such as coffee and cocoa for retention in Civil Defense stockpiles.

It is contemplated that such exchanges, developed on a mutually beneficial basis, would assist in stabilizing world market prices and enhance United States relations with the supplying countries.

For many years, the exporting countries of Latin America have been especially interested in establishing price stabilizing stockpiles. The operating problems have been considered in a number of international bodies including the Food and Agriculture Organization and the United Nations Committee on International Commodity Trade with which the United States only last year became affiliated.

We do not propose to discuss this idea publicly because it might raise unwarranted expectations both here and abroad.

**George McGovern**

June 1961

382. Letter from Humphrey to Rusk, June 12<sup>1</sup>

June 12, 1961

Dear Mr. Secretary:

Take 10 minutes and read the attached. Garst is right and somebody ought to do something about it.

Sincerely,

**Hubert H. Humphrey**

**Enclosure**

Dear Hubert,

I wrote George McGovern this morning and thought some of sending you a copy of the letter I wrote him—but I have decided it's better to write you directly and along the same lines.

I write to you as a member of the Senate Foreign Relations Committee—as a former member of the Agricultural Committee—as the man who first used the phrase “Food for peace”—and as a leader of the Senate—and a close friend of President Kennedy and a close friend of Adlai Stevenson. That's quite a few hats I give you to wear—but they all fit perfectly.

Everyone in the United States—everyone in the world, for that matter—realizes that there is a contest going on between the Communist bloc countries and the industrial countries of Western Europe and North America—a contest for mens' minds—a contest to see who—which basic type of political and economic situations can produce the best standard of living—and the happiest situations—for the countries which have not been so fortunate.

Practically all of Central and South America, most of Africa—the Caribbean Islands—and Southeast Asia, all suffer from many things but two things they specifically suffer from. First, they suffer healthwise from a lack of the meat type of protein for human consumption. Secondly, they suffer terribly from illiteracy.

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<sup>1</sup> Garst's Food for Peace ideas. No classification marking. 4 pp. Department of State, Central Files, 800.03/6-1261.

In the United States, we know how to tie these two shortages together. We produced plenty of the meat type of human protein—and we feed it to the school children in school lunch programs.

We and we alone are able to make contributions to all of the backward countries of the world—we have the know how—in fact, we even have the necessity. And this is wholly because we are so productive agriculturally. We ought to do as you suggested quite a few years ago—we ought to use this “Food” for “Peace”. You have been right!

The techniques are not difficult, Hubert. Our biggest move should be chickens. We have roughly speaking, 1.5 billion bushels of corn, grain sorghums and offgrade wheat. We are going to have a very great deal of soybeans this fall so we will have at least reasonably satisfactory supplies of protein.

We know exactly how to raise chickens—and in immense numbers. We know that it takes three weeks after setting an egg to hatch the chicken and nine weeks more to make it into the finest broiler anyone ever ate. We can have broilers three months after the egg is set. We can have eggs from a pullet six months after the egg is set. They are the most efficient converters of feed grain into the meat type of protein for human consumption that has ever been devised. They are not dependent upon the weather. They are not dependent upon the fertility of the soil.

Furthermore, we have the technicians—we have the models—we know exactly how to do it. We know the cost would not be terrific. We would have to have good unloading facilities—and good warehouses at the port cities for a boatload and a half of grain—we would have to have a good feed mill at each port or near each big city—but we know how to do all of these things. There is no difficulty about the technique.

It does not even require refrigeration because people in the poorer countries of the world have always bought chickens alive and taken them home and butchered them in the backyard or the kitchen and used them without any refrigeration.

Believe me, the techniques are not difficult—the experts are available in quantity—and I think all that it would take would be about a three million dollar expenditure for port facilities, feed mixing plants, bulk feed trucks etc. quite near to every principle hungry port city. We could have the country involved take the responsibility for borrowing the money from The World Bank—the only insistence being that we insist that at least half of the poultry and eggs be fed to the school children in a school lunch program. The foreign government could sell the other half and pay the World Bank back—because we are going to furnish the feed free.

I have given the matter a lot of thought and I know that President Kennedy is momentarily most insistent on our help to Central and South America—where this would work wonderfully. So it would at first seem wise to try to carry it out through the organization of American states. But I think the thing has broader aspects so I am inclined to think that it ought to be done through the United Nations. I can't think of any one thing that would improve our prestige on a worldwide basis as much as to have Adlai Stevenson get up in the United Nations and just point out that we are able and willing to be helpful—and that this is the plan we propose to use as a first step—and my thought is that it might be best to offer all friend and foe alike—specifically including China.

Not one of the Communist countries are currently producing [illegible in the original] of the meat type of protein for human consumption [illegible in the original] of their own needs. So we have a tool to use that is [illegible in the original] way available to them—and won't be available to them for another ten years at the earliest.

And we have the necessity of getting rid of surplus grains. Secretary of Agriculture Freeman, with his Food Grain Program, is being extraordinarily effective. But even that program—and I believe it to be the most effective program in history—will only get our production down to about our current needs.

It must be costing us something like 200 million dollars annually for storage of corn, grain sorghums and offgrade wheat that we really need to get rid of.

How dramatic it would be to have Adlai Stevenson come back to tour South America and rise up in the United Nations and make that offer. What it would do for the prestige of the United States is hard to imagine.

You are the guy to put in charge so far as I am concerned of setting this program. I think you ought personally go over it with the President. You know as much about the possibilities as I do. And you are a salesman—and you are the originator of the idea.

With highest personal regards,  
Sincerely,

**Roswell Garst**

**383. Memorandum of Conversation, June 14, among Stikker, Saint-Mleux, Kohler, and Finletter<sup>1</sup>**

June 14, 1961

SUBJECT

Military Aid

PARTICIPANTS

Mr. Dirk Stikker, Secretary-General, NATO

Mr. A. Saint-Mleux, NATO International Staff

Mr. Foy D. Kohler, Assistant Secretary for European Affairs

Amb. Thomas K. Finletter, US Permanent Representative to NATO

Mr. Russell Fessenden, Director, Office of European Regional Affairs

Mr. Stikker indicated an interest in discussing military aid questions saying that long-term knowledge of military aid programs is of course very important to the International Staff in its planning. He also raised the question of aid being terminated for certain countries, noting that he understood The Netherlands had been told not to expect further military aid.

Mr. Kohler said that he thought he could best deal with Mr. Stikker's question by commenting on the current FY '62 assistance program as it affected Europe. This program, as Mr. Kohler's recent statement to the House Foreign Affairs Committee makes clear, is essentially a holding program, being confined largely to existing commitments. However, we also have in mind that the review of NATO military planning and strategy currently under way, with the emphasis on the build-up of conventional forces, may well lead to some modifications in the program. In our statements to Congress, therefore, we have made clear that this may be the case. In addition, special provision will be made for the draw-down from the Department of Defense stocks of up to \$400 million worth of equipment, some of which can be used for NATO purposes. The Department of Defense would of course have to be reimbursed later for the value of these stocks.

Mr. Stikker raised the question of the extent to which forthcoming military aid figures had been made available to the NATO International Staff. Such figures are important to the International Staff in its advance planning, in connection with its review of planning and strategy now getting under way.

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<sup>1</sup> Military aid programs. Confidential. 2 pp. Department of State, Central Files, 740.5-MSP/6-1461.

Mr. Kohler and Ambassador Finletter pointed out that the current figures for NATO countries were highly tentative in nature and that there was no general provision for making these automatically available at this time. Mr. Kohler undertook, however, to see what could be done in the case of specific requests from the International Staff. Mr. Saint-Mleux noted that it would be very useful, for example, if the NATO "Wise Men" to be set up to look into the Greek and Turkish economic situation could have available the contemplated aid figures for Greece and Turkey.

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### **384. Memorandum from Bowles to Rusk, June 14<sup>1</sup>**

June 14, 1961

#### **SUBJECT**

The Need to Improve the Administration of Foreign Policy

Our ability to create a more effective, more realistic, and more affirmative American foreign policy rests in large measure on the ability of the top echelon of the Department of State under the general direction of the President and in conjunction with other agencies to produce wise decisions.

It is equally dependent on greatly improved administrative State Department operations, reaching into every section and country desk in Washington and out to every overseas mission, that will assure that these decisions are carried out.

The following measures to achieve this greater effectiveness are either now being taken or are immediately contemplated.

#### *I. Improvement of our Operations here in Washington*

At a recent meeting in my office, I asked each bureau head personally to review the operations of each country desk and other working components within his bureau.

These studies are now being completed, and with the help of Roger Jones, Bill Crockett and Herman Pollack, I am holding meetings with each bureau head to discuss whatever personnel changes and adminis-

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<sup>1</sup> Improvement needed in administration of foreign policy. No classification marking. 7 pp. Yale University Library, Bowles Papers, Box 300, Folder 536.



trative changes are required to assure both the necessary experience and fresh perspective at all levels of each bureau.

We should avoid the appearance of a shake up, yet those who have been too long on a single assignment and who have become somewhat stale and fixed in their views should be switched to posts which will offer them a fresh challenge.

I am also making personal visits to each bureau. These visits include an hour or more of frank discussion with the thirty or forty top people dealing with the new administration's policies and the specific problems which concern the particular bureau in carrying out these policies.

## *II. Improvement of our Operations Abroad*

The letter from the President to all Ambassadors which went out two weeks ago establishes each Chief of Mission as responsible for the combined U.S. effort in the country to which he has been assigned and entrusts him with necessary working authority. This action has had a most favorable reception.

To help assure a tactful and effective response to this letter, we are sending out a series of guidance letters to all mission chiefs. These letters will deal with the following subjects:

- a. The broad role of the Ambassador as leader, coordinator, and administrator.
- b. Methods of improving the reporting and policy guidance provided by each mission.
- c. Techniques for establishing closer working relationships within the American official community.
- d. Techniques for improving the impression created by American officials (and Americans generally) in each country.
- e. Methods to insure closer contacts with the internal culture, institutions, and people.

The press of daily business makes it difficult for even the ablest of mission chiefs to give sufficient priority to programs which involve basic changes in working relations and habits.

To help assure the necessary thought and action, each Ambassador will be asked to write me a letter within one month of the receipt of these guidance memoranda outlining precisely what changes have occurred in his mission's operations as a result.

In this way we may persuade each Ambassador to focus personally on these fundamental operating questions. The response from each mission chief should also give us valuable insights into his understanding of his own mission. Further status reports will be asked for at periodic intervals.

As a second stage in the campaign to freshen up our operations abroad, I am planning to hold approximately nine regional Chiefs of

Mission Conferences abroad between the end of July and the end of October.

These conferences, which will last for two or three days, will be somewhat larger than the usual Chiefs of Missions' Meetings. The Ambassador will be asked to bring with him his Administrative Officer, the AID Mission Director, the USIS Public Affairs Officer, and in some cases his Deputy.

I expect to take with me from Washington the appropriate Assistant Secretary for each region, Roger Jones, or one of his Deputies, and high level representatives from the new AID Agency and from USIA.

I shall personally attend each of these meetings. We will cover not only policy discussions but the practical problems involved in coordinating the activities of our various agencies abroad; personnel selection, training and management; improved reporting; and so forth.

I believe such meetings are essential to assure that the new emphasis and direction on foreign policy questions the President has approved carries through into action at all operating levels abroad.

We are now working on initial planning for the first three of these conferences. They have tentatively been scheduled for the period from July 25th through August 11th and will probably be held in Lagos, Beirut or Cairo and New Delhi. In September and October we will follow up with similar meetings in Latin America, East Asia and Europe.

We are also planning to lengthen the normal tour of duty at all posts to three years and in some cases longer. Although this will require legislation and considerable adjustment, it is essential if we are to develop knowledge of each country in greater depth, closer personal contacts and better language abilities.

I have also asked for a study of the reports now required of each Embassy and the extent to which the number, frequency and scope of these reports can be reduced. This is essential if we are to free our mission chiefs and their top associates for increased travel outside the national capital.

### *III. A study of U.S. Personnel Overseas*

In 1958 studies were completed by the old Operations Coordinating Board dealing with the broad range of questions resulting from the total U.S. presence abroad, military and civilian. The objective was to persuade the agencies now operating overseas to tighten up administrative practices, personnel selection, attitudes, etc.

The OCB made a number of thoughtful recommendations. Some of these have been carried out in the intervening period. In other instances, however, there appears to have been little improvement.

In any event, the time has come to review this report in light of our present operations, to bring its recommendations up to date, and to establish the procedures that will assure that they are carried out.

Because of the large number of military personnel and dependents now overseas, the Pentagon has a particularly important role to play. In this regard I have discussed procedures with Ros Gilpatric, and a preliminary meeting has been set up with Herman Pollack and Bill Bundy. Procedures will then be agreed upon to explore all questions involving living areas, PX's, general attitudes, preliminary training, indoctrination, and so forth.

Each regional Assistant Secretary will be asked to follow through with the Pentagon and other agencies which are involved in his geographic area.

Roger Jones had an excellent meeting with Elmer Staats and some of the Budget Bureau people here on June 8th. A number of the problems involved in reaffirming State's responsibility for asserting primary authority in the overall field of U.S. international activities were discussed at length.

Elmer Staats and the Budget Bureau are taking a most constructive and helpful approach to all these questions. A special liaison man is being brought in to assure the necessary follow through between the Bureau and State.

#### *IV. Foreign Military Personnel in the U.S.A.*

Another area of our overseas operations which we should consider most carefully is the thousands of military personnel from foreign countries who are brought each year to the United States under the Military Assistance Program for training by the U.S. military in the use of new weapons and techniques. (Ed Murrow tells me that the total budget for this effort is half as large as that of the entire USIA.)

These many contacts provide a ready-made opportunity to create a better understanding of our country, its beliefs, and policies.

In cooperation with Defense we are planning to reexamine the handling of these foreign nationals who are exposed during their stay in this country. Together, we shall then work out a program that will improve their general understanding of the United States, its people and its policies.

I am asking Phil Coombs to coordinate this effort.

#### *V. Reorganization of the Economic Aid Organization*

I am deeply impressed with the present aid program which has been prepared for Congress. In my opinion it deals most effectively with the objectives and requirements of foreign assistance.

However, as I read it, I was again conscious of the urgent need for a highly competent administrative operation to carry out the program.

Criticism of the past operations have often been overstated, but many are valid.

If we are going to get this program through Congress and if the program itself is to live up to the objectives set by the President, we must vastly improve the administrative set up and personnel.

Hank Labouisse and his staff are, of course, acutely conscious of this need. Yet, with their heavy load of Congressional contacts and day-to-day administrative problems, I cannot see how they can devote the necessary time to the immediate task of creating a new, highly competent organization with the necessary new faces.

I suggested to Hank Labouisse the possibility of bringing in (perhaps on a temporary basis) a high level administrator in public administration who would concentrate exclusively on the problem of personnel, organization, and assignments. I shall explore this possibility further.

In my opinion, it is also important to find more effective ways to use the talent in Labor, Agriculture, HEW and elsewhere in operations and planning overseas. It is essential that the State Department keep close control on policy questions. Yet, there are many highly expert people in these agencies with wide overseas experience whom we should learn how to use. At present many of them feel shut out.

I am having lunch with Orville Freeman today to discuss this question. I have already talked in general terms to Abe Ribicoff.

Cabinet members, themselves, with an interest in foreign affairs can play a most constructive role. It is our task to find an effective way to put their energies to work without disrupting or diffusing our normal operations.

This will give you an idea of the effort that is being made. Please give me any thoughts that may occur to you.

**385. Letter from Freeman to Bowles, June 30<sup>1</sup>**

June 30, 1961

Dear Chet:

Enclosed you will find some correspondence with Ted Sorensen which resulted from a New York Times story commenting on what they took to be a different approach to Food for Peace by the President and the Secretary of Agriculture. The contents are, I think, self-explanatory.

I surely enjoyed lunching with you the other day. If I recall rightly, you were going to send me over some material. If so, it has gone astray and I wonder if you would check for I would like to see it.

I have thought a good deal about our conversation and we are going ahead here in the Department along the lines that we reviewed. I hope that by October we will have the study referred to, which is described in the memorandum from Dr. Cochrane attached hereto. If it is as good as I hope it will be, it should provide some useful help in developing our country-by-country plans. I am still strongly of the opinion, Chet, that the actual operation of such plans ought to be made the responsibility of operating departments and, if I may say so, particularly Agriculture, which is so important to the countries in question. I acknowledge your admonition that we may not here at all times have approached these problems either with a very deep understanding or wisdom, yet extensive technical knowledge is available here and also very broad experience, and, in the long run, it would be my feeling that in this fashion we will get the best execution of necessary programs.

In any event, please do keep me informed. We are seeking to contribute in every way we can. Agriculture needs to be a vital force in American foreign policy, and we hope to make it exactly that.

Warmest personal regards.

Sincerely yours,

**Orville**

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<sup>1</sup> Agriculture and the Food for Peace program. No classification marking. Attached is a June 29 letter from Freeman to Sorenson on Freeman's remarks on Food for Peace program. 2 pp. Department of State, Central Files, 800.03/6-3061.

## Enclosure

Dear Ted:

Enclosed is the clipping from the *New York Times* which we discussed on the telephone. I felt sure that I was not expressing a policy contrary to that of the President, but it is reassuring to be verified in that feeling. I enclose also a copy of my address to the Food for Peace Council which incorporates what I said to them, although I did not follow the script strictly. I am also taking the liberty of sending you a copy of a letter that I wrote to Dave Bell in connection with this whole matter a few days ago, which relates to the policy question involved, which you and I have reviewed a number of times.

I would paraphrase here briefly the direction in which I hope we can move which is outlined in some detail in my letter to Dave. By October we hope to complete our inventory study which is expected to bring together for the first time with reasonable accuracy, data in connection with food needs country-by-country, what we have done with our food in connection with those needs, what could be done, and an evaluation of our technical assistance programs where agriculture is concerned in the various developing countries. (See memorandum from Cochrane). With this information we will have some guidelines as to the scope and extent of the program we ought to envision where food is concerned. Then it would be, I believe, sound public policy and have tremendous impact both domestically and around the world if we boldly stated that we stood prepared to meet a given percentage of that need. Such a statement would challenge the rest of the world to join us in both filling hungry bellies and furthering constructive economic-development programs. Such a challenge to the Soviet and to the balance of the free world would project dramatically the kind of concept of free America we want to convey. Then we would proceed to implement such a program through the medium of country-by-country plans, developed along the lines outlined in the economic assistance program and its new organizational structure. So far as carrying out these plans in detail there is still, I think, some bedrock thinking to be done and perhaps some experimenting. The vital thing, I believe, is that we are ready to use the magnificent productivity that we have for constructive purposes. If we are able to do it methodically, systematically, and sensibly and to dramatize it appropriately, it will mean, I think, a great deal in the world struggle for freedom.

Sincerely yours,

July 1961

386. Memorandum from Rostow to U. Alexis Johnson, July 11<sup>1</sup>

July 11, 1961

Country Task Forces and the review of the MAP program have emphasized on several occasions the desirability of using local military forces and equipment in civil works and other projects helpful to economic growth. We understand that in a number of cases military personnel and equipment are being used for road construction, village projects, literacy and other basic educational activities of major non-military usefulness. It would be useful to have information in Washington about the current scale of such activity and plans for increasing it in the future.

While the MAAGs probably have most of the information we desire, there may be projects using military forces funded or supervised by the USOMs or the Embassies. We suggest that you ask the field to supply information on the allocation of military resources and people by the U.S. (including non-appropriated funds) and by the local government for these kinds of programs in FY 1961. They could also be asked what specific plans, if any, they now have for expanding this activity and what problems they anticipate. Since we are after facts it should be possible for answers to be received promptly, perhaps before final Congressional action on the FY 1962 appropriation. We are certain the Department of Defense will provide any assistance you may need.

The information received can be used to help judge how much expansion may be feasible and to suggest ways of making an expansion effective. It may also point out problems, perhaps of the method of funding or project approval, which can then be solved prior to the initiation of FY 1962 operations in the summer.

**W.W. Rostow**

*Deputy Special Assistant  
to the President*

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<sup>1</sup> Request for embassy information on USG and host government allocation of military resources for local civil works/economic projects. No classification marking. 1 p. Department of State, Central Files, 700.5-MSP/8-561.

**387. Letter from Rusk to Humphrey, July 22<sup>1</sup>**

July 22, 1961

Dear Senator Humphrey:

Thank you for bringing to my attention Mr. Jonathan Garst's suggestions on diet and the use of feed grains in underdeveloped countries.

We are interested in this approach to improvement of nutrition and education in less-developed countries, and in fact it was discussed with Mr. Garst before his recent trip to Brazil. If our surplus grains could be used to buy eggs and poultry from producers in less-developed countries on a payment in kind basis, and the eggs and poultry then distributed through school lunch programs and institutional feeding, the resulting benefits could be substantial. In addition to immediate improvement in nutritional levels, the change in eating habits would build markets for the future and the local industry would be encouraged to expand. Our direct costs would be the surplus feed grains, plus transportation, but this would be offset by savings in storage costs.

The principal obstacle we encounter in establishing programs of this kind is the shortage of able and devoted officials in less-developed countries who can devote the time and personal drive necessary to assure the program's success. Many of these countries also lack the money to pay internal distribution costs, or they assign a low priority to this type of program. Established commercial interests are inclined to oppose such projects, as they fear the increased production will destroy their markets. The lack of schools in many of the countries that most need help also means that the most desirable channel for distribution of protein foods is of limited availability.

The successful use of surplus foods in needy countries through a program as envisaged by Mr. Garst depends upon the recipient country's stage of economic development, the existence of an adequate school system, and above all on organization. You can be assured that we will continue to support the development of this type of program wherever feasible, working through our foreign aid and Food-For-Peace programs.

Sincerely yours,

**Dean Rusk**

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<sup>1</sup> Comments on Garst's Food for Peace proposal. No classification marking. 1 p. Department of State, Central Files, 800.03/6-1261.



August 1961

388. Letter from Rusk to Freeman, August 3<sup>1</sup>

August 3, 1961

Dear Orville:

I regret the delay in replying to your letter of May 25, following our discussion at Cabinet that morning on the administration of the agricultural aspects of the foreign aid program. I did review the memorandum which you enclosed, and then passed it along for further study.

Your statement that the Department of Agriculture has felt that its role has been minimized or largely ignored in the foreign aid program disturbs me, for I know for a fact that Mr. Bowles, Mr. Labouisse and others in the Department believe that the role of the USDA is most important, and that a close, harmonious, integrated working relationship between the AID and the USDA is essential to the success of our agricultural progress abroad.

As for the proposal in your memorandum that actual operating responsibility be delegated to the Department of Agriculture, however, I am convinced that it would be a mistake to further fragment the aid program. The delegation of operational responsibilities to the specialized departments could only run counter to the objective we are seeking in centralizing responsibility for the aid program in a single agency. Consequently, I must endorse the substantive position of the Department on this issue as stated by Mr. Bowles in his letter to you of May 19.

Nevertheless, your letter was most welcome in its affirmation of USDA's desire to make available its resources and expertise in assuring the success of the foreign aid effort. I was assure you that they shall be needed and called for. I understand that informal staff level discussions between the Department of Agriculture and the proposed Agency for International Development have already been instituted looking to the development of arrangements for more effective utilization of the Department's resources.

Under Secretary Bowles will undoubtedly wish to discuss this with you further upon his return from the Regional Operations Conferences abroad.

With kindest regards,

Sincerely,

Dean Rusk

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<sup>1</sup> USDA and the foreign aid program. No classification marking. 1 p. Department of State, Central Files, 411.0041/5-2561.

**389. Memorandum from U. Alexis Johnson to Rostow, August 5<sup>1</sup>**

August 5, 1961

## SUBJECT

Civic Action

In response to your memorandum of July 11, 1961, on the use of local military forces and equipment in civil works and economic projects, we are now accumulating information in Washington on the current scale of such activities and on the plans for their future expansion. To augment this information, we are sending an instruction to the field along the lines of your memorandum requesting the missions to supply us with current information on plans and progress in the Civic Action program area.

The information now available to us, while limited, does show some program activity and accomplishment. Over the past year and a half, a number of policy documents and implementing memoranda have been dispatched by the Department of Defense, the Department of State, and ICA. In some instances these have been issued independently; in other cases they represent joint instructions. The principal instruction to the field, attached at Tab A, was forwarded on May 13, 1960, requesting our missions to assess carefully the contribution which could be made to the economic and social welfare of underdeveloped countries by their military and paramilitary forces. The missions were further encouraged to support local forces in economic, social and psychological activities which would benefit the host countries. A Department of the Army letter of November 16, 1960, attached at Tab B, provided the Unified Commanders with an "SOP for Civic Action Teams." This document not only detailed the concept of Civic Action in a meaningful fashion, but also summarized the procedures and ground rules for assignment and utilization of Department of the Army Civic Action teams by local MAAGs and Missions. On the program planning side, guidance to MAAGs and Unified Commanders is contained in the Mutual Security Objectives Plan and in the FY 1962-67 Military Assistance Plan guidance, attached at Tab C.

Certain actions have already been taken in response to field requests generated by the above instructions or in response to recommendations by the Task Forces on Vietnam and Iran. These actions

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<sup>1</sup> Interim response for information on use of local military forces and equipment in civil works and economic projects. Secret. 5 pp. Department of State, Central Files, 700.5-MSP/8-561.

are, of course, in addition to any projects that may be carried out from time to time by U.S. forces stationed abroad (such as the Armed Forces Assistance to Korea program). The first Civic Action team requested under this program was sent to Guatemala in November 1960. This team was composed of two officers. It remained in Guatemala for a period of sixty days, and was successful in developing for the country an effective Civic Action program with specific recommendations which were accepted by the United States Country Team and by the President of Guatemala.

There are also other projects under way. A Civic Action Team is operating in South Vietnam and another team is being selected for Iran. A Civil Affairs/Civic Action Mobile Training Team will depart soon for Laos, and a survey of the potential for Civic Action programs in Colombia, Bolivia, El Salvador, Honduras, Costa Rica and Nicaragua is now being conducted in the field by an officer from the Civil Affairs Office of the Department of the Army. A program for the European Command is also being considered, with proposed application to Iran, Ethiopia and Libya. In addition to activities having U.S. encouragement, the local military forces of many countries engage in "civil relations" or "civic action" activities wholly on their own initiative. Most of these activities are not at present reported to Washington. When field responses to our recent query are submitted, we will be able to provide data on these activities, which are undoubtedly quite extensive. In the meantime, I am sure that you would still find useful the summary report made for the Draper Committee on this question; it may be consulted in Volume II of the Committee's Report, at page 122.

While there has been encouraging progress in the Civil Relations/Civic Action area, our preliminary analysis leads us to the conclusion that we should now make a very hard assessment of the needs of various countries within the total context of our political, economic and military policies to ensure even further progress in countries where the need is greatest. It is our feeling that perhaps some of our overseas programs reflect habits of thinking and operation that have built up over the years and that do not yet reflect the new thrust of our assistance policies. This is due in large measure to the lack of experience in such activities of many of our personnel—both civilian and military—stationed overseas. And too, perhaps, our guidance has not been sufficiently forceful to bring about the desired reactions to changing needs and situations.

There are many difficult problems involved in making proposals for a more effective program in the future. We must first of all recognize that we are dealing with sovereign nations which are not always willing to follow U.S. advice or suggestions in regard to such activities. Secondly, there is the necessity of balancing economic against military

requirements. As expressed in the current policy directives, local Civic Action activities "should not significantly detract from the capability of the indigenous forces concerned to perform those military missions which the United States considers essential." There is also the problem of appointing civil relations or Civic Action experts to our overseas staffs within the limits of established personnel ceilings. Another major question is whether there should be some kind of special funding operation or separate resources set aside for Civic Action projects, or whether they should continue to be funded in the current manner. These questions cannot at present be given a definitive answer. To help us evaluate them and to arrive at a more dynamic program in the future, we are currently undertaking in Washington a review of the total Civic Action program. Additionally, as mentioned above, we have solicited information from the field to aid us in this evaluation (attached at Tab D). We shall certainly keep you informed of developments in this important area.

**U. Alexis Johnson**  
*Deputy Under Secretary*

### Tab C

#### EXTRACTS PERTAINING TO CIVIC ACTION

##### 1. *Extracts from Worldwide Mutual Security Objectives Plan:*

*III-B-Para 10.* "In furthering U.S. objectives, in appropriate cases, encouragement and support will be given for the participation of indigenous military and para-military forces in less developed nations in economic, social and psychological programs, including their use in the construction of public works and other activities helpful to economic development. Such participation should not significantly detract from the capability of the forces so engaged to perform military missions which the U.S. considers essential."

*Mutual Security Objectives Plan, Far East:*

*II-C-Para 4.* "Promote the development of programs to (a) establish sound civic affairs procedures on the part of individuals in the military forces and (b) impress on military leaders that troop-civil population relations are a command responsibility."

##### 2. *Director of Military Assistance letter of 7 July 1961, subject: "Guidance for Preparation of the FY 62-67 Military Assistance Plan.*

*Part II-a-B-Paras 3 & 4.*

"3. A military force adequate to cope with internal aggression requires strong ties with the environment in which it exists. This

involves civic action as an essential part of military operations for combining a basis for consent with capability for coercion—a range of actions employing resources of military establishments in services of recognizable utility to the populace, such as development of transportation and communications, health and sanitation, and improvement in standards of food production.”

“4. The forces must be supported as military forces with adjunct capability for civic action, not vice versa.”

*Part II–b–B–Para 7.* “Increased emphasis should be placed on support of participation by indigenous forces in economic and social development and other “civic action” projects.”

3. *Department of State Instruction, CW–608, dated July 20, 1961, subject: Military Assistance Planning, FY 1962–67.*

*Part II–a–B–Paras 3 & 4.*

“3. A military force adequate to cope with internal aggression requires strong ties with the environment in which it exists. This involves civic action as an essential part of military operations for combining a basis for consent with capability for coercion—a range of actions employing resources of military establishments in services of recognizable utility to the populace, such as development of transportation and communications, health and sanitation, and improvement in standards of food production.”

“4. The forces must be supported as military forces with adjunct capability for civic action, not vice versa.”

*Part II–a–C–Para 1.b.* “To encourage the development and implementation of civic action programs in Latin America, as referred to in paragraphs 3 and 4 of Section B, military assistance will be used as appropriate to support units already so engaged as well as other units, excess to realistic combat requirements, in the process of taking on service and support.”

*Part II–b–B–Para 7.* “Increased emphasis should be placed on support of participation by indigenous forces in economic and social development and other “civic action” projects.”

**390. Note from Pezzullo to May, August 21<sup>1</sup>**

August 21, 1961

*Draft Reply by Under Secretary to Letter from Sec. Freeman*

U has gone over the history of this correspondence, and does not believe any further reply to Freeman is required at this time. Mr. Bowles and Mr. Freeman have seen each other several times since the letter was written, and the reply as drafted is overtaken by events.

**Lawrence Pezzullo**

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<sup>1</sup> No reply necessary to correspondence from Secretary Freeman to Mr. Bowles. No subject mentioned. No classification marking. 1 p. Washington National Records Center, RG 286, AID Administrator Files: FRC 65 A 481, Agriculture, FY 1962.

September 1961

391. Note from Rusk to Bowles, September 1961<sup>1</sup>

September 1961

Thanks. Go ahead — taking into account my comments this AM as a “regional” possibility

DR

**Attachment**

Dear Dean:

I am enclosing a memorandum which outlines the growing political importance of the rural population in underdeveloped areas and which proposes several steps to give emphasis and effectiveness to the interest of the United States Government in promoting integrated rural development in these areas. Among these steps is a proposal to establish a small unit of expert personnel within the new Agency for International Development to provide direction and stimulus to this coordinated and comprehensive approach to rural modernization.

You and I have discussed this matter from time to time. It has also been discussed with various people in the Department and in ICA as well as with experts outside the government.

I hope you will be able to read the memorandum while I am away and that immediately after my return we can move ahead to carry out its recommendations.

Sincerely,

**Chester Bowles**

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<sup>1</sup> “Go ahead” guidance on coordinated approach to rural development. No classification marking. 7 pp. Two attachments provide background material. Yale University Library, Bowles Papers, Box 300, Folder 536.

## Enclosure

### SUBJECT

#### A Coordinated Approach to Rural Development

The new emphasis on U.S. foreign aid stresses the importance of a coordinated country-wide approach to economic and social development.

As an important element of this approach, there is an urgent need for a *more systematic, integrated attack on the problems of rural society in underdeveloped lands*. This is true because:

a. *During the next five to ten years the greatest single challenge to American vision and leadership is likely to come from the rural areas of the underdeveloped two-thirds of the world.* The peasants who control the food supply and constitute a substantial majority of all underdeveloped countries are in a crucially important political position. While in many countries they are still the least politically aware class, in another decade they could form an irresistible revolutionary tide.

There is an irreversible trend in every country toward a wider understanding that life need not be one of misery and despair. Apathy is being replaced by a demand for justice, opportunity and security. Yet frustration in reaching these goals is inevitable unless positive steps are taken to alleviate the conditions which inhibit progress.

b. Rural poverty will be *an increasingly focal point of Communist pressure*, notably in Latin America where the pro-Castro forces, skillfully aided by the peasant-oriented Communist Chinese, are building on agrarian discontent.

The Stalinists never understood the peasantry. But Mao Tse-Tung does and everywhere in the underdeveloped world local Communists are adopting Communist Chinese methods to a rural poverty they find. In Cuba, the Castro approach rural problems, the real heart of the Cuban revolution, a truly comprehensive one, with the Instituto Nacional la Reforma Agraria active in every field of rural life.

c. *Piecemeal approaches to rural problems usually fail to achieve results* which generate continued sustained growth. Improvement in one respect, without parallel improvement in others, can easily lead to increasing rather than diminishing real discontent. Growing better crops without being able to market them can only yield frustration; teaching better [illegible in the original] making without making possible the building of better uses can sow new seeds of discontent.

d. In particular in recent years there seems to have been *an inadequate understanding of the relationship* between experts to expand productivity through new agricultural techniques, better health, more educa-



tion, etc.—all that was embraced by the terms “community development” or “fundamentalization”—and approaches to complex problems of economic contribution and political power reflected in systems of land measure, taxation, credit, etc. The best intentioned efforts to improve the lot of the sharecropper will fail if he is able to keep a fair share of his increased productivity.

e. A coordinated attack on rural problems would be more likely to recognize the critical importance of *building the Institutions* on which continued progress depends by involving of the elements of society concerned with rural development.

Fortunately, *there exists a substantial body of knowledge* [illegible in the original] from United States’ (and others’) experience in assisting in the growth of successful rural societies abroad. Land reform in Japan, the Joint Commission on Rural Reconstruction in China, Community Development in India, Pakistan, the Philippines, AIA’s “supervised credit” program in Latin America, all provide data of enormous value. There are skilled practitioners, in and out of government, such as Douglas [illegible in the original], Wolf Ladejinsky, Albert Mayer, Msgr. Luigi Ligutti, Carl Taylor, Clarence Senior, Robert Hudgens, and others.

Moreover, the United States in its own rural development has used a variety of valuable techniques to preserve and enrich family farm living. The land grant college, the extension service, soil conservation, rural electrification, assistance to farm housing, and many others, provide valuable experience on which to draw.

*This knowledge is not being adequately utilized.* Despite pioneer programs such as the comparative rural extension program at Cornell, our experience abroad and at home does not seem to have been systematically collected or made available to personnel working on similar problems in all parts of the world.

*Nor has the United States made crystal clear to the entire world that it stands firmly on the side of deep-rooted rural reform*—including changes in feudalistic land holding systems which concentrate great wealth in the hands of a few.

The over-riding importance of speeding up the evolutionary process by which rural people can find security on the land demands much more from the United States than a passive willingness to contribute to this process when requested. *We should be prepared actively to persuade other nations to initiate comprehensive programs of agrarian betterment and to recommend the substance and procedures of such programs.*

To emphasize the United States’ solid commitment to the fundamental regeneration of rural society, I therefore propose:

1. *That the President issue a public directive, and re-emphasize it in public addresses overseas, that coordinated rural development, includ-*

ing land reform, is a major element of U.S. foreign policy and foreign operations.

2. That our *representatives overseas and at international conferences make similar statements* and initiate and support appropriate steps which demonstrate our concern.

3. That this government propose an *International Conference on Rural Development* (perhaps patterned on the Conference on World Land Tenure Problems held in 1951 at the University of Wisconsin with government sponsorship) to be held in 1962 in connection with the observance of the 100th anniversary of the Morrill Act.

4. That each regional operating bureau of the AID have a *rural development and land reform specialist on the assistant administrator's staff*.

5. That a *small but highly expert unit be established* within the Office of Development Research and Assistance in the new AID to draw together and disseminate the wisdom and know-how in the total area of rural improvement.

This unit should be, or become, expert in such matters as:

a. *Political procedures* for inaugurating a multi-element approach to rural development, at national and community levels.

b. *Stages of growth* and the proper relationship at various stages among land reform (distribution of large holdings, consolidation of small holdings, etc.), improved credit, better marketing procedures, tax systems, crop diversification, rural industries, literacy, health and recreational services, etc.

c. How to create the *permanent economic and political* institutions of democratic rural society so as to preserve and defend the progress being made. Here the emphasis must be on the instruments of mutual help and self-government: cooperatives, village improvement associations, local militia, etc. Real rural development will bring a new sense of justice, of belonging to a community worth defending—and this new spirit must be mobilized to resist efforts to undermine or destroy what has been accomplished.

d. *Cultural factors in rural development*. A sensitive awareness of the cultural values which can and should be preserved amidst change, as well as those which are obstacles to effective progress, can greatly enhance our assistance to the process of rural modernization.

e. *The relationship of rural progress to other fundamental questions*, such as international commodity stabilization, population pressures, etc., as well as to the total country development program.

This unit could serve as a center for such activities as:

a. *Providing expert advice to underdeveloped countries on comprehensive rural development*. Working through the geographical operating bureaus of AID, a team of experts could make a survey of a country's needs

and prepare specific recommendations as to the financing, manpower and legislative requirements for an integrated program.

b. *Assisting the operating bureaus of the foreign aid program on the rural development component* of country plans and keeping in close touch with such programs as they grow.

c. *Stimulating and guiding further research* and publication in rural development problems.

d. *Holding meetings on rural problems* such as the international conference suggested above as well as regional meetings of land reform and rural development specialists.

e. *Providing representatives for the U.S.* (or back-stopping our representatives) in the UN and other multilateral bodies on rural development problems.

f. *Developing training courses and materials*, both within the government and in private institutions, for the orientation of present and prospective AID personnel in rural development problems.

g. *Helping locate and recruit* rural development experts for government service.

The need is urgent and the time is short. We must act promptly if we are to grasp the great opportunity truly to become the champion of a better life of hope for the millions of men and women now desperately seeking a way out of rural poverty and despair.

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### 392. Memorandum from Joseph S. Toner to Bell, September 20<sup>1</sup>

September 20, 1961

#### SUBJECT

Secretary Freeman's Proposals on Organization

Although Secretary Freeman's proposals on administering the agricultural portion of foreign assistance have been broached repeatedly and to a variety of people, the responses recorded in our files appear to have been coordinated and consistent.

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<sup>1</sup> Secretary Freeman's proposals on administering the agricultural portion of foreign assistance. No classification marking. 3 pp. Washington National Records Center, RG 286, AID Administrator Files; FRC 65 A 481, Agriculture, FY 1962.

The subject was first brought up in an exchange between Mr. Labouisse and Mr. Charles S. Murphy, Under Secretary of Agriculture, and although Mr. Labouisse did state ICA's position on the question of ICA-USDA relationships, the scope of the correspondence was then confined to the Secretary of Agriculture's testimony on the Hill concerning Title II, PL 480. The conclusions of this correspondence were tentative and phrased in terms of there being no need at that time for USDA to comment on ICA's specific position, of agreement that the issues had been narrowed, and of Mr. Labouisse's intention to speak to Messrs. Murphy and Freeman about ICA-USDA relationships as soon as the legislation marathon was over.

Later, in response to Mr. Freeman's letter of May 12 and his memorandum of May 5 to the President, ICA and Department of State policy was clearly stated in Mr. Bowles' letter of May 19 to the Secretary of Agriculture. This policy was endorsed by Secretary Rusk in his letter of August 3, and elaborated in a Briefing Memorandum of August 22 for Secretary Rusk's use in connection with the discussions proposed by Secretary Freeman for a Cabinet luncheon on August 23.

Stanley Andrews has made a number of proposals concerning the new AID program and these have run the gamut from suggestions for a [illegible in the original] the agency and personnel (including himself) to suggestions on actual reorganization. The most important piece done by Mr. Andrews was a nine country report tracing what had happened in the course of ten years to programs initiated under Point IV when Andrews administered the program. This was sent to us by President Hannah of Michigan State University on April 20. Mr. Labouisse replied and the report was sent to the Task Force. Earlier, on April 5, Mr. Andrews himself had sent to Mr. Cooley a paper comprising "roughly drafted suggestions of the general structure" of the new agency. Mr. Cooley acknowledged receipt and it was forwarded to the Task Force. So far as I know, no communications have gone to Mr. Andrews from ICA touching on the question of USDA-ICA relationships. I understand that Mr. Andrews has done a paper for the Secretary of Agriculture on this question, but we do not yet have a copy and we were not requested to comment on its preparation.

Mr. James G. Patton, President of the National Farmers Union, wrote to the President on May 26 giving the opinion that Food for Peace should be retained in the White House and not placed under either USDA or AID. A copy of this letter was sent to Mr. Labouisse by Mr. Patton, and on June 1 Mr. Waters replied and cited the President's statement on Food for Peace contained in his transmittal letter accompanying the AID legislation to the Hill. The President's transmittal letter stated the relative responsibilities of USDA, AID and Food for Peace for the use of agricultural commodities, etc. as an instrument of devel-

opment assistance. Mr. Waters' reply simply referred to this statement and voiced agreement on the need to work out day-to-day working arrangements with Food for Peace, with no further mention being made of USDA.

I know of no other correspondence on this subject. All of the above appear consistent in their statement of the AID-State position.

Copies of the most important relevant documents are attached for your reference. We should be glad to send you the complete file if you wish.

**Joseph S. Toner**  
*Executive Secretary*

October 1961

393. Letter from Tetro to Gardner, October 6<sup>1</sup>

October 6, 1961

Dear Mr. Gardner:

Regardless of how we deal with this difficult subject in our positions for the forthcoming international meetings, I would like to place before you and others in the U.S. Government some of the thoughts we are considering in USDA with respect to jurisdictional problems of multilateralized economic aid.

First, I would like to say that the concern some of us feel with respect to such jurisdictional aspects of the problem of multilateral "food aid for economic development" is perhaps not fully justified. The one real goal we should strive for is the proper coordination and integration of *all* resource availabilities within a country's total investment or development program. All foreign aid, including food aid should thus be subject to the rule that all types of financial and commodity assistance a country receives from abroad, including such assistance through international channels, must be fully integrated with each other and with the domestic resources devoted to current investment within the total investment program of each receiving country.

*This* is the overriding requirement. It is a requirement for any kind of aid, food aid or financial aid, bilateral aid or multilateral aid. But surely such integration cannot be done by FAO. Neither can it be done by the U.N. Special Fund. It cannot be done by any other international agency, nor by the United States through bilateral program machinery, nor by the IMF or the IBRD, or the IDA, without special arrangements that call for a great deal of cooperation on the part of other governments or agencies.

It is true, of course, that at times some of these givers may have had much leverage for compelling receiving countries to yield on an integrated total investment program. But if there was such leverage it was because of the great importance of the aid given by such an agency or country. Obviously, even an expanded initial program of multilateral food aid for any one country would be too small to carry such a leverage—quite apart from the fact that neither the U.N. nor the U.S. may want to rely on this type of compulsion.

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<sup>1</sup> USDA and jurisdictional problems of multilateral economic aid. No classification marking. Attached is an October 18 reply from Gardner to Tetro. 3 pp. Department of State, Central Files, 811.0000/10-661.

The point I am trying to make is that proper integration can only be carried out at the country level by the country's own government. And what we ought to seek is machinery and procedures that would assure *such* integration. Perhaps each receiving country could be made to agree that it would appoint an experienced economist (acceptable to all those giving aid) as international advisor for its total investment program. The advisor would help in the process of integration and would report to all aid-giving countries and agencies concerned. In such efforts an effective role for the U.N. resident representative might be highly valuable, particularly in the case of countries that do not have an effective government. In other cases a different approach might be more promising, for example, in a country where IBRD assistance is especially important and where an IBRD economist might be called upon to give that help.

We have been wondering for some time whether it may be feasible to pursue this approach. Personally, I favor a United States position calling for arrangements that acknowledge the necessity of integration of all resources devoted to investment; and we did put a specific reference to this into our positions for FAO earlier this year. Beyond that, our suggestion could perhaps call for the appointment of overall advisors, one in each country, to help governments towards such integration. In this activity they might as much represent the United Nations as they might represent other sources of outside aid—including countries giving bilateral aid. It is also my personal view that the United States might even offer to consider such an arrangement for its own bilateral programs so far as legal requirements permit. I raise all these questions without prejudice to a final official position of my Department. But I think it would be useful to have some preliminary exchange of views.

If the approach I mention were to be found constructive and feasible, it would focus not on a formal problem but on the essence of the question. We could still call for a U.N. role in the development of multilateral programs for economic and social development. But as FAO and as any other individual source of aid it would have to subordinate itself to the total integration effort at the country level. Needless to say, that similar integration at the country level seems desirable for technical assistance from all sources. And indeed there should also be integration of technical and educational assistance with economic aid. Perhaps this would be asking too much. But I believe it should be our goal and should be openly proclaimed, even if we have to approach it in stages.

With kind regards,

Sincerely yours,

**Robert C. Tetro**  
*Administrator*

## Attachment

Dear Bob:

I want to thank you for your letter of October 6 which reflects some of the thoughts you are considering in USDA with respect to jurisdictional problems of multilateral economic aid. Your letter opens up an exchange of views which I warmly welcome.

There is much in what you say with which I fully agree. As a matter of fact, I believe we see eye to eye on most of the basic issues raised. In particular, I strongly endorse your emphasis on integration on the country level, possibly by way of the appointment of experienced economists as international advisers to less developed countries for their total investment programs, and certainly by way of strengthening the position of the Resident Representatives. It may well be that we shall need both such top-level advisers to individual governments and stronger Resident Representatives. The task of the latter would be to help pull together the views and programs of the various international agencies operating in a given country and to assist them in the implementation of country development plans. The Resident Representatives should also have the important function of consulting with the country directors of bilateral technical assistance programs. This kind of coordination on the country level will, as I see it, require closer cooperation at the center, i.e., the headquarters of the participating agencies. I do believe that in this context a special role should be assigned to the management of the Special Fund.

I am very much looking forward to discussing these and related matters when we meet for luncheon.

With warm regards.

Sincerely,

**Richard N. Gardner**  
*Deputy Assistant Secretary  
for International Organization Affairs*



**394. Letter from McGovern to Hamilton, October 7<sup>1</sup>**

October 7, 1961

Dear Fowler:

I enjoyed lunching with you and Secretary Freeman on Tuesday and feel certain that together we can achieve many of the important objectives involving both the Act for International Development and the Food For Peace Program.

In President Kennedy's State of the Union Message, reference was made to the storage of some of our agricultural abundance in national or regional food reserves abroad. In subsequent reports, I have referred to the Administration's desire for such an off-shore storage program, which many of us feel would have substantial advantages.

The storage of part of America's surplus in areas that periodically experience famine or food shortages because of economic and natural causes would tend to make available to hungry peoples in these areas foodstuffs when needed, rather than months later, which is often the best that can be done under a crash program. Further, off-shore storage in marginal food supply areas would have an impact on the economy, in that during periods of threatened shortages the presence of surplus foodstuffs would minimize speculative tendencies. Planned development of off-shore storage facilities would result in efficient use of shipping facilities as contracted with the difficulty of rushing significant quantities of foodstuffs to troubled areas in crises. In this connection, the impact of military need for bulk bottoms in these critical times is a significant consideration.

One problem throughout the world in connection with off-shore storage has been the availability of adequate facilities which would insure the ability to hold surplus foods over a period of time in such quality that the foodstuffs would be edible when needed. Very few consuming countries in the world have adequate storage facilities, either in terms of physical space, or where such space is available, from the standpoint of rodent infestation and natural deterioration. Secretary Freeman recently stated that studies by the Food and Agriculture Organization indicate an annual loss of about 53 million tons of stored grain

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<sup>1</sup> Food for Peace: Off-shore food storage proposal/survey team. No classification marking. 4 pp. Washington National Records Center, RG 286, AID Administrator Files: FRC 65 A 481, Food for Peace, FY 1962.

due to infestations and inadequate handling facilities. This figure is about equal to the total volume of grains moving in world trade.

It is our thought that United States food programs would be substantially advanced if off-shore storage facilities could be developed in various countries or regions throughout the world where food shortages periodically occur. If possible, such off-shore storage should be on a regional basis although it is recognized that political factors may preclude the establishment of facilities in some areas.

In order to establish an off-shore storage program, which to date has been rather dormant, we recommend that the following steps be taken: (1) an analysis to determine which regions and countries lend themselves to off-shore storage facilities; (2) a delineation of countries where the U.S. Government has uncommitted local currencies; and (3) an immediate move toward the establishment of off-shore storage facilities in specific areas.

In order to initiate first steps to accomplish the above, it is recommended that prompt, on-the-spot surveys be conducted by a team of experts. Among the countries which might lend themselves to either country or regional off-shore storage programs would be Morocco and/or Tunisia; one or more of the West African countries; one or more East African countries, such as Kenya or Tanganyika; one or more Middle Eastern countries, such as Israel and an Arab state; one or more South American countries, such as Brazil and Chile. Consideration might also be given to a Central American country and a Southeast Asian country.

In our consideration of this proposal, we have found the advice and suggestions of Robert Nathan Associates of Washington, D.C., extremely helpful. They would be eminently well-qualified to cooperate on the survey team which might also include a Food For Peace official from AID or Agriculture, and one or two consultants.

It has been suggested that the survey team visit Israel, Morocco, Tanganyika and/or Nigeria on the first expedition of roughly 14 days' duration and an additional 5 days to prepare a report.

If this proposal meets with your approval, an estimated budget and transportation arrangements can be prepared.

In view of the importance of this project and the fact that no specialized exploratory work has yet been done, I would hope that a survey team could be dispatched within the next few weeks.

Sincerely yours,

**George McGovern**  
*Special Assistant to the President*  
*Director, Food For Peace*

**395. “Current Economic Developments,” October 10<sup>1</sup>**

October 10, 1961

*ECONOMIC HIGHLIGHTS OF THE FIRST SESSION, 87th  
CONGRESS*

The first session of the 87th Congress, which completed its work September 26th in the longest session in ten years, took action on many measures affecting foreign economic policy. The new Administration's Peace Corps and Disarmament Agency measures were approved, as was US participation in the Organization for Economic Cooperation and Development. Foreign aid appropriations totaled more than last year but considerably less than the Administration had asked for, and while authority was granted to make long-term loan commitments in advance of appropriations, the Administration's request to finance such loans by borrowing from Treasury directly instead of relying on annual Congressional appropriations was rejected. Long-term authority was given for disposals of agricultural surplus commodities under PL-480.

On the trade side, no major legislation was before the Congress, but protectionist sentiment was strong, foreboding a serious Congressional battle when the trade agreements legislation comes up for renewal next session. A host of bills was introduced designed to protect the domestic industries, but very few were passed and none that threatens serious harm in our foreign relations.

*Foreign Aid Programs*

*Aid Program a Partial Victory* On the final day of the session, the Congress gave its approval to the foreign aid appropriations bill. The session was marked by lengthy and at times acrimonious debate, particularly over the \$7.2 billion in public debt borrowing authority sought by the Administration for long-term, low-interest, dollar-repayable development loans.

The legislation finally enacted grants the President the authority to make long-term commitments in the magnitude requested but does not provide for public debt borrowing authority which has the focus of Administration efforts.

Overall, the President sought \$4.8 billion for foreign economic and military aid for FY '62. Congress authorized slightly over \$4.2 billion and finally settled on an appropriation of approximately \$3.9 billion.

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<sup>1</sup> Economic Highlights of the First Session, 87th Congress. Official Use Only. 9 pp. Washington National Records Center, RG 59, E/CBA/REP Files: FRC 72 A 6248, Current Economic Developments.

This compares with an appropriation of \$3.8 billion for the previous year.

A breakdown of the funds provided for the major items of the foreign aid program is as follows (in millions of dollars).

<u>Category</u>	<u>Requested</u>	<u>Authorized</u>	<u>Appropriated</u>
Development Loans	\$1,187	\$1,200	\$1,112.5
Development Grants	389	380	296.5
Investment Surveys	5	5	1.5
International Organizations	158	153.5	153.5
Supporting Assistance	610	465	425
Contingency Fund	500	300	275
Military Assistance	1,885	1,700	1,600
Administrative	51.55	.50	47.5
Development Research	20	—	—
TOTAL	4,805.55	4,253.5	3,911.5*

\*The above tabulation excludes \$110 million appropriated for additional investment in the Inter-American Development Bank, \$61 million for a subscription to the International Development Association, \$30 million appropriated for the Peace Corps, \$600 million for Inter-American Cooperation, and \$3 million appropriated for Administrative expenses (State). Also reappropriated were unobligated balances of \$69.5 million which were not allocated except for \$8.9 million for the Contingency Fund.

The new law stresses the importance of sound economic planning for economic and social development in the recipient countries, an emphasis which the President also gave in presenting his program to the Congress. The enabling law provides that assistance shall: be based upon sound plans and programs; be directed toward the social as well as economic aspects of economic development; be responsive to the efforts of the recipient countries to mobilize their own resources and help themselves; be cognizant of the external and internal pressures which hamper their growth; and should emphasize long-range development assistance as the primary instrument of such growth.

*Congressional Debate* The Congressional Committees devoted most of their questioning of principal witnesses to the Administration's request for public debt borrowing authority. Acknowledging the need for longer-term commitments and advance planning, the Congress generally took the position that these ends could be achieved without eliminating the traditional surveillance of the Appropriation Committees and their authority to appropriate funds on an annual basis.

Restoration of public and Congressional confidence in the foreign aid program by the introduction of new leadership and by a general organizational overhaul of ICA held a strong second place in the Congressional debate.

Generally speaking, the authorization bill passed by the Senate adhered closely to the original Administration request. The House bill did not. It restored the existing annual appropriations system, struck the Administration's request for the use of previously unobligated funds, and largely rejected the innovations proposed by the Executive Branch. The Conference Committee, however, produced a bill generally in line with Administration views.

In similar fashion the appropriations bill fared well in the Senate but ran into very rough sledding in the House.

*Features of the New Legislation* In addition to the expanded program of development lending on a long-term, low-interest basis, the Congress also approved certain measures to induce expanded American investment abroad. Specifically, the President is authorized to issue all-risk guaranties to cover up to 75 percent of the loss of any investment subject to the limitation that no more than \$90 million of such guaranties may be outstanding, and further, that no one guaranty contract exceed \$10 million. An additional \$10 million in all-risk guaranty coverage is provided for investments in housing projects in Latin America. These measures are included as part of a \$1 billion guaranty authority assuring protection against political risks (inconvertibility, expropriation and war) which has been broadened to include losses from revolution and insurrection. Political risk coverage is expanded to investments by wholly-owned foreign subsidiaries of US corporations, including their reinvestments of earnings.

The new Agency for International Development (AID) is also empowered to finance up to 50 percent of the cost of surveys of investment opportunities undertaken by private companies. Financing of such surveys may take place only if the private company concerned does not undertake the investment opportunity surveyed. In this case the results of the survey become the property of the US Government which may make them available to other interested firms.

Some existing aid categories are redefined in the new legislation. Specifically, the old Defense Support and Special Assistance categories are amalgamated into Supporting Assistance. Technical Cooperation concepts have been expanded and redesignated as Development Grants. The new legislation also eliminates, transfers, and clarifies several other existing activities. The Section 402 surplus agriculture commodities function is eliminated. Responsibility for administering refugee and escapee activities is deleted from the legislation, and the responsibilities of the Secretary of State for administering the Battle Act are clarified.

The law specifically prohibits assistance to Cuba and authorizes the President to establish and maintain a total embargo upon all trade between the US and Cuba.

The Hays-Douglas amendment to the Mutual Security Act of 1960 has been eliminated. This linked principles of free transit and economic cooperation among nations to US aid. This legislation was aimed at the continued refusal of Egypt to allow transit of ships of all nations through the Suez Canal.

The new legislation provides that "it is the policy of the US to support the principles of . . . freedom of navigation in international waterways."

*AID, the New Agency* Congress approved a new organization pattern for the Agency for International Development, with greatly strengthened regional bureaus. With rank equal to that of an Under Secretary, the AID Administrator, Fowler Hamilton, is responsible to the Secretary of State and the President. Congress also wrote into the law a provision which empowers the President, within the sixty days designated for the abolition of DLF, ICA, and the office of the Inspector General, notwithstanding any other provisions of law, to transfer such personnel from these entities to the new AID agency as he determines necessary. Effective September 30, AID was formally established as an agency within the Department of State.

*Latin American Aid Program* Congress appropriated \$500 million to implement the US commitment for the Inter-American Program for Social Progress. Authorization for this program had been granted in the second session of the 86th Congress. Congress this year also appropriated \$100 million for assistance in the reconstruction and rehabilitation of Chile as authorized by the previous Congress.

Of the \$500 million appropriated for the Social Progress Program, \$394 million will be loaned under a trust agreement with the Inter-American Development Bank (IDB) to individual countries to finance improved land use; to facilitate housing for low-income groups, including assistance to institutions providing long-term housing finance; community water supply and sanitation facilities; and advanced education related to economic and social development. Another \$100 million of the \$500 million, will be distributed by AID, primarily as grants, for education and training programs, public health projects other than water supply and sanitation, and support of Latin Government institutions working toward improved land use, low-cost housing, and improved use of domestic resources. The remaining \$6 million will be used by the Economic and Social Council of the OAS to coordinate the projects.

Some controversy attended the question of the interest rates that could be charged by Latin American lenders. A Senate amendment to limit interest to a ceiling of 8 percent on all funds loaned or reloaned was amended to provide that funds shall not be loaned or reloaned at interest rates considered to be excessive by the IDB or higher than the legal rate of interest of the country in which the loan is made.

*Peace Corps Gains Permanent Status* The Administration bill to give permanent status to the Peace Corps was approved by Congress and signed into law as PL 87–293. An Administration request for \$40 million to finance the Peace Corps was authorized by the Congress, but only \$30 million was appropriated. Originally set up on a pilot basis by Presidential order on March 1, the Peace Corps had been financed out of the President's Contingency Fund.

Since its establishment the Peace Corps has drawn more than 13,000 applications from Americans seeking to serve as volunteers. Some 450 of these have completed their training and 369 are currently serving in eight different countries: Tanganyika, Colombia, Chile, Ghana, St. Lucia (West Indies), Nigeria, and the Philippines.

*PL–480*

*Long-Term Authority Granted* In keeping with the Administration's foreign assistance concepts, the President requested and received long-term Congressional authorization for sales for local currency of surplus agricultural commodities in the amendments extending the provisions of the Agricultural Trade Development and Assistance Act of 1954 (PL–480). The Congress added new provisions to the law regarding the sales deposit rate in local currency, the use of loan repayments, and the uses of foreign currencies accruing from the sales of surplus commodities. The Act was also amended to re-define surplus commodities, requiring that such commodities be surplus "at the time of exportation or donation." The amendments to the disposal law are contained in Title II of the Agricultural Act of 1961 (PL 87–128).

*Title I* The most significant provision of the revised law grants the President authority to enter into agreements under Title I (sales for local currency) over a three-year period—from January 1, 1962 to December 31, 1964. Furthermore, Congress approved a \$4.5 billion authorization for Title I sales, not more than \$2.5 billion of which may be committed in any one calendar year. (The Administration had asked for a five-year program and an authorization of \$7.5 billion). Authority to make commitments for more than one year is considered important for proper planning and development. In addition, friendly governments have made it clear that they hesitate to approve substantial PL–480 programs if there is no assurance that such programs will be continued for a reasonable time. The revised Act does not provide for the carry-over of unused funds.

Earlier in the session, Congress granted an additional authorization of \$2 billion for Title I sales to the original calendar 1961 authorization of \$1.5 billion. The added authorization was designed to restore funds previously committed under the \$2.1 billion (estimated CCC cost with transportation) multi-year Title I commodity sales agreement with the Government of India.



*Title II* The amendments to PL-480 also extend Title II for the three-year period and provide for this purpose an annual authorization of \$300 million, plus carryover for calendar years 1962 through 1964. (Title II, under Section 201, authorizes the President to furnish emergency assistance to friendly peoples in meeting famine or extraordinary relief requirements and, under Section 202, to grant surplus agricultural commodities to assist in economic development programs of friendly governments or voluntary relief agencies.) The new language of the legislation puts the authorization on a program commitment basis, beginning with calendar year 1961, instead of on a funds expended basis. Congress in July had repealed a section of the Mutual Security Act of 1960 which limited to June 30, 1961 the use of Title II commodities for economic development projects.

*Other Amendments* An important Administration proposal which Congress approved was the inclusion of authority under PL-480 to use the loan repayments of principal and interest in the same way as newly generated proceeds of sales agreements. The basis on which these local currencies will be made available for use will be delineated in an Executive Order which is expected to be issued soon. Congress also amended Section 104 of the Act, which deals with the uses of foreign currencies, to eliminate the language which had the effect of requiring an appropriation before foreign currencies made available for country use as grants or loans could be used for health, education, nutrition, or sanitation projects. The purpose of the amendment is to make it clear that funds for such developments need not be specifically appropriated by the Congress. All currencies to be applied to projects which are not developmental in nature or are primarily concerned with programs of US agencies (as distinguished from country use) would continue under the appropriation procedure.

Congress rejected some changes the Administration proposed for PL-480. One such proposal called for authorization to permit establishment of "food reserves" located in foreign countries. This was the third time that such a proposal had been rejected by the Congress. Also rejected was a plan to expand Titles II and III. The Administration proposal would have increased disaster relief, economic development and voluntary agency programs by making eligible for donation those products not in the inventory of the Commodity Credit Corporation but declared surplus by the Secretary of Agriculture. The purpose of this proposal was to improve the nutritional balance of our assistance programs.

A number of amendments were passed by Congress which were not a part of the original Administration sponsored bill. One such amendment relates to the exchange rate used for sales deposits in Title I, PL-480 agreements. In the future, the US will have to obtain the



same exchange rate for sales deposits as that available to it for official US Government transactions. Under the previous practice, the rate governing PL-480 sales was normally the rate generally applicable to imports. This rate was in some instances less favorable to the US than the rate applying to official US Government expenditures in the country.

Amendments to Section 104 (uses of the local currency sales proceeds) give Agriculture greater authority to use such funds for market development, requiring that not less than 2% of the proceeds of PL-480 sales and loan agreements be convertible into other currencies for this purpose; and permit sales of foreign currencies to American tourists for dollars.

### *Commodities*

Major action in the commodity field concerned lead and zinc, sugar and wool, and called for an investigation of national fuels policy. The Executive in September submitted for Congressional approval a program for the disposal of tin from the national stockpile and hopes for action early in the next session.

*Lead and Zinc Subsidy Law Approved.* Of the multitude of bills introduced at this session to stabilize the mining of lead and zinc, only one (H.R. 84) became law. It provides for a decreasing scale of subsidy payments over the next four years to small lead and zinc producers (those producers who have produced or sold during the base period ores or concentrates, the recoverable content of which did not exceed 3,000 tons of lead and zinc in any ore year). The Secretary of the Interior is authorized to make stabilization payments to small producers for the sale of newly mined ores or concentrates with payments made only with respect to the metal content as determined by assay. Lead payments are to be made as long as the market price of common lead is below 14.5 cents per pound at a rate of 75% of the difference between 14.5 cents and the average market price for the month in which the sale occurred. Zinc payments are to be made as long as the price of prime western zinc is below 14.5 cents at a rate of 55% of the difference between 14.5 cents and the average market price as outlined above. The total maximum subsidy payment would decrease from a high of \$4.5 million in calendar 1962 to \$3.5 million in 1965.

The House Ways and Means Committee in the meantime has reported the Baker Bill (H.R. 5193) which would raise substantially the tariffs on imports of lead and zinc. The Administration is opposed to the Baker Bill and others like it because such programs would prejudice the broader interests of the US both in the development of its own economy and foreign trade and in its political relations with other countries, especially such friendly countries as Peru, Mexico, Canada,

and Australia. Liberal subsidy payments would only raise lead and zinc production and exert a downward pressure on domestic prices. An increased tariff, on the other hand, would be inconsistent with our general policy of leaving to the machinery set up in the Trade.

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**396. Memorandum from Battle to Bundy, October 28<sup>1</sup>**

October 28, 1961

SUBJECT

United Nations Food for Economic Development Program

At Harlan Cleveland's request, I am transmitting for Mr. McGovern a draft entitled United Nations Food for Economic Development Program. Mr. Cleveland requests Mr. McGovern's reaction to the attached draft which resulted from a meeting in Mr. Ball's office on October 25th.

**L.D. Battle**  
*Executive Secretary*

**Attachment**

*UNITED NATIONS FOOD FOR ECONOMIC  
DEVELOPMENT PROGRAM*

1. The amount that has been suggested for the multilateral program through the UN is \$400 million. Whatever portion of this amount is assumed by the U.S. should be outright without any conditions attached. This would permit the program to get underway without undue delay.

2. This is not intended to operate on an annual basis. It is a special stimulant to the UN in connection with the UN Development Decade proposed by the President.

3. As will be illustrated in the next paragraph, the food transfer portion of the program would be bilateral with the U.S. determining those countries to which its food shall go.

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<sup>1</sup> Transmits for McGovern's reaction a draft on the UN Food for Economic Development Program. Official Use Only. 2 pp. Department of State, Central Files, 800.03/10-2861.

4. In a typical case it is suggested that the procedure would be as follows:

(a) Country X would apply to the Special Fund of the UN for a combination food-economic development program.

(b) The Special Fund and the FAO would make two related and simultaneous determinations. The FAO would discharge its normal function of determining the amount and kind of food that could move into the applicant country without disturbing normal market functioning. The Special Fund would determine the practicability of the utilization of the counterpart for economic development programs as later defined. If the Special Fund and FAO concur, the country application would then be submitted to the U.S. and/or any other contributing country for acceptance or rejection as to the food program.

(c) In the event a given application is accepted, the food would be transferred in the same fashion as under a bilateral program. The counterpart would be made available to the Special Fund for such programs and projects.

(d) In the Special Fund utilization of the counterpart its customary practice would be applied of assigning to specialized agencies and others the execution of its programs. For example, FAO could conceivably play two roles: (i) its basic role of making the finding; and (ii) in the execution of an agricultural development project in the country.

5. It has been suggested that the total counterpart made available shall be limited in its use by the Special Fund to its present program of pre-investment projects, i.e. surveys, training, etc. While such a condition is acceptable, yet it would seem desirable to permit the utilization of some portion of the counterpart for limited number of labor-intensive development projects particularly where the executing agency is able to provide additional funds.

# November 1961

## 397. Memorandum from McGovern to Rusk, November 2<sup>1</sup>

November 2, 1961

With reference to multilateral food surplus programs and the United Nations system, two fundamental questions have been raised:

1. Should the United States commit itself in the forthcoming U.N. General Assembly to a large program involving several hundred million dollars in surplus commodities to be used for economic development purposes.

2. Should any such program operate through the U.N. Special Fund or primarily through the Food and Agriculture Organization.

After considering these questions, I have reached the conclusion that the United States should not commit itself this year to a multilateral U.N. food distribution effort which goes beyond the offer which I made on behalf of the United States at the FAO Advisory Committee meeting in Rome last April.

That offer, announced by President Kennedy on April twenty-second, would commit the United States to contribute \$40 million in commodities toward an initial multilateral fund of \$100 million in commodities and cash with the FAO playing the major programming role in cooperation with the United Nations system. This initial effort would be limited largely to famine or other emergency needs with pilot activities in child-feeding and labor-intensive projects.

My conclusion is based on the following factors:

1. It is not clear that the United Nations system would more effectively execute large food programs than is now the case with our bilateral programs.

2. The initial proposal put forth at the April meeting in Rome is admittedly small, but it is large enough for us to test the effectiveness of the multilateral approach.

3. We have little indication of real support for a substantial multilateral program on the part of other nations.

4. There is clear evidence that powerful Congressional opposition would develop if we were to use at this time the authority of P.L. 480 for a large commitment of U.S. commodities through the U.N. system.

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<sup>1</sup> Multilateral food surplus programs and the UN system. Official Use Only. 4 pp. Washington National Records Center, RG 286, AID Administrator Files: FRC 65 A 481, Agriculture, FY 1962.

Such opposition may develop even to the \$40 million offer, but the chances are much better of winning Congressional support for this more modest proposal.

If the United States were to offer a much larger commitment in the General Assembly this year, Congress might amend existing authority to prevent any kind of multilateral action.

Attached is a background summary of the issue prepared in the State Department for an interagency discussion in Under Secretary Ball's office on October twenty-fifth.

I would appreciate learning as soon as possible your reaction to the above conclusion so that I can discuss the various alternative possibilities with the President.

**George McGovern**

*Special Assistant to the President*

*Director, Food for Peace*

## **Enclosure**

### *Background Summary*

#### **Use of Surplus Food for Emergency and Development Purposes through Multilateral Channels (FAO and UN)**

1. *\$100 million proposal for the use of surplus food through the FAO primarily for emergency purposes.*

Broad agreement has been reached on the staff level in the Department and with Agriculture and AID on a Position Paper (attachment 1) regarding this \$100 million proposal which, in the first instance, and omitting details, was submitted last April to the FAO by Mr. McGovern. The proposal provides for pledges of grant surplus food and a small cash component to be used primarily for emergency needs, with lesser employment for child feeding and pilot labor-intensive development projects. Such projects would be confined to agricultural development, such as irrigation schemes, reforestation, etc. The FAO would be primarily responsible for the administration and operation of the program. UN cooperation would be assured by the requirement that the development aspects of any projects would be elaborated by the FAO in agreement with the Managing Director of the Special Fund; by the assignment of a few development specialists from the UN to the FAO staff in Rome; and by giving ECOSOC a review function regarding these development components.

Mr. McGovern's statement committed the U.S. to provide \$40 million in commodities, with the possibility of a supplementary cash con-

tribution to be explored in Washington. In the course of the review of the position paper on the staff level, the point was made that any 40% limitation on the U.S. commodities contribution to the program would probably make the proposal unworkable and might result in its rejection by the FAO.

*Required Action:*

- (a) Approval in broad outlines of the above proposal.
- (b) A decision as to whether, possibly after Congressional consultations, any specific percentage limitation on contributions of surplus food need to be imposed.

2. *Larger program (possibly up to \$400 million) for the use of surplus food through the UN for development purposes.*

Suggestions for such a larger program were made by the Director-General of FAO and have been actively considered in the U.S. government for some time. The possibility of such a larger program has been widely discussed in UN circles and was referred to by Mr. Klutznick in his speech of October 5 in Committee 2 of the General Assembly on the UN Decade of Development.

The issue will formally arise in the General Assembly when the Assembly takes up Item 28(e) "Provision of Food Surpluses to Food Deficient Peoples Through the UN System", probably toward the end of November.

To date no agreement has been reached in the U.S. government on this subject. It was impossible to reach agreement even in principle on whether the U.S. should advance in the General Assembly such a larger program, and further consideration of a Position Paper on that subject (attachment 2) was deferred pending such agreement in principle.

The larger program would place the emphasis on the use of food for general development purposes (not agriculture alone). Major responsibility for the operation of the program would be shifted to the UN Special Fund, although the FAO would continue to be responsible for the survey of food needs and for assuring the application of FAO principles for surplus disposal in order that ordinary commercial trade will not be impaired. Local currencies derived from the sale of surplus food in any given country would be used for development projects by that country under agreement between the Special Fund and the country concerned. In the discussion of the proposal a great many possible variants were advanced as regards details of the organization of the program, its operation and administration.

*Required Action:*

- (a) A decision of principle as to whether the U.S. Delegation to the General Assembly should be authorized to propose a larger program for the multilateral use of food surpluses for development purposes.

(b) If this decision is affirmative, an authorization to proceed with the elaboration of a detailed plan in the light of the discussion in the meeting.

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**398. Letter from McGovern to Rusk, November 6<sup>1</sup>**

November 6, 1961

Dear Mr. Secretary:

Several members of the Congress have expressed their concern over the question of loans and grants in P.L. 480 Title I agreements. As you know, Senator Ellender stated his view on this subject in a letter to you dated September 29, 1961.

The success of our Food For Peace Program depends not only upon Public Law 480, but also upon vigorous and imaginative execution of that Law. We are realizing more and more that the Law can be a powerful and effective instrument of economic development abroad. I have long believed that our agricultural resources represent a tremendous national asset which ought to be meshed into our foreign policy objectives. Indeed, this was the President's chief reason for creating the Food For Peace office with his Executive Order of January 24, 1961. Likewise, the Secretary of Agriculture has publicly underscored the economic development possibilities in Food For Peace.

If such a broad purpose is to be accomplished, it is my view that we need to exercise *more, not less*, flexibility in the grant-loan component of Title I agreements.

I am persuaded to this view further because of the accumulation of inconvertible currency derived from Title I sales and the repayment of Title I loans. As was so clearly pointed out in the "Mason Report" instigated by Secretary Dillon in 1960, the accumulation of these currencies far beyond any practical U.S. use constitutes a serious political danger for us and a potential fiscal hazard for the host country. It is certainly a political risk for the United States to acquire a potential claim on the resources of a country to a degree that we could dictate the development plans and fiscal conditions of that country.

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<sup>1</sup> Congressional concern regarding loans and grants in PL-480 Title I agreements. No classification marking. 2 pp. Washington National Records Center, RG 286, AID Administrator Files: FRC 65 A 481, Agriculture, FY 1962.

It would not seem to be very good sense, therefore, for us to follow a tough line on grants in those countries where we have already accumulated more currency than we can ever use to good advantage.

I am informed that an interagency group of experts is now working on the problem of grants as defined in Senator Ellender's letter. May I suggest that this group broaden its effort to cover the problem in its full setting, including the areas covered by the Mason study.

After informal interagency discussions have proceeded to the proper point. I would like to convene a meeting with yourself or your designee, the Secretary of Agriculture, the Secretary of the Treasury, the Administrator of AID, and the Director of the Bureau of the Budget for the purpose of developing an Administration position on the great problem and the related matter of currency accumulation.

I should appreciate learning whether this procedure meets your approval.

Sincerely yours,

**George McGovern**  
*Special Assistant to the President*  
*Director, Food For Peace*

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**399. Memorandum from Hamilton to Rusk, November 17<sup>1</sup>**

November 17, 1961

SUBJECT

Request for Economic Assistance

This memorandum answers your inquiry concerning the number of requests for financial assistance outstanding and indicates when decisions will be reached on these requests.

As you are aware, the aid program is developed in a manner which precludes a simple listing of requests and U.S. responses. The program develops through the annual budgetary process, commencing with field requests for assistance which are refined here, presented to Congress, and acted on by that body. Our request to Congress for economic

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<sup>1</sup> Status report on outstanding requests for assistance. No classification marking. 4 pp. Washington National Records Center, RG 286, AID Administrator Files: FRC 65 A 481, State Department, FY 1962.



assistance, representing requirements presented from our country teams and other sources, amounted to \$2,921,000,000 for FY 1962. Since a considerably smaller amount, \$2,373,000,000, was made available, it was necessary for AID to review all programs and relate existing requirements, in each appropriation category, to funding availabilities. Although this review process is of a continuing nature, the initial funding plan for FY 1962 was completed on October 10, 1961.

This funding plan provided for the reservation of funds to meet those requirements judged to be of highest priority. Judgment as to priority was influenced by numerous exchanges of correspondence between the field and Washington and by discussions with the State Department Regional Bureaus. All but about \$255.0 million of the funds available to AID were reserved to meet these requirements.

In addition to those priority requirements for which funds were reserved, there are a number of other possible requirements representing requests of lower priority. These possible claims initially totalled approximately \$730 million. Since that time we have become aware of yet other claims. These are of various degrees of firmness: some will materialize as firm or probable requirements during the course of the year, while others will disappear or be funded from non-AID sources such as the Export-Import Bank, the IDB regular lending authorities, Social Progress funds or other sources.

A distinction was made within the requirements for which funds were reserved. A substantial portion of the funds were approved for immediate implementation. However, in a number of instances it was considered necessary to review the composition of programs further. Such a review was deemed necessary to insure that these programs adhere to the new AID criteria (e.g., self-help, program concentration, etc.). This review not only will effect FY 1962 programs but the direction of our endeavors in subsequent years. It is not possible to predict with precision the amount of time required for careful review of individual country programs, but I can assure you every effort will be made to complete this process quickly.

A brief summary of the status of each economic assistance appropriation category reflected in the initial funding plan follows:

*Development Loans.* Initial requirements for development lending exceeded the availabilities of \$1,112,500,000 by approximately 50 per cent. The current forecast of loan activity by region is as follows: Far East \$123.0 million, Near-East-South Asia, \$653.1 million; Africa \$111.1 million; and Latin America, \$225.0 million. Lending in any specific instance will depend upon the priority nature of the activity, the formulation of sound project loan applications, the refinement of [illegible in the original] plans, the mounting of self-help efforts and the interest in the projects to other available funding sources. A substantial portion

of the funds have been committed to accommodate requirements in India, Pakistan, and Brazil. However, unlike other categories of economic assistance, development lending activity is not firmly programmed on a country to country basis.

*Development Grants.* A total of \$296.5 million was appropriated. All but approximately \$14.5 million has been reserved to meet programs approved for implementation (\$111.1 million) or other probable requirements. Other possible requirements of \$90 million were recognized.

*Supporting Assistance.* Funds available total about \$465 million, including new obligational authority of \$425 million and the carryover of unobligated balances. The account was fully programmed and, in addition, \$30 million in Contingency Funds were reserved to meet firm or probable requirements. Approximately 50 percent of the funds to meet Supporting Assistance requirements have been approved for implementation. Other possible requirements amount to approximately \$200 million.

*Contributions to International Organizations.* The \$158.4 million available is fully reserved to meet requirements. Other possible claims of approximately \$35 million are recognized, although it appears unlikely that all such claims will materialize.

*Other Programs.* Availabilities include approximately \$48.5 million for AID Administrative Expense, \$3 million for State Administrative Expense, and \$1.5 million for Investment Surveys. No appropriations were made available for Refugee and Migrant programs including the Cuban Refugee operation. Administrative Expense availabilities are extremely limited. Problems cannot be refined specifically until the organizational structure is further refined. Contingency Funds must be used if Refugee and Migrant programs are to be accommodated. Possible requirements total about \$25 million.

*Contingency Fund.* To the maximum extent consistent with U.S. interests, the Contingency Fund will be used only for requirements not included in the Congressional presentation. As indicated above, \$30 million has already been reserved of the \$284.2 million available to accommodate Supporting Assistance requirements. Another \$13,560,000 has been approved to implement Cuban Refugee requirements, leaving an unprogrammed balance of \$240.6 million.

The funding situation will be subject to constant change during the course of the year as new requirements materialize. In order to accommodate changing circumstances, it is my intention to review the total funding plan on a monthly basis. This review will result in the periodic modification of our plan. Provision will be made for financing new requirements or for approving as firm requirements programs currently listed as only possible claimants on available resources. Dur-

ing this year of transition to the new AID criteria, there is a need for providing centralized program direction and control of fund availabilities. I recently have issued instructions concerning the routing of aid requests to insure that decisions as to the validity of program requests subsequently presented can be made with a minimum of delay.

**Fowler Hamilton**

December 1961

400. Memorandum from Dungan to Hamilton, December 8<sup>1</sup>

December 8, 1961

Last week when we spoke I promised you that I would set forth some of the problems which I see in the AID agency to which I think we should address ourselves. Here they are:

*Program Policy—Coordination Military Economic*

All the reports which I have had indicate that neither the Kitchen operation nor Chenery really are on top of the military economic aid problem. I believe that your Program Review shop has to be vastly strengthened and that a person who can deal hardheadedly with both State and Defense needs to be put in charge of it. It may be that L will be able to undertake this task with the support of another person who is strong on the military side. I have had very highly recommended to me a former MAAG chief in Tokyo who is now retired, one William Biddle. I do not recall Biddle but the MAAG in Tokyo was always well run and they were sensitive there to the problem of military economic balance as anywhere in the Far East. My recommendation on this problem at this point would be to present a strong person like Biddle into the picture and place him in the Program Review shop on an equal level with Chenery with L taking major responsibility for the coordination of the program and taking care of most of the Agency's recommendations to Defense.

*Congressional Presentation*

I believe we discussed this enough for you to have an idea of how strongly I feel about the need to come up with a more simple congressional presentation than we have had in the past. This ties very directly to what I hope will be a streamline program presentation within the Agency itself which may not be possible to fully install before the congressional presentation has to be made. The advantages of a simplified presentation are fairly obvious—reduced manpower, the possibility of joint presentation to Foreign Affairs and Foreign Relations Committees, less detail, etc. The point here, however, is that someone or a small group should be set to work promptly to develop a new pattern for the congressional presentation so that you can be

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<sup>1</sup> AID internal problems and possible resolution. No classification marking. 2 pp. Washington National Records Center, RG 286, AID Administrator Files: FRC 65 A 481, White House, FY 1962.

set on this as early as possible in January. Then it will be necessary for you to go and sell this new mode of presentation to the appropriate members of the House and Senate. I might also add that a revised mode of presentation would have the advantage of dramatizing the “new look”—who knows, in the process we may even be able to get a new look.

*Assistant Administrator for Administration*

While I do not lack confidence in the present incumbent, I think it could be most salutary if we could settle on a new and vigorous person in this slot which, as you know, controls the vital financial, personnel, and other housekeeping aspects of the agency. You may in your trip have already found this fellow. I certainly hope so. In addition to the Assistant Administrator I think it is terribly important that we appoint a personnel fellow in whom both you and we have complete confidence. I need not tell you what a difficult job this is or how important it is.

I think we covered most of the other points in our conversation the other evening. I would like an opportunity to discuss these and other problems at your earliest convenience. If possible I would hope that we can have a regular meeting perhaps once a week. To save time perhaps I might sit in on some of the staff meetings which you mentioned that you are now going to have on a regular basis.

**Ralph A. Dungan**  
*Special Assistant  
to the President*

**401. Steering Group Report Conclusions, December 12<sup>1</sup>**

December 12, 1961

*CONCLUSIONS*

7. In many free world countries, Military Assistance Programs inaugurated since World War II have helped to create, equip, and maintain significant indigenous military establishments which have contributed importantly to a sense of local security. These forces, particularly in the six countries covered by this study, are far beyond the ability of the recipient country to maintain from their own resources at present levels of forces and equipment.

8. Moreover, the continuing military threat which MAP aid has been primarily designed to meet is a less serious long-term threat to these underdeveloped countries than the failure of their governments to meet, in an acceptable degree, the expectations of their citizens for improved standards of living, education opportunities, and national development.

9. If social and economic progress is not accelerated, some of these governments are certain to fall and the ensuing redistribution of power might well cause these countries to choose neutralist or pro-communist courses.

10. The Group believes, therefore, that since U.S. and local resources will be inadequate to cover all aspects of the threat spectrum, we must make some difficult decisions, accepting greater risks if necessary in meeting the less likely threats. Although sufficient military strength must be maintained to help deter local aggression and to assure internal security, the main thrust of U.S. aid in the 1960's should be to further economic development and nation-building. This requires that total US aid be directed more toward dynamic growth in the economies and toward developing more resilient domestic political institutions capable of dealing creatively with the social ferment incipient in most of these countries.

11. As a consequence, we believe that the risks which may be involved in some reduction or stretch-out of MAP are outweighed by the risks involved in not concentrating a larger share of US aid and local effort on economic and social development. If we confront special crises that affect individual countries—as the Iraq crisis did for Iran in 1958 and the Offshore Islands crises have done for the GRC—we would

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<sup>1</sup> MAP policy guidelines. Secret. 6 pp. Department of State, S/S-NSC Files: Lot 70 D 265, Guidelines for Military Aid Program.

do much better to treat them as aberrations rather than to plan now in terms of aid for them.

12. Although the local forces in these six countries have a substantial military potential, the main deterrent to overt aggression from across the borders has been the realization that an attack on any of these countries would inevitably bring into play the UN, regional defense arrangements or in all likelihood U.S. forces. In gradually shifting the emphasis of our aid program, neither the communist Bloc nor the countries themselves should be allowed to gain the impression that we are any less resolute in our intent to assist them in maintaining their independence nor that their military establishments are being so emasculated as to invite overt aggression or internal revolt.

13. Thus our programs should be planned to stretch out modernization, to provide more gradual and selective equipping of existing forces, and to avoid introduction of advanced and sophisticated matériel in countries whose finance, manpower and skills resources are inadequate to absorb them. Economic supporting assistance to local military budgets should be phased downward as rapidly as is consistent with a realistic assessment of local resources and the effect of development aid. Recipient countries should be urged to devote only that part of their total resources to military budgets which would permit acceptable development budgets.

14. In connection with the new emphasis of our AID programs on nation building, integrated economic development programs and self-help, we should exert every effort to convince local governments that the primary focus of their efforts should be on building viable societies which can resist cold war pressures. They should be urged, and our programs should be planned, to give increased consideration to the potentialities of civic action and similar measures by which local forces can contribute directly to the nation building process; where appropriate, greater emphasis should be placed on the creation of counter-subversion and counter-guerrilla capabilities.

15. Redirection of our military assistance programs will of necessity be gradual. But the significant characteristic of U.S. aid in the 1960's should be that it is clearly moving with determination toward greater emphasis on economic development. For this purpose, gradually increasing proportions of U.S. aid and local resources will need to be shifted from military to economic and developmental programs. As our economic programs grow in size, within what we hope will be a larger total aid program and budget, some part of this proposal will take place of itself. We believe, however, that carefully considered reductions in the military side can be made as indicated in the country recommendations set forth at the end of this paper. This conclusion must be related to evolving political situations in each of the countries,

and of course to any possible sharp changes for the worse in the world situation.

16. Balancing all the foregoing considerations, the Steering Group recommends a significant net reduction in MAP ceilings for the six countries. *For example*, if all the country alternatives discussed were approved, and *were carried out* right away for the full period FY 1962–67, total defense expenditures for the six countries as a group would be reduced by approximately 9% below the current rate and 36% below rates projected in the Six-Year Plan, and manpower would be reduced by 25%, within a six-year period. Military and related defense support aid would decrease more, by 25% from current rates and 37% from the Six-Year Plan. While there would be increases in local budgets somewhat in excess of 15% above the total of the past six years, this would be 10% under those projected in the Six-Year Plan. However, the Steering Group believes that such reductions could be carried out only gradually, and in the case of the GRC could not be carried out at all pending resolution of overriding political issues. Therefore, the above orders of magnitudes represent a reduced level which could only be reached, if at all, in the later years of the FY 62–67 planning cycles. In those countries where force reductions are not recommended it was assumed that local defense budgets would rise as projected in the Six Year Plan to cover gaps left by decreased Supporting Assistance. Where significant force reductions are recommended both local defense budgets and Supporting Assistance decrease.

17. Nevertheless, for illustrative purposes it is useful to summarize the six-country alternatives assuming that the reduction could be carried out in full for the entire period FY 62–67.

	<u>Six Countries</u>		
	<u>Deliveries for 1956–61</u>	<u>Deliveries for FY 1962–67 Plan</u>	<u>Suggested Alternative</u>
		(in \$ millions)	
MAP	\$ 4,897	\$ 5,533	\$ 3,525
Supporting			
Assistance	991	1,463	850
Local Budget	<u>4,079</u>	<u>5,250</u>	<u>4,725</u>
Total Defense			
Expenditures	\$ 9,967	\$12,246	\$ 9,100
Manpower	2,111,000	2,047,000	1,587,000

18. The purpose of these proposed MAP cuts is to provide the U.S. greater flexibility in the use of aid resources, either by transferring military aid to other geographic areas or by seeking to redirect MAP dollars to economic assistance. If the resources saved merely resulted



in a reduction of over-all U.S. aid levels, instead of more optimal utilization, however, the Group would *not* recommend such cuts. Moreover, to the extent that reduced MAP is offset by increased local defense budgets at the expense of social and economic development budgets there is little benefit to achievement of broader U.S. objectives, though certain advantages in political terms may accrue from the posture of emphasis on civil activities.

19. The significance of total defense data for the six disparate countries is limited since for each item the significant changes are concentrated on one or two countries. Manpower reductions are a feature in the alternatives for GRC, Korea, and Iran; MAP reductions are most important for Korea but significant also for the others with the exception of Pakistan; supporting assistance would remain a large budgeting element in the case of Korea.

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**402. Letter from McGovern to Freeman and Hamilton,  
December 20<sup>1</sup>**

December 20, 1961

Dear Orville and Fowler:

I believe that we would be well-advised to make a greatly expanded overseas school lunch program the Number One target of Food For Peace in 1962. It would seem to me that we could aim at a goal of feeding 500 million children within the next five years. This objective can be reached through a combination of government-to-government and voluntary-agency school lunch projects.

Nothing is more important than the health and well-being of the world's children. Providing one nutritious meal a day for these youngsters is the highest task this Nation can undertake. I am convinced that the use of our agricultural abundance in this way will accomplish more constructive results per dollar than any other foreign assistance.

Multiple benefits of an overseas school feeding program include the following:

- 1) vastly improved health of the children;

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<sup>1</sup> Food for Peace and overseas school lunch program. No classification marking. 2 pp. Washington National Records Center, RG 286, AID Administrator Files: FRC 65 A 481, Executive Secretary, FY 1962.

- 2) sharply increased school attendance;
- 3) better academic performance; and
- 4) improved U.S. relations with the citizens of receiving countries.

At the present time, there are three government-to-government school feeding programs in Italy, Tunisia, and Peru which involve nearly two million children. A previous U.S. program in Japan has been taken over by the Japanese Government, and the Italian Government is now preparing to assume responsibility for continuing the program in Italy.

United States voluntary agencies, supplied by Food For Peace food grants, are conducting school feeding programs in 81 countries and territories, involving nearly 30 million children.

The Peruvian program, which I signed for our Government with Prime Minister Beltran last May, was the first and only U.S. Government school lunch program in Latin America. It has already resulted in a 40% increase in school attendance—aside from its basic purpose of improving the nutrition of children.

From previous discussions with your associates, I know that there is widespread agreement as to the urgency of this suggested target. I look forward to working with you toward its implementation.

With every good wish in the New Year, I am

Sincerely yours,

**George McGovern**

*Special Assistant to the President*

*Director, Food For Peace*

January 1962

**403. Memorandum from Komer to President Kennedy,  
January 17<sup>1</sup>**

January 17, 1962

SUBJECT

Report on Long-Range MAP Guidelines

Attached report by the Military Assistance Steering Group is the first major effort in your Administration to reshape our military aid program, both to complement the AID turnaround and to make MAP itself more responsive to the needs of the Sixties. While this process will inevitably be lengthy, we can now put up to you certain tentative decisions which could have a decisive influence on program direction from here on.

The Steering Group, set up by Rusk and McNamara for this purpose, focussed on six key client states—*Korea*, the *GRC*, *Pakistan*, *Iran*, *Greece*, and *Turkey*—which absorb about 50% of MAP outlays. For over a decade in most cases the bulk of our aid to them has gone to equip and maintain large forces well beyond their own capabilities to support. All are in the underdeveloped category, with insatiable needs for development aid as well.

While the Steering Group sees a continued need for large MAP programs to help deter Bloc aggression against these countries, it questions whether so large a proportion of available US (and local) resources should continue to go for this purpose instead of for meeting other pressing needs. On the principle that total US aid to any country must be designed for the best overall impact, it proposes a gradual reduction in planned MAP outlays of well over \$1 billion during the next five years (Table at Tab I). It argues that, although overt Bloc aggression remains a major threat to the six countries, the greatest threat they are likely to face is that of indirect aggression.

To meet this threat, the Steering Group proposes that we push the new AID concept of economic development with self-help as the main thrust of US aid policy in the Sixties (together with greater emphasis on internal security programs). It sees us as still putting too much money into MAP programs designed primarily to meet Korea-style

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<sup>1</sup> "Report on Long-Range MAP Guidelines." Secret. 5 pp. Kennedy Library, National Security Files, Meetings and Memoranda Series, NSC Meetings, No. 496, Box 313.

aggression, and which in such respects as their local budgetary impact compete with our efforts to get local sights fixed more firmly on well-planned growth.

Therefore, it urges that a substantial portion of MAP be redirected into AID programs or re-programmed to other higher priority areas than those to which the bulk of it now flows (e.g. Southeast Asia instead of Korea). As you put it in the State of the Union message, AID is "reorienting our foreign assistance to emphasize . . . more economic aid instead of military. . . ." *The Steering Group Report is a vehicle to this end.*

*The exercise has already had considerable impact.* It helped stimulate DOD to defer some \$80–85 million from FY 1962 and influenced the setting of the FY 1963 budget mark at \$1.5 billion, which has led DOD to cut over \$125 million from the six programs. However, it has also generated adverse reactions. Many of these are the usual bureaucratic defenses of those wedded to a program of fifteen years standing (the JCS, for example, refused to take the exercise seriously); others bear on timing and flexibility.

1. *Admittedly MAP reductions would entail at least marginally greater military risks*, despite the Bloc's apparent preference for indirect aggression and civil war instead of risky Korea-style attacks.

*But* the Steering Group is far from "dismantling" the MAP; at minimum it proposes a tidy \$3.9 billion for the six in FY 1962/67, only about \$1 billion below the comparable 1955/61 level. Moreover, it argues that it is *US deterrent power*, not local forces, which chiefly deters the Bloc. None of these local forces could halt major aggression unaided. In any case we cannot look only at military risks. Other acute threats confront us in the six countries; where we cannot insure fully against all of them, we must make some hard choices.

2. *Even so, is now a good time to start cutting MAP?* The JCS say flatly that this is no time to make, or even plan reductions. With crises in Berlin and Southeast Asia, big cuts now might give the wrong signal to friends as well as enemies. Greece and Turkey in particular are now participating in the build-up of NATO readiness. Even in a period of relative tranquillity it would be difficult to sell a turnaround to countries whose force build-ups we've encouraged, particularly until how much compensatory economic aid we're prepared to give becomes more clear.

The Steering Group itself recognizes the force of these considerations; it emphasizes the importance of starting now on a long term shift in direction rather than going for large, immediate cuts. There will never be a "good" time to start a turnaround, but several techniques can be used to cushion the impact—spreading it out over several years,

re-emphasizing the key deterrent role of growing US forces, pointing to increased AID programs as indicating no diminution of US interest.

3. *However desirable in theory, can we really shift resources from MAP to AID?* Aside from the political repercussions it might create in recipient countries, could they absorb more economic aid? Despite their insatiable appetites, none of them except Pakistan has yet developed enough viable projects which meet AID criteria. But this situation is changing. And unless we can convince our own ambassadors that they can in fact get more economic aid in lieu of military they will have little incentive to recommend MAP cuts. Others argue that MAP and AID funds are not really fungible, in view of Congressional attitudes. But a strong Administration lead, plus such devices as transfer provisions, could accomplish a great deal.

*ISSUES FOR NSC DISCUSSION.* Despite the above reservations, most senior officials (except the JCS) applaud in principle some gradual reductions in MAP. But they disagree over where, how fast, and how much. The Steering Group six-country ceilings are only a first cut at the problem—some need further refinement and fleshing out before firm decisions can be made. The central questions at this point are: (a) how much of a general push you wish to give to a MAP turn-around—this will have major impact on how seriously the agencies take such follow-on studies; and (b) what specific if tentative guidelines you favor for Korea, Iran, Greece, and Turkey on which there are split views.

The draft NSC Record of Action (Tab II) reflects the position which we recommend you take on the major issues which we expect to arise:

A. *Should we articulate a general policy of primary US emphasis on development during the Sixties, with implicit recognition that there should be some shifts from MAP to AID (para. 2)?* Such a general statement of your intent would set the tone of subsequent country reviews. However, some like George McGhee (who favors most country cuts) hold to the old Draper Committee philosophy that military and economic aid are really separate programs which don't compete with each other and should be handled separately (his personal views at Tab III). He may raise this issue by suggesting we drop para. 2.

But few go as far as McGhee. The dollars come out of the same US pocket, and the size of the six countries' own military budgets directly affects their ability to devote resources to nation-building. For example, the DOD FY 1962/67 Plan would require *local* military outlays of some \$5.2 billion, a rise of some \$1.2 billion from FY 1956/61 levels (this in addition to almost \$1.5 billion in some form of US supporting assistance).

B. *Korea (para. 5c).* By far our largest MAP program, it epitomizes our dilemma. Since 1953 we've spent billions in Korea, largely to main-

tain 600,000 man ROK forces (on top of major US deployments) against a renewed attack. [text not declassified]

State and AID are much in favor, but DOD, which has for years opposed such changes, argues rightly that more study is needed (including the possibility of cutting US forces rather than ROK). NSC Action calls for prompt study, but asks you to lean in Steering Group direction to make it a serious one. DOD and probably JCS will want to be heard.

C. [text not declassified]

D. *Greece and Turkey (para. 5e)*. Here our dilemma is that, while both are not only unable to carry alone their present forces but badly need aid for accelerated economic developments, both are NATO members most willing to shoulder military burdens. At a minimum we should defer action until Berlin crisis has died down. Even then State and Defense are reluctant to cut MAP even modestly as the Steering Group proposes (its ceiling of \$80 million annually for Greece is only \$5 million above 1956/61 level, while proposed \$134 million annually for Turkey is only \$34 million below 1956/61 delivery level. We propose restudy of alternative programs for your post-Berlin decision. State and Defense will probably agree.

*RECOMMENDATION*: I believe that all agencies, after voicing their concerns, will go along with draft Record of Action (since it in effect postpones the key decisions pending further studies). Therefore, I urge that, if you approve it, you emphasize your determination to reduce MAP and switch more resources into development even if willing to reserve final judgment on Korea, Iran, Greece, and Turkey. Mac Bundy suggests that if you prefer to do so, you can well reserve decision on any point until after further consideration with the Secretaries of State and Defense. On the other hand, if your judgment is clear, a quick decision in the meeting will make an immediate impact on all.

**R.W. Komer**

**404. Memorandum from McGovern to Waters, January 22<sup>1</sup>**

January 22, 1962

*Office of Food For Peace: Responsibilities and Procedures*

On January nineteenth, a discussion luncheon was held at the White House with the following persons present: Secretary Orville Freeman, Assistant Secretary John Duncan, and Mrs. Dorothy Jacobson, USDA; Assistant Secretary Ed Martin, State; Herbert Waters, State (AID); Director David Bell, Bureau of the Budget; Myer Feldman, Deputy Special Counsel to the President; and George McGovern.

The participants agreed that the President's executive order of January 24, 1961, establishing the Food For Peace Office, has served a useful purpose in expediting, expanding, and dramatizing the Food For Peace Program. The group concluded that there are two broad continuing functions of the White House Food For Peace Office:

1. It shall keep under surveillance all Food For Peace activities and make suggestions to the operating agencies relative to program problems or opportunities. New ideas received or generated by the Food For Peace Director will be made known to the operating agencies. While the Interagency Staff Committee will continue to review Food For Peace proposals, the Food For Peace Director will provide leadership in preventing unreasonable delays or difficulties.

2. It shall provide a centralized focus for Food For Peace publicity. All news releases shall be informally noted, presumably by telephone, by State (AID), USDA, the Food For Peace Office, and, when necessary, by the Budget Bureau, before they are released. Important announcements will be referred by the Food For Peace Director to the White House Press Secretary for release by the President. The Director will serve as the coordinator for all Food For Peace publicity, but any announcements from this office shall give due recognition to the roles played by the operating agencies. We will also maintain liaison with USIA, the American Food For Peace Council, and the U.S. Freedom From Hunger Foundation (FAO).

**George McGovern**

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<sup>1</sup> Role and function of the White House Food for Peace Office. No classification marking. 1 p. Washington National Records Center, RG 286, AID Administrator Files: FRC 65 A 481, Agriculture, FY 1962.

February 1962

**405. Check Points from Komer to Hamilton, February 1<sup>1</sup>**

February 1, 1962

(Hamilton was away at time of NSC Meeting at which President talked about getting best "mix of military and other forms of aid.")

1. AID must take the total over-view of our aid programs called for by President in NSC Action 2447. Finding the best mix is AID's responsibility.

2. Hamilton is the guy who must mesh the MAP with AID programs. These run into each other at so many points, e.g. Korea, that we've got to take hold and make them run in harness.

3. Moreover, AID and MAP are competing for what, as President said, is liable to be an inadequate total pie in any given year. They are also competing for local budget resources. It is up to Hamilton to divide the pie and then listen to the squawks. There will be plenty, but JFK inclined to decide them in AID's favor if it has a case.

4. AID badly needs a top, savvy guy to deal with DOD/ISA on equal terms. Chenery may not be up to this. It also needs a staff (Jack Bell had 100 people in State).

5. Hamilton must also pay more attention to police programs. These are vital to any counter-insurgency emphasis. Indeed, they enhance the stability so essential if economy to have time to grow. These programs are withering away under new AID criteria.

**R.W. Komer**

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<sup>1</sup> Meeting on mix of military and other forms of aid. Secret. 1 p. Kennedy Library, National Security Files, Departments and Agencies Series, AID, 1/62-8/62, Box 268.



**406. Memorandum from Ball to Hamilton, February 8<sup>1</sup>**

February 8, 1962

SUBJECT

Your Memorandum of February 6, 1962, on Terms of AID Development Loans

I have looked over your memorandum and have a few comments. I think, however, that this is a matter on which you should make the final decision, since you have the problem of defending the program before Congress. Consequently, I am prepared to recommend to the Secretary that he forward your memorandum to the President, if you wish me to do so.

In making the following comments, I do not mean to appear too categorical. I recognize that this is a question on which there can be varying shades of opinion.

I shall address my comments to the numbered paragraphs, beginning at the bottom of page 2 under the heading of "*Advantages of AID Policy.*"

*Paragraph 1.*

It seems to me that you overstate Gene Black's position. As I understood his views, he felt that if AID terms were hardened very much, the IBRD might feel that it had to reduce, not eliminate, its participation in the consortia. It was my impression that he was speaking primarily of interest rates and not of the maturity of the loans. The maturity of loans might be reduced, for example, from 40 years to 25 or 30 years, without greatly affecting the Bank's willingness to participate in consortia.

Black seemed primarily concerned with the burden of annual payments. While this burden reflects not only interest rates but also the amortization schedule, it would, I should assume, be possible to shorten the maturity of loans and still maintain a low level of annual amortization payments provided one were prepared to see a substantial balloon of unpaid principal left at the end. The repayment of such a balloon could then be a matter for negotiation at that time.

With respect to interest rates, my feeling, after talking with Black, was that both he and Burke Knapp were doing a certain amount of bargaining. I cannot believe that an increase in interest rates to 2½%

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<sup>1</sup> Terms of AID Development Loans. No classification marking. 5 pp. Washington National Records Center, RG 286, AID Administrator Files: FRC 65 A 481, Development Financing, FY 1962.

for example, would materially affect the amount of the Bank's contribution to consortia.

*Paragraph 2.*

As an abstract proposition, the statement seems to be eminently correct. It does not, however, seem to me to meet the point—which is whether the United States alone of all lenders should, through its aid program, take the full responsibility for meeting the inadequate transfer capacities of borrowing countries.

*Paragraph 3.*

I disagree completely with this paragraph so far as it relates to Germany and the other European countries. I have spent as much time as anybody—perhaps more—trying to persuade the Germans to liberalize their credit terms—not only in the course of two trips to Bonn, but two DAG meetings. We have, it seems to me, exhausted the possibilities of exhortation. I think the only chance we have of getting the Germans to move appreciably is by proposing to narrow the gap, which would enable them to come more closely within range of our approbation and thus acquire the kind of self-respect they are looking for. If, however, we continue our present policies further pressure on the Germans to liberalize would merely be nagging and likely to have a negative effect.

The effect on the International Development Association raises different questions. I am not clear as to whether the movement of AID to harder terms and the isolation of IDA as the single agency committed whole-heartedly to soft lending would work for or against larger contributions to IDA. I am certainly not persuaded that it would impair IDA's situation and one can argue that it might improve it.

*Paragraph 4.*

I have never thought that we were talking about having AID loan terms approach those of the IBRD or the Export-Import Bank. What has been suggested is a modest move in the direction of hardening the terms. But this would still leave AID loans far softer than those of the World Bank or Export-Import Bank. I can't imagine that Congress would seriously attack the AID program on the ground that it was moving toward harder loans. Congress has never shown any great enthusiasm for the IBRD.

*Paragraph 5.*

I cannot argue with the conclusions of this paragraph that AID loan term policy ought to be flexible.

*Paragraph 6.*

The complaint of borrowing countries about our policy of tied loans relates to the amount of funds available. This sense of outrage is unlikely to be assuaged by the fact that they can delay for ten years payment of amortization with no or low rates of interest.

*Comments on paragraph 2, under heading “Objections to AID Policy”:*

The statement in this paragraph “If Germany makes half of its loans on relatively hard terms and half on short terms comparable to those of AID, therefore, its total lending policies would be comparable to ours” seems to misstate the situation. There is no possibility that Germany will make half of its loans on terms comparable to those now provided by AID. The question remains how we can justify the fact that liberal AID loans are indirectly supporting both hard and relatively hard loans made by such countries as Germany.

*Comments on section of memorandum headed “Proposals to Deal with Objections”.*

*Paragraph 1.*

I can’t believe that this is a very serious proposal. Even if Libya, for example, were to develop the greatest oil production in the world, it would take generations for it to become anything other than an underdeveloped country. In spite of the fact that it might have large gold and foreign exchange balances, it would still make a poor mouth. We would, I suspect, be extremely reluctant to push it very hard for faster repayment.

In any event, I have assumed that the really important question was not so much the maturity of the loans as interest rates. The ability to accelerate repayment would thus be of only limited value to us.

I have absolutely no confidence in the power of continued exhortation to bring about a softening of terms on the part of our European friends. We have long since passed the point of diminishing returns and, I’m afraid, we would merely produce an attack of *ennui* if we promoted a DAC Ministerial meeting in Paris in the spring with the sole purpose of providing a forum for further admonishment to persuade other countries to hit the sawdust trail. I have a strong feeling that we have a chance of making further progress, particularly with the Germans, only if we change the dialogue—if, for example, we have something to offer in the way of a prospect that we ourselves would be prepared to move slightly in the direction of slacking the gap if they move themselves.

In any event, I was told this morning that there will probably be an OECD Ministerial meeting toward the end of May and that present plans suggest the likelihood of having the DAC Ministerial meeting held at the same time and combined with it.

**George W. Ball**  
*The Under Secretary*

April 1962

**407. Memorandum from Hansen to the Director of the Bureau of the Budget, April 3<sup>1</sup>**

April 3, 1962

SUBJECT

Statement of State/AID Relationships

This morning at the Bundy staff meeting I mentioned to Mac our meeting with Hamilton and Lingle on this matter. Mac indicated that he was troubled by the key provisions in the draft memorandum with regard to handling of disputes between Assistant Secretaries and Assistant Administrators. I shall not try to cover his entire argument, but essentially he made the following case:

1. It is too much to expect, given the current staffing of AID that Hamilton and his principal assistants will be able to make the kind of over-all judgments that the memorandum implies; i.e., neither the Chenery-type economic criteria boys or the IBM businessman have enough knowledge or experience to be permitted to "sign off" on all these aspects of political-military on AID matters.

2. The process contemplates a procedure whereby "appeals" would have to be made over the head of Hamilton by the Assistant Secretaries—and at the least this would inhibit an adequate process of decision making.

3. We must engineer this process around the facts of the personalities involved now that we have a greater appreciation of their attributes and shortcomings, and this would on the basis of performance appear to preclude giving such rigid and final authority to the AID people.

4. It would be preferable to handle this kind of problem by having such a mechanism as a weekly or bi-weekly meeting between Hamilton and Ball so that these matters can be discussed without the appearance of an appeals procedure.

We had a short discussion of the other considerations involved in this matter; i.e., the need to reverse the previous situation whereby many of the so-called "political decisions" rode roughshod over long-term economic considerations, the situation whereby the assistance

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<sup>1</sup> Statement of State/AID Relationships. Administratively confidential. 2 pp. Kennedy Library, National Security Files, Kaysen Series, Foreign Aid, General, 5/62-11/63, Box 373.

agency was not even in fact a junior partner to the decision-making process, and the fact that the new AID criteria and our new policy approach call for more steadfast adherence to the longer term criteria for a better foreign assistance program.

I suggested to Mac that there be a more thorough discussion of this matter between you and him before we got too far down the road, and I urge that this be done as soon as possible.

Jake Lingle called me this morning with regard to the memorandum, and indicated that he was pressing Hamilton to attempt to have a meeting with Rusk and Ball (with you present) because he felt that Rusk particularly should get into this question before we attempted to negotiate out further language on the memorandum. I told him that we would certainly concur in any move which would bring Rusk, Ball and Hamilton together on this important matter so that there could be a meeting of minds in substance before any piece of paper were further negotiated.

I therefore recommend:

(1) An early meeting with Mac Bundy and Ralph Dungan on this question before Hamilton/Lingle proceed too far in the State Department, and

(2) A real look at this question ourselves in terms of the pragmatic considerations which Mac Bundy raises and with which we have increasingly been concerned in our own reviews.

I continue to opt for a written statement of these relationships along the lines we have proposed, since I believe that regardless of the problems of individual competence we cannot really develop the country program approach, which is the keystone of policy formulation, without active continuous debate between so-called economic and political elements of the Department.

## 408. Unofficial Record of Discussion at the AID Executive Staff Meeting, April 5<sup>1</sup>

April 5, 1962

### ATTENDEES

Mr. Hamilton	Mr. Kaplan	Mr. Fowler
Mr. Lingle	Mr. Davis	Mr. Ide
Mr. Coffin	Mr. Salter	Mr. Shooshan
Mr. Gaud	Mr. Roberts	Mr. Sternfeld
Mr. Hutchinson	Dr. Ruffner	Mr. Wilkins
Mr. Janow	Dr. Fei	Mr. Ellis
Mr. Moscoso	Mr. Alpart	Mr. Vagliano
Mr. Rubin	Mr. Vance	Mr. DeAngelis
Dr. Chenery	Mr. Woods	Mr. Easum
Mr. Waters	Mr. Bayley	

### 1. *Development Loan Terms*

The staff discussed the revised paper on Dollar Repayable Development Loan Terms [ES/D-26 (Revised)] which reflected the views of the staff at the April 5 meeting. It was noted that two countries in Latin America have not been classified as yet. Syria which erroneously appears in two categories in the paper, should be listed under the unclassified country category. The staff approved the terms set forth in the paper.

There then followed a discussion of the steps to be taken to inform the White House, the Development Loan Committee, and the NAC. Mr. Coffin was asked to take the necessary steps to accomplish this.

ACTION: Mr. Coffin

Mr. Hamilton asked whether there should be a policy paper issued on the extent of AID involvement, if any, in private investment in developing countries both to be sure that we are not supplanting private capital, and also to be sure that the terms do not put too heavy a drain on their foreign exchange. Mr. Lingle said this should be put on the list of policy issues as a possible subject for clarification.

ACTION: Mr. Shooshan

Mr. Hamilton asked Mr. Rubin to look into the scope of the NAC jurisdiction over our development lending activities.

ACTION: Mr. Rubin

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<sup>1</sup> "Development Loan Terms." Official Use Only. 1 p. Washington National Records Center, RG 286, AID Administrator Files: FRC 65 A 481, Development Financing, FY 1962.

May 1962

409. Memorandum from Komer to Coffin, May 2<sup>1</sup>

May 2, 1962

Frank, forgive this rather long and rambling discourse, but as you know my heart's in the right place. I see your report on MAP/AID coordination as the charter you need to bring MAP under control, and am anxious to give all the help I can.

R.W. Komer

**Attachment**

SUBJECT

AID Draft on Methods for Improving the Coordination of Military and Economic Aid Programs

Our meeting on April 30, and the preliminary agency comments, all convince me that the exercise called for in NSC Action 2447 is of crucial importance. In effect, the purpose of the exercise is *to give the AID Coordinator the necessary tools to do his job*. Without these tools we will not get the unified and optimized overall aid program which the Administration seeks. Therefore I feel that we should take the time necessary to refine the draft report, assimilate the experience of the Greek, Turkish and Korean restudies and achieve inter-agency consensus if possible.

Viewed in the above light, Charles Wolf's draft marks a definite step forward. While one may cavil with some of his ideas, in general he seems on the right track. For example, his three suggestions for meshing the MAP and AID planning and programming cycles seem non-controversial; as essential groundwork for any coordination process, perhaps they should be carried out as soon as feasible, without waiting on the rest.

However, I believe that the report needs to be strengthened in several respects.

1. Most important, the basic objective toward which we are working is to devise techniques and machinery for achieving the best possible

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<sup>1</sup> AID draft on improving coordination of military and economic aid programs. Secret. 4 pp. Kennedy Library, National Security Files, Kaysen Series, Foreign Aid, General, 5/62-11/63, Box 373.

“mix” of total US aid, military and economic. To this end we want to unify foreign aid planning as much as possible, while preserving the freedom of the agencies concerned with various aspects of US aid to make the case for their own programs. Hence I feel that how to get the best “mix” should be the central theme of the report and more fully developed.

2. On this score, I feel that the so-called “high-low” approach to constructing alternative “mixes” is, despite the many complexities involved, the best available technique for assessing the pros and cons of various options open to us. Admittedly, it is as yet a very rough technique, which we’ll have to refine as we go along. But only by presenting alternative program options can we get a rational framework for choice.

“High-low” of course is a misnomer. What we really mean by “low” is the *minimum* program the US could support without taking wholly unacceptable military or political risks. By high we mean the *optimum* program we would like to undertake within the constraints of available local resources and absorptive capacity. In effect the MAAG would outline both what it would really like and what it could get along with if it had to. So would the USOM. Then we can have a useful dialogue as to which program we want to optimise and which to try to carry at minimum ongoing cost.

In some cases, we may want to optimize both the MAP and AID programs (Turkey may be one); in others we may want to “carry” a country at minimums on both. In yet other cases we may want to split the difference in some way. Moreover, we always want to retain flexibility to shift emphasis from one country to another, if there is a case for doing so. For these reasons, while agreeing with Bill Bundy’s point that “high” and “low” military and economic programs will seldom be of similar dollar magnitudes I don’t see this as a bar to the “alternatives” approach.

3. The paper as presently drafted confines itself primarily to techniques for coordinating MAP and AID programs; it is very lean on the bureaucratic machinery needed to ensure that these techniques are effectively carried out and that the inevitable differences which will arise are suitably aired and resolved. For example, what happens after the two planning and programming cycles are meshed, and a number of alternative mixes for MAP and AID programs have been proposed? What machinery is there for adjudicating these differences and if necessary pushing them up the line for decision? This is of course the function of the Coordinator, but I would like to see this function spelled out so that everyone would have it clearly in mind. It might run as follows: (1) PRCS would prepare a list of issues arising from the comparison of MAP and AID programs, etc.—this list with its recommendations



for solution would be sent to the Coordinator; (2) the Coordinator would rule on these issues, after suitable hearings; (3) If AID, State, or DOD still objected to certain of his decisions, the Coordinator would submit these issues to the Secretaries of State and Defense jointly; and (4) if unresolved at that level, they would be taken to the President.

Therefore, the report should have a section on machinery for carrying out coordination.

Equally important is adequate machinery for achieving prior agreement on overall program guidelines before each five year guidance is sent to the field. I regard this as a very important exercise, because it tends to set the pattern for the annual program cycle. Yet, while AID and DOD each devote great effort to working out the guidelines for their own programs (and Congressional presentations), any impression is that all too little time is spent on the inter-relationships between these programs. The “alternatives” approach to key countries would almost force a more meaningful exercise along these lines.

4. Shouldn't greater emphasis be placed on the role of the country team in doing the first stage analysis of the optimum mix desired in a given country. We want the Ambassador himself to consider meaningful choices between MAP and AID inputs and to render the initial judgments. But we will not be able to get him to do so unless he has real reason to believe that if he opts for a road instead of a Hawk battalion he'll have a fair chance of getting it. *None of the techniques for developing meaningful alternatives will be worth a hoot unless we actually decide back here to pursue one or the other in a few key cases, and thus prove we mean what we say.* But perhaps I'm putting the cart before the horse.

5. The AID report should specify *when* the recommendations are to be put into effect. I gather that there is some testing this should not be done before the FY '65 planning cycle. Shouldn't we at least consider moving up the date for the meshing of the planning cycles to FY '60 instead of trying to take everything in one big [illegible in the original]. We should begin moving as soon as possible in the directions suggested by the report.

6. More emphasis might be given to expounding the essential rationale for MAP and AID coordination which underlies the report. Pages 6–9 of Wolf's draft make a good start but could be somewhat beefed up.

7. Finally, while AID ought to be allowed the time to do the job right, an interim report would be useful to show that you're moving and to keep the momentum. It will relieve the pressure for an early final report, and justify your taking another two months or so. Propose a new final deadline and we'll concur.

R.W. Komer

June 1962

**410. Memorandum of Conversation, June 6, among Hamilton, Nitze, Coffin, Bundy, and Defense Representatives<sup>1</sup>**

June 6, 1962

SUBJECT

Meeting of Messrs. Hamilton, Nitze, Coffin, Bundy, Gordon, Tank, General Palmer and representatives from the Department of Defense, on June 5, in Mr. Nitze's office

General Palmer outlined the operations of his office in planning and programming the military assistance program. He reviewed chronological phasing of the program and points coordination with the Department of State and A.I.D. He presented the position of the DOD that AID/State required an inordinate amount of time to clear the program once the final changes have been made in it by DOD after the appropriations bill has been enacted by Congress. He stated that AID/State was fully consulted in the preparation of the program prior to its presentation to Congress and that any changes that occurred as a result of a cut by the Appropriations Committees was not significant from a policy point of view. Therefore a protracted review of the program after appropriations had been made was unjustified. He quoted Secretary McNamara, and was confirmed in this by Mr. Nitze that one week was sufficient for clearance by AID/State. Mr. Nitze added that Mr. McNamara had instructed him that, after one week, Mr. Nitze was to report the delay to Mr. McNamara and he would personally be in touch with Mr. Hamilton. Mr. Hamilton, as coordinator of military and economic aid, is responsible for the final approval of the program and Mr. Hamilton stated that he could not at this time say that one week could be sufficient for the clearance.

Mr. Hamilton asked if criteria or standards could be established for review, inasmuch as only particular cases would need to be reviewed by the various desk officers in AID/State. He agreed that, if policy had already been decided earlier in the process, he could see no reason why delay was necessary in approving whatever changes may have occurred as a result of appropriations action. Mr. Gordon said that, on occasion, changes in circumstances in the recipient country and in the

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<sup>1</sup> Military assistance program clearance procedures. No classification marking. 3 pp. Washington National Records Center, RG 286, AID Administrator Files: FRC 65 A 481, Military Assistance, FY 1962.

general diplomatic position made a thorough review of the MAP at this stage a necessity.

Mr. Hamilton then suggested the following procedures: He would ask each Assistant Secretary in charge of the Regional Bureaus in State Department to appoint one man from each bureau to sit with one man from each regional bureau in AID. These two men in each regional area would review the program submitted by DOD after the appropriation bill was enacted. Any discrepancy or disagreement between AID/State and DOD would then be presented to Mr. Hamilton. If he felt it necessary, he would refer the matter to the desk officers in AID/State. In those areas where no issues were raised, and this presumably will be in the vast majority of cases, immediate approval would be given and sent back to the DOD for implementation. It was generally agreed that this procedure would lessen considerably the time necessary for review by AID/State and it could, conceivably, be done within a week. Mr. Hamilton agreed to set up the above procedure immediately.

There followed a brief, general discussion of Latin America determinations with no action being indicated or taken.

**John Funari**

*Executive Assistant*

### **Attachment**

Don Easum:

You asked that we let you know what action PRCS was taking on final sentence of the first paragraph on page 2 of the attached MEMORANDUM OF CONVERSATION dated June 6.

Mr. Tank is preparing a letter to Mr. Nitze from Mr. Hamilton setting forth procedures for handling of MAP which he hopes to have ready for the meeting tomorrow afternoon with Mr. Hamilton. However, if this is not possible, he will submit it by Wednesday.

**Rachel**

July 1962

**411. Memorandum from Saunders to Komer, July 5<sup>1</sup>**

July 5, 1962

SUBJECT

Police Committee

At the Police Committee meeting on 25 June, Coffin presented AID's new organizational plan (attached). It simply makes Joe Wolf Coffin's special assistant for internal defense and Chenery's deputy for politico-military affairs and adds 4-7 officers to regional staffs. Joe would head an inter-agency coordinating committee.

This isn't the final word. Even Johnson balked at the absence of a core of public safety experts to anchor the program, and Coffin promised to take another look. He was also caught short without any idea of how to fit the proposed police academy into his scheme.

A clear but perhaps reconcilable difference remains between the AID approach and what the Technical Subcommittee and DOD recommend. Engle's report cites the need for a core of professionals researching police techniques, equipment, and doctrine and keeping a central file on police matters. Obviously the two-man Public Safety Division (PSD) AID proposes can't do this job, which Engle says would take at least 8-10.

Engle and DOD still favor pulling all public safety advisers out of the regions into PSD. However, even the staff level people in AID who back the police program wholeheartedly believe one or two advisers must remain in each region. Neither AID nor BOB, as you know, would buy Engle's position. However, what still seems possible is a compromise (along the lines of BOB proposal) developing a much stronger PSD while leaving PSD outposts in each region. The door is still open, too, for MAP funding.

Johnson raised the possibility of starting a new category of AID funds for "internal defense." Coffin receptive, and Amory discussing with Bell. This, of course, would be a year off.

Will see Maechling today or tomorrow to discuss next meeting on organization question and final report. His program adequacy report

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<sup>1</sup> Police Committee meeting readout. Secret. 1 p. Kennedy Library, National Security Files, Kaysen Series, Foreign Aid, General, 5/62-11/63, Box 373.

will be out tomorrow. You will get a crack at the organization plan when Coffin presents his revision.

HHS

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**412. Memorandum from Cooper to Kaysen, July 13<sup>1</sup>**

July 13, 1962

SUBJECT

Quick observations on Ambassador Galbraith and bilateralism

1. It is necessary to draw the distinction, which Ambassador Galbraith seems to confuse, between the real effect of aid on the balance of payments and its apparent effect as presented in the accounts—which take into account neither feedback nor substitution effects. Galbraith's opening paragraph sounds as though he is concerned with the apparent effect; the rest of the memorandum seems to be concerned with the real effect.

This is an important distinction, for while aid could suffer in Congress because of the balance of payments, it can also suffer in the field because of the balance of payments. Just at the moment the second possibility may be more likely than the first. If investment in a school has the highest social return, and the U.S. has to bribe a country to build it if it is to be built at all, then elimination of this type of expenditure can hurt U.S. aid objectives as much as Congressional penuriousness.

Reducing the apparent impact on the balance of payments of the aid program may be desirable for the purposes of Congressional presentation. Segregated accounts may serve that function well. Galbraith's recommendations go beyond that and attempt to improve the real position as well. This is good if the cost of not doing so is high, or if the cost of doing so is really low. Galbraith seems to hold the cost of not doing so higher than I think it is, and he is therefore willing to pay a higher price.

2. The "costs" of Galbraith's proposal for "mild bilateralism" are:

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<sup>1</sup> Observations on Galbraith's views on effect of aid on the balance of payments. Confidential. 3 pp. Kennedy Library, National Security Files, Kaysen Series, Balance of Payments, AID, Box 362.

(a) retaliation in the field—Europeans are more likely to seek restrictive agreements favoring their own position, or hold on to the ones they already have. Galbraith is right in asserting that the scope for increased European bilateralism here is small; Europe runs a trade surplus with every major trading area except Japan and North America. But European anxiety to hold onto existing preferential and bilateral arrangements—e.g., the Commonwealth trading system and the French franc system—may be strengthened considerably by U.S. moves away from its former preachments on multilateralism toward a new kind of bilateralism of its own.

(b) European resistance to multilateralism may be stiffened considerably closer to home. We are not sufficiently confident about the future orientation of the Common Market to risk obvious moves toward bilateralism in our own affairs. Already there are pressures in the EEC for maintaining and strengthening various kinds of bilateralism—the special position being cut out for Africa is the most obvious case—and any substantial U.S. moves toward bilateralism would weaken the position of those in the EEC pressing for fewer “special arrangements”. This could result in a non-trivial direct loss to the U.S. and indirect losses through areas with strong commercial ties to the U.S., such as Japan and Latin America. There are many Europeans and others who fear U.S. competition (see the statement of the Italian, of all people, in Southard’s report of the IMF Executive Board meeting on the U.S.) and would welcome a chance to reduce it.

(c) The proposed bilateralism would certainly weaken the European interest in other, preferable ways to reduce or finance the U.S. deficit, such as military offset payments (which so far have been negotiated successfully only with Germany), advance debt repayments, and easier monetary policy in Europe.

3. Using the “balance of payments” as a special plea for bilateralism without prejudicing the case for a general multilateral trading system will not work, because of the universality of deficits and the existing asymmetry in viewing deficits and surpluses; deficit countries look at the *sign* of their balance; surplus countries look at the sign of the *change* in the balance (or low reserve countries look to the level of reserves, high reserve countries to changes in the level). Acknowledging the *existence* of a liquidity problem is not sufficient to keep a card as a professional economist; Galbraith should also recognize the bearing of the liquidity problem on the response of Europeans to U.S. moves toward bilateralism. It is very doubtful that many European countries, with their high internal demand, would provide more aid on credits to maintain exports formerly financed directly or indirectly by U.S. aid. Closer bilateral ties of their own would more likely result.

4. It is true that former colonials have powerful commercial bonds with former rulers, and aid tied in a sensible way is one method for loosening some of these bonds. LDC’s learn that it is not as difficult to buy in the U.S. as they might have thought. But the strength of former connections should not be exaggerated. Germany, which did not rule in India, sells about as much to that country as Britain, which

did. Britain, which had no political connection in Laos, sells nine times more to that country than France, which did. I suspect a little selling ingenuity can go a long way toward overcoming time-honored commercial ties.

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**413. Memorandum from Kaysen to G. Griffith Johnson, July 13<sup>1</sup>**

July 13, 1962

At the suggestion of Under Secretary Ball I am giving you the attached. It summarizes as well as comments on a message from Ambassador Galbraith to the President. Please limit its circulation.

**Carl Kaysen**

**Attachment**

SUBJECT

Galbraith's Latest on Aid

1. Stripped of its rhetoric Galbraith's message contains three proposals:

1. That we cut cash grants and purchases of local currency for dollars to an absolute minimum.

2. Wherever we still are forced to make such grants or purchases, we use segregated accounts.

3. That we go beyond tying aid to some form of super-tying or bilateral clearing. We should insure that any country which received substantial aid from us spends not only the whole of the aid but also at least as much of its other foreign exchange receipts in the U.S. as it did before receiving aid and, if possible, more than this.

2. Recommendations 1 and 2 are already being followed. As you will remember in your review with AID, they are cutting cash grants and local currency purchases down to the minimum. When it is necessary to give aid in these forms, the U.S. funds are being put in segregated accounts for expenditures in the U.S. This is not always possible. The need for cash grants arises in political bargaining situations in which

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<sup>1</sup> Transmits copy of a July 13 memo from Kaysen to Kennedy on Galbraith's latest aid proposals. Confidential. 4 pp. Department of State, E Files: Lot 64 D 452, AID, General.

we are trying to help a government crisis, or situations in which we are paying for a base or other military facility. We cannot always successfully demand segregated accounts in these situations, but AID has been instructed to do its best and is being reminded currently of the importance of continuing to try.

3. It is the third of Galbraith's proposals which is novel, and important. What he is suggesting can be explained in terms of the following example. Assume that before we gave some country aid, it spent \$50 million per year in foreign exchange earnings in the U. S. Suppose we now give it \$50 million in aid, increasing its dollar receipts to \$100 million. Then what Galbraith proposes is that we try to secure an arrangement which will result in the recipient country's spending the whole of \$100 million in the U.S. What can and does happen now is that all of the \$50 million in aid, being tied, is spent in the U. S., but some of it is used to buy imports which were previously paid for out of the free earnings of \$50 million. Thus, after the aid grant, perhaps \$70 million is spent in the U.S. and \$30 million in Europe. It is this substitution of aid for other dollar earnings that Galbraith wishes to avoid. This appears a desirable goal; how feasible is it, and what would it cost to achieve it?

4. An attempt to persuade the governments that receive aid from us to enter into bilateral clearing arrangements—insuring that all their receipts from the United States were spent in the United States—would run directly counter to our whole trade policy, which is to widen the area of free multilateral trade. This is not only a matter of principle, it is a matter of practical import as well, since we have a large surplus of exports over imports. Thus, the path of bilateralism would ultimately be painful to us if others followed it as well. There is no doubt that if we pressed hard in the direction that Galbraith suggests we would provoke retaliation. While the Europeans cannot readily retaliate in India, because they already sell more than they buy there, they could retaliate elsewhere. Further, the repercussions would go beyond direct retaliation. We are pressing the Europeans to loosen their bilateral arrangements with Africa and other arrangements which exclude Japanese and Latin American production from their markets. To the extent that we ourselves resorted to extensive bilateralism, it would be less easy for us to go on doing so, with the result that we would suffer from the fact that these areas, which trade so heavily with us, could not increase their total foreign exchange earnings and thus their imports from the U.S.

In addition to these indirect repercussions, there would almost certainly be some direct repercussions in the aid receiving countries. In India itself, an attempt on our part to force the Indians to shift trade away from the European countries toward the United States would



hardly be consistent with our effort to get the Europeans to contribute more in the Indian Consortium. The next meeting of the Consortium is 30 July, 1962. We are trying to get the Europeans to increase their pledges by more than \$100 million. It is the judgment of Bill Gaud that any attempt to explore with the Indians at this time the bilateral arrangements that Galbraith suggests would be damaging to the prospects of the Consortium.

5. Finally, there is a broad political argument against substantial bilateral tying. Engaging in it would give substance in the neutralist and underdeveloped world to the Communist charges that our aid is an instrument of neo-imperialism and neo-colonialism. Thus, we would be undermining the very political purposes it is the goal of the aid program to achieve.

Carl Kaysen

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#### 414. Memorandum from Dillon to President Kennedy, July 17<sup>1</sup>

July 17, 1962

##### SUBJECT

Aid and the Balance of Payments

I wholeheartedly agree with the general approach outlined by Ken Galbraith in his recent telegram to you on aid and the balance of payments. Simply stated, our objective should be to assure as far as we can that our aid is matched by additional exports from the United States. To the extent that we are successful in this, the effect of aid on our balance of payments will be neutral. This idea of additionality is one that we should keep constantly in mind in administering the new segregated accounts to be set up under AID.

One of Galbraith's specific suggestions—developed in the last paragraph of page 6 of his telegram—seems to me to go much too far. This is his idea that we should apply a simple formula designed to prevent other industrialized countries from earning dollars from any underdeveloped country to which the United States gives aid, whether those dollar earnings are attributable to the aid we give to the underdevel-

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<sup>1</sup> Observations on Galbraith's proposals on aid and the balance of payments. Confidential. 1 p. Kennedy Library, President's Office Files, Treasury, 7/62, Box 94E.

oped country or to the exports of the underdeveloped country to the United States. In some cases this formula would go far beyond neutralizing the effect of our aid on the balance of payments, when what we should aim for is solely to make as certain as possible that all aid expenditures result in additional purchases from the U.S. To go further would run counter to our basic trade policies based on free multilateralism. This criticism does not in the least detract from the main thrust of Galbraith's recommendations. Moreover, I am confident that he is entirely correct in saying that we need not fear retaliation from the other industrialized countries for action which we can defend as being necessary to prevent aid from hurting our balance of payments.

Douglas Dillon

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**415. Memorandum from Coffin to the Special Group (CI),  
July 18<sup>1</sup>**

July 18, 1962

SUBJECT

A.I.D. Supported Counter-Insurgency Activities

The long-term aim in the planning and programming of economic assistance administered by the Agency for International Development over the period since January 1961 has been to create economic and social conditions of sufficient vitality to eliminate the causes of discontent and to sustain representative government and institutions. In this broad general sense a wide-ranging program has been developed and implemented to strengthen internal defense capabilities. To identify each one of these without giving a full listing of a large part of the whole program would not be practical. This summary report is therefore confined to a description of the specific major measures taken to enhance local counter-insurgency efforts and to the adjustment of internal procedural arrangements in support of these efforts.

*BROAD PROGRAM TARGETS*

The extent of the threat in the various regions has dictated, in most instances, the character of the programs planned and executed in the

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<sup>1</sup> "AID Supported Counter-Insurgency Activities." Secret. 6 pp. Kennedy Library, National Security Files, Departments and Agencies Series, AID, 1962, Box 268.

period under discussion. The actions taken in each of the areas can be highlighted as follows:

A. The Far East including Southeast Asia

A substantial part of A.I.D. resources in this area were used to support efforts to counter active insurgency and direct aggression, U.S. economic aid resources were used for military and civil budget support in Vietnam and Laos. Funds were used for military construction, alarm systems, communications and transport, education, health and community development throughout the whole area of Southeast Asia. Anti-communist minority groups fighting communist-led guerrillas received a variety of basic assistance necessary for their subsistence. Programs in other countries of the area were developed to improve the economic and social conditions of groups potentially exploitable by communists.

B. Africa

The program in this area has been developed to assist governments to realize an accelerating pace for economic and social development. Through the Food for Peace program significant projects to create employment through land clearance, reforestation and road construction were initiated, technical assistance and other resources were provided to expand education, health facilities and communications.

C. The Near East and South Asia

Throughout the region there were extensive development loan programs, and development grant programs in human resource development, vocational training, community development and public administration.

D. Latin America

Throughout fiscal year 1962 over \$65 million was earmarked for economic and social development programs through the Alliance for Progress. This program will reach the hundred million level in this fiscal year in such fields as agriculture, education, health, labor affairs, community development, communications and transportation. These projects are of an impact nature and contribute to the greater stability of the area.

*SPECIFIC COUNTER-INSURGENCY PROGRAMS*

A. Civic Action

Over the years the U.S. has supported a number of Civic Action Programs and these are continuing. In early 1962 in conjunction with the Department of Defense new emphasis was given to Civic Action and the highlights of this expanded effort are reflected in the programs recently initiated.

1. The Far East

A larger program for Korea was initiated in the spring of 1962. This program is an expansion of the large construction program involving

13 engineer construction units. A new program was initiated in Burma under the auspices of the Burmese Army to open up an area for land settlement and colonization. Other Civic Action programs in Thailand and Cambodia are under consideration and a major program is being supported in South Vietnam.

## 2. Africa

The military forces in Senegal are receiving MAP support and will soon become involved in economic development projects with A.I.D. materiel support. A project for the Cameroon is now under consideration and as additional forces acquire a Civic Action capability additional programs will be developed.

## 3. The Near East

The military forces of Turkey and Greece have had for a number of years a U.S. supported Civic Action program and these are continuing. A new program to develop water resources in Jordan was approved in fiscal year 1962 at a cost of \$135,000, and a substantial Civic Action program for Iran is in the process of development to be funded in fiscal year 1963.

## 4. Latin America

The Civic Action program in this area was expanded significantly in 1962, reaching a level of almost \$2 million by the end of the year. Programs are underway in Honduras, Paraguay, Bolivia, Peru, Ecuador and Chile. Guatemala and Brazil have had programs for a number of years without the need for U.S. assistance.

Civic Action for fiscal year 1963 is projected at twice the level for this present fiscal year and it is anticipated that a larger number of countries and military units will participate in a wide variety of projects.

## B. Public Safety

### 1. Far East

Since 1961 the police support program has been expanded in the Far East to cope with the increased threat. The program in South Vietnam is being increased 100% and the support level for the Thai Border Police for equipment and training has been increased by \$2.7 million. Arms and equipment have been provided to the Cambodian police and the Mobile Brigade in Indonesia will receive \$6.1 million over the next three years for communications, transportation and training. All of these programs provide for an increased internal defense role.

### 2. Africa

In Africa new programs to support the police in the Ivory Coast, Upper Volta, Niger, Dahomy, Togo, Central African Republic, Malagasy Republic and Ethiopia were initiated. Programs were continued in the Somali Republic, Libya, Tunisia, and Liberia and a police acad-

emy was opened in Liberia in the spring of 1962 which should train a minimum of 1,000 police officials each year.

### 3. Near East

New programs in Cyprus and Egypt are under consideration and an expanded program for Iran to improve riot control has been approved. In October 1961 over \$4 million in excess equipment was made available to the Indian police.

### 4. Latin America

The Public Safety Program in Latin America has been increased over the FY 1960 level. The number of technicians assigned almost doubled in 1962 and will further increase in 1963. The number of police officials trained at U.S. expense increased by 100 in 1962 over the 1961 level. By far the most significant development during the last eighteen months was the establishment of an Inter-American Police Academy in Panama. This school was opened in July 1962.

The entire thrust of the Public Safety Program is now under inter-agency review to develop new concepts, techniques and organizational responsibilities. The recommendations stemming from this review will further strengthen the U.S. supported police program.

## *ADMINISTRATIVE MEASURES*

A.I.D. has made specific assignments of personnel in the counter-insurgency effort both at the coordinating and the regional levels. Qualified personnel have been given new responsibilities for developing plans and programs and to assure their effective execution. Listing of the A.I.D. training programs were outlined in response to NSAMs 131 and 162 and have been expanded to familiarize personnel with the new emphasis in U.S. supported counter-insurgency efforts. Six training programs are already underway including a police program which in 1961 trained 360 officials. A.I.D. is now studying methods to develop a reservoir of qualified personnel to be sent to crisis areas on short notice.

## *FUTURE MEASURES*

The major measures planned for the future fall into the following broad general categories:

### A. Coordination

The A.I.D. Administrator has submitted to the President on May 25 his plan to strengthen the coordinating function of all U.S. aid efforts. This proposal was accepted and circulated to the field as a forerunner to specific guidance on procedures for the submission of future country programs. Planning in future years is to be on a five year basis and will include both military and economic proposals. (Economic planning was previously on a one year basis.)

### B. Guidance

The economic guidance for the next fiscal year will reflect the new emphasis to be given to counter-insurgency programs. This guidance will serve as the basis for fiscal 1964 programs and calls for a thorough analysis of internal defense programs and resources required for their greater effectiveness.

### C. Planning

1. Greater emphasis in the planning process is to be placed on the side-effects of all aid components.

2. A.I.D. is participating in the inter-agency program to develop internal defense plans for all friendly countries threatened by subversion.

### D. Personnel and Staffing

A.I.D. is continuing to recruit experienced personnel to staff key positions in the field and in Washington for positions in the counter-insurgency field. Some 25 positions in the Public Safety field are to be filled as quickly as qualified personnel become available. Additional positions in Washington are also in the process of being established. All personnel scheduled for counter-insurgency positions will receive specialized training. A.I.D. will also participate in the inter-agency committee recently established to evaluate the adequacy of this training.

Much of the A.I.D. effort in the field of counter-insurgency was concentrated in the last half of the period under discussion. Problems of reorganization, new program direction, earlier commitments and program emphasis required review and evaluation. A new momentum has been started in the direction of improving the stability of areas threatened by subversion and more flexibility in programming development has been established.

**Frank M. Coffin**  
*Deputy Administrator  
for Operations*

**416. Cedto 137 from Paris, July 31<sup>1</sup>**

Paris, July 31, 1962

From Riddleberger. Chairman's report on annual aid review encountered no objection when submitted to Council for information and was issued to press thus completing publication of DAC decisions.

As recent session was first high-level meeting of DAC since Tokyo in 1961, it may be appropriate to supplement USRO reporting with some additional observations on activity of past year. In brief, Tokyo decisions led to (a) annual aid review to compare relative burden and general aid policies, (b) expansion of total aid effort, and (c) improved coordination. It can justifiably be stated that first two purposes were accomplished and progress made on third. Total flow of resources from DAC countries rose from \$7.4 billion in 1960 to \$8.7 billion in 1961. Official contributions rose from \$4.9 billion to \$6 billion in same period representing increase of more than 20 percent. As a group, therefore, commitment of London resolution for expanded aid program was fully met. Simultaneously, there was progress toward easier terms, with respect to coordination there was likewise progress if less spectacular. Although no countries were specifically cited in Chairman's report as laggard, it is clear from statistics that Canada and Italy are far behind other members.

I believe process of AAR led to a greater understanding that no one form of extending aid has an inherent primacy and that a doctrinaire approach should give way to the concept of an aid package which takes into account overall needs and circumstances of a recipient country. The plan for coordinating groups which was approved in January provides mechanism for this improved approach. This does not mean that problem of better coordination is solved but start has been made and it should be possible to develop this concept during coming year. Negotiations are under way to establish groups for three East African territories, Thailand, and possibly Colombia in conjunction with IBRD. Vietnam group was launched in DAC but is being continued outside. Annual aid review process itself should likewise influence member governments to link their aid policies more directly to development objectives.

As the London resolution of March 1961 placed upon the chairman responsibility for leadership in the areas discussed above, it was naturally source of satisfaction that resolution adopted on July 26 corre-

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<sup>1</sup> Annual aid review. Confidential. 3 pp. Department of State, Central Files, 800.0000/7-3162.

sponded so closely with recommendations set forth in the report, which in turn had been fully endorsed by us. Therefore I believe that mandate given me before Tokyo meeting has now been executed and ratified at Paris meeting, following intense efforts of past year.

Some progress has likewise been made in domain of technical assistance and while this is an extraordinarily complex subject, committee has succeeded in expanding the amount of such assistance to Latin America. Some steps have been undertaken which should eventually lead to better coordination.

The committee has added to its membership with admission of Norway on July 25 and henceforth this country, having accepted obligations and decisions of DAC, will participate fully in the joint endeavor. Accession of Norway brings total membership to eleven governments and EEC. The committee also decided in 1962 to admit Swiss Government to observer status in technical assistance sub-committee on assurance that Switzerland intended to coordinate its activities with other members. Informal discussions with Danish representative to OECD have taken place and there is some reason to think Denmark may eventually come in.

Several meetings have been held with respect to Latin America and while these were largely devoted to exchange of information to date, they may lead to more concrete results later. The first coordinating group meeting was held on results of Punta del Este Conference, and while not entirely satisfactory to all participants, on balance the session was useful for information purposes. One result was establishment of a permanent Paris office of Inter-American Development Bank under direction of Mr. Gonzalez del Solar.

The foregoing represents principal accomplishments of DAC in past year. When the unique character of this endeavor is recalled, i.e. an effort to expand, improve and coordinate the foreign aid programs of ten countries and EEC with all that is involved in the way of national legislation, policies, regulations and political considerations of importance, I believe we can draw satisfaction from our own initiatives and results they have brought in consolidating the efforts of free world in this domain.

#### Recommendations:

1. AAR process should be vigorously pursued and increased attention given to comparison of burden and efficacy of aid.
2. Additional efforts should be made in Rome and Ottawa to increase Italian and Canadian contributions and our ambassadors be fully briefed and instructed to maintain continued pressure.
3. US should support vigorously and assist in every way study on tied aid.



4. Efforts should be made to assure success of coordinating groups now-proposed and careful preparation made for future groups.

5. US position on multilateral investment guarantees should be determined in near future and decision made whether to pursue this idea.

6. Consideration of chairman for 1963 should now (rpt now) start and informal consultations begun by September with other delegations.

**Durbrow**

## August 1962

### 417. Letter from President Kennedy to Hamilton, August 7<sup>1</sup>

August 7, 1962

Dear Fowler:

Today I approved the recommendations of the inter-agency committee created under NSAM 146 to study our foreign police assistance program. As I wrote you on February 19, I consider this program an important part of our effort to help the less-developed countries achieve the internal security essential if our major economic development aid is to help create viable free nations.

I regard the committee's report as an excellent guide to the course we should follow in this field. However, policy on paper will not get us very far unless we get able and enthusiastic people to carry it out. I hope that you and Frank Coffin will give your personal attention to hiring the best professionals you can find to launch this re-invigorated effort and will give them every support in making the program count.

Sincerely,

**John Kennedy**

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<sup>1</sup> AID's role in launching the Police Assistance Program. Secret. 1 p. Kennedy Library, National Security Files, Meetings and Memoranda Series, NSAM 177, Police Assistance Programs, Box 338.

October 1962

**418. Memorandum from Coffin to Bundy, October 30<sup>1</sup>**

October 30, 1962

SUBJECT

National Security Action Memorandum No. 150  
Use of U.S. Military Engineers on A.I.D. Projects

Following up the June 1 response to NSAM-150, the Departments of State and Defense have engaged in consultations and exchange of views which have led to an improved climate for cooperation. Each has explored its situation in relation to the intent of NSAM-150, and certain concrete conclusions, which it is hoped will be of significance for future cooperation between the two agencies, have emerged.

These main conclusions are that:

1. A new effort should be undertaken to negotiate an AID-DOD participating agency agreement to serve as a basis and framework for arrangements on individual projects. Hopefully, this agreement will provide: (a) more flexible arrangements for engineering personnel assignments, and (b) improved channels of communication to facilitate matching of A.I.D. requirements and military engineering availabilities.

2. A mechanism should be established to give each USAID direct and immediate access to a specific military engineer district headquarters as a source of engineering advice, and, where necessary, of full-time engineering staff.

Accordingly, the Departments of Defense and State are taking action to implement these proposals. A progress report will be furnished by 1 January.

The Department of Defense concurs in this report.

**Frank M. Coffin**  
*Acting Administrator*

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<sup>1</sup> "Use of U.S. Military Engineers on A.I.D. Projects." Confidential. 1 p. Kennedy Library, National Security Files, Meetings and Memoranda Series, NSAM 150, Using U.S. Military Engineers as Contracting Agents on AID Projects.

November 1962

**419. Memorandum from Moorman to AID Administrator,  
November 9<sup>1</sup>**

November 9, 1962

SUBJECT

NSAM 150—Use of Military Engineers

In Mr. Coffin's memorandum of October 30 to Mr. Bundy there are two courses of action proposed which are to be reduced to a participating agency agreement with the Department of Defense. I find that point No. 1 generally agrees with the intention of the Executive Staff as expressed in the minutes of September 25. However, point No. 2 reads as follows:

"2. A mechanism should be established to give each USAID direct and immediate access to a specific military engineer district headquarters as a source of engineering advice, and, where necessary, of full-time engineering staff."

In considering what point No. 2 means to this Agency I can only conclude that the intention is to set up a mechanism which would permit each Mission Director (by "direct and immediate access") to go to the nearest military engineer district headquarters to obtain advice and full time engineering staff. This could be done without consulting AID/W and indeed without the knowledge of the Regional Bureaus. It will immediately generate conflicting opinions on engineering and construction problems and robs the Regional Administrator of control of engineering operations in his Region. I can think of nothing more disastrous to the orderly administration of capital development projects than to turn the engineering operations over to an organization which has no grasp nor background in the objectives of the AID program and which is completely beyond the control of the Administrator.

I would like to call your attention to some other matters which I believe you should consider. This Agency has approximately 645 engineers in the field in various Missions around the world. These engineers are not answerable in any fashion to the engineering organizations in the Regional Bureaus. They work under the Mission Director

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<sup>1</sup> Discussion of Coffin's October 30 memorandum on use of military engineers. Confidential. 3 pp. Washington National Records Center, RG 286, AID Administrator Files: FRC 67 A 1530, Chron Files, Nov. 9-19, 1962.

and to the extent that there is any backstopping from Washington engineers, it is couched in such organizations as Agriculture and Natural Resources Division, ESD; Health Division, ESD; Industrial Division, ESD; Public Safety Division, ESD; and Transportation Division, ESD. The only relationship with the engineering staff of the Regional Bureaus comes about through professional interest and personal friendship. I am not able to say how well they do their job; however, in terms of the contribution they make in relation to capital development their efforts more often result in confusion than in any helpful contribution. This is accounted for by two factors: lack of understanding of the program and lack of ability on the part of the regional engineering staffs to provide the direction so necessary to bring about a reasonably orderly operation.

In addition to the above, I understand from our conversation of November 7, that you hope to develop recommendations from a group of private industrialists of very high caliber toward a better system of implementation of the capital development program. It appears from my limited information that so far their recommendations have been pointed toward the substitution of a consulting engineers staff for an agency staff in the implementation of capital development projects. From my knowledge of available talent and skill in the private consulting engineer field except for perhaps 10 or 12 firms which are exceedingly broad in their capability, it would not be possible to find the kind of experience which this Agency needs to carry on its operations. It may very well be that limited application of this suggestion might be successful in a few places. At the same time it would seem desirable for the Agency to consider the proper organization and effective use of the talent which it already has in the organization in large numbers to do this job.

It seems to me that we are in a position of the juggler who has three balls in the air but doesn't have time to scratch his head. I hope that in the consideration of this problem you will consider all of the possibilities and not fail to recognize the latent capability within the present organization which could be brought to bear on engineering problems simply by an adjustment in the organizational relationships of engineers to engineers and engineers to operating functions.

I appreciate this opportunity to put my views on this important matter before you.

**R.L. Moorman**  
*Deputy Director  
of Engineering*

**420. Cedto 505 from Paris, November 28<sup>1</sup>**

November 28, 1962

From Leddy. Brussels for USEC. Geneva for GATT. Subject: OECD Ministerial Meeting, Development Assistance.

Most statements covered same or similar topics such as Kristensen thesis that aid should be continuing function of govts, AAR, coordination, effectiveness of aid, Convention of Protection Foreign Property and multilateral investment guarantee, and Development Center. Among highlights was Danish declaration that they applied to join DAC and Japanese statement on their desire for closer participation in work of organization. Several delegations welcomed Danish move and chairman replied to Japanese that he certain Permanent Council will give Japanese request most serious consideration.

After Riddleberger's report, highlights of which were summarized in Cedto 479, Kristensen spoke. He welcomed mandate for closer coordination trade and aid and pointed out that organization can also contribute to talks of development in fields of science, education, agriculture and industry. Expressed concern that 1) private investment flowing to LDC's has been stagnating, 2) proportion of grants in total flow declining, 3) recent appropriation measures in some member countries presage leveling off of aid volume in '62 '63. Such would likely bring about major adverse political and psychological repercussions in LDC's. It is for these reasons he proposes that aid should be made well established govt function in industrialized countries not dependent on vicissitudes balance of payments and similar considerations.

Also necessary that quality and effectiveness aid be improved. Kristensen announced agreement establishment Development Center and exchange letters with Japanese Ambassador on Japanese participation in Center.

Under Secretary Ball supported Kristensen thesis that aid should be continuing international public responsibility of governments. He encouraged those not yet members of DAC to join. He emphasized need to liberalize aid terms. He joined in Kristensen's concern of serious effect leveling of aid would have on LDC's. He welcomed Development Center. Referring to earlier Belgian intervention re Convention on Protection Foreign Property he said if sufficiently favorable reaction by LDC's US would no doubt look upon it with favor. Re multilateral investment guarantee he pointed out its effectiveness would depend

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<sup>1</sup> OECD Ministerial: Development Assistance. Official Use Only. 4 pp. Department of State, Central Files, 374.800/11-2862.

upon widespread support and contributions by industrialized countries. If this forthcoming US would probably support and would certainly encourage further study.

Highlights of other countries' statements as follows:

UK agreed aid should be constant and growing function of govts. Stressed usefulness coordinating groups on selective basis and expressed satisfaction results East Africa, Thailand group accomplishments. On Development Center pointed up role of training economic administrators from LDC's.

Denmark made interesting comparison that U.S. with economic potential of about 40% of world against 20% of Western Europe should naturally continue to exert leadership although Europe should increase its share in aid burden. On other hand Western Europe's 40% share in world trade, vs 20% U.S. share places responsibility on Europe to take lead in providing markets for LDC's. Denmark wishes to assume its responsibilities in field of aid, has preferred multilateral channels in past but in future will also extend bilateral aid. Application for DAC membership submitted to SecGen.

Belgium encourage others to join. Argued that DAC itself should pay attention to TC. Expressed support for Foreign Property Convention and multilateral investment guarantee and asked views others.

Japan stated desire for closer participation in other work OECD. Welcomed selective coordinating group activities especially in Far East. Emphasized close relationship between trade and aid and requested to be informed on outcome those discussions.

Netherlands supported multilateral investment guarantee and argued against aid tying even on B/P unless coupled with serious under utilization resources.

Greece in long emotional statement, criticizing sharp distinction being offered pleaded for highest political decisions in favor of Greek aid.

Norway constant external deficits place limitation what Norway can do. One fourth percent income tax earmarked for aid introduced in Norway with view achieving favorable political, psychological effects. Will be glad to report on experience.

Italy after long expose problems southern Italy, endorsed coordinating groups which should help to sort out priorities. Also supported consortia in general and Greek and Turkish consortia specifically. Approach to development aid should be on global and long-term basis.

Switzerland spoke in favor Convention Foreign Property and multilateral investment guarantee.

Germany stressed importance effectiveness of aid and in favor convention foreign property.

**Finletter**

**421. Cedto 507 from Paris, November 28<sup>1</sup>**

Paris, November 28, 1962

Brussels for USEC. Geneva for GATT. From Leddy. OECD Ministerial Meeting: Highlights of discussion November 27 on "trade and aid", trade work of organization and agricultural trade follow:

1. Trade and aid. US trade-aid initiative welcomed as ministers adopted "trade and aid" resolution referred to them by heads of dels (CES/62.95). (US had previously withdrawn its revised draft resolution this subject at Nov. 24 heads of delegation pursuant to Toted 314.)

Kristensen referring to Trade Committee exercise under which OECD members have been asked to describe their trade policies vis-à-vis LDCs and ideas re possible role of organization this field, stated bluntly that responses from members not very encouraging, with "several members showing hesitant attitude." Warned of growing gap between LDC's import needs and foreign exchange earnings, difficulties being met by traditional LDC exports, need for price stabilization in basic commodities (though reorganizing this raised difficult problems production control), and need to increase LDC exports of manufactures. Noted that comprehensive Secretariat study under way on entire range of relationships between OECD members and outside world and hoped to say more about this next year.

Under Secretary Ball stressed intimate connection between trade and aid policies, reviewed difficulties facing LDCs in trade field and possible lines remedial action, noting that challenges this field provided opportunity for OECD to give effect to concept that it should operate as economic conscience of free world. (Text under Secretary Ball's remarks on this and other trade aspects being cabled separately). Erroll (UK President Board of Trade) agreed both sides of problem required coordinated attention. Felt UK had already made notable efforts to help solve LDC trade problems by providing liberal markets for both primary and LDC manufactured goods, and by considerable UK efforts in readaptation structure UK textile industry. Problem was not only barriers to trade but possibilities of adaptation of economic structure both in industrialized countries and LDCs. Agreed there were limits beyond which OECD could not carry burden of problem without causing resentment elsewhere, stating OECD (a) cannot discuss individual tariffs (b) should not discuss detailed operation of commodity agree-

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<sup>1</sup> OECD Ministerial: Trade and Aid. Official Use Only. 4 pp. Department of State, Central Files, 374.800/11-2862.



ments (c) cannot do more than discuss in general terms diversification in countries not OECD members.

Brasseur (Belgium) warned that OECD members must avoid impression they concerned only with own problems. Zijlstra (Netherlands) viewed OECD task as helping implement ideas contained in GATT Nov. 1961 Ministerial declaration. Lamalfa (Italy) viewed OECD role as one of making studies and exchanging views on ideas which could be given effect in other international forums concerned with LDC problems. Lange (Sweden) felt trade-aid resolution in line with recognition long given "in this house" to need assist LDCs in trade field. De Murville (France) specifically welcomed US initiative but noted serious substantive differences between OECD members on approach to LDC problems. Recalled French view of need to guarantee continuing "take" of primary commodities through organization of markets. Maintained that, though EEC-African relations frequently criticized, these have already raised living standards in associated African countries. Felt solution of problems would be facilitated if others refrained "from insisting on negative aspects" and if all LDCs could be given "similar guarantees." Called on others to raise their efforts to French level. While recognizing need for increased exports of LDC manufactures, argued this must be gradual with LDCs imposing self discipline to avoid market disturbances and countries should avoid creating uneconomic industry for prestige reasons. Muller-Armack (Germany) regarded OECD as forum in which necessary political decisions could be taken to move together toward solutions of LDC problems. Wyndham-White (GATT Executive Secretary) stated that duplication of effort often good in good cause but draw attention to manpower problem resulting from proliferation of effort. Felt increasing problem of suitable representation at intergovernmental meetings might undermine effectiveness total result. Congratulated OECD desire to contribute to success of enterprise already initiated by GATT in this field.

2. Trade work of organization. Kristensen noted that, until negotiations looking to expanded Common Market completed, difficult to predict future trade patterns and role of organization in trade field. Likewise difficult see at this stage what OECD role might be in negotiations under Trade Expansion Act (TEA), noting necessity of direct contacts among interested countries and fact formal negotiations would be in GATT. Noted Trade Committee (TC) emphasis on successful negotiations on broadest possible basis. Felt OECD had contribution to make re adaptation of member countries' economic structures, especially shifting manpower out of agriculture, as essential part of effort for economic growth and increasing trade.

Under Secretary Ball called on organization to develop habits of consultation on policy matters, noting that US prepared consult on any

aspect its economic policy and such consultation more useful when policy in formative stage. Re trade matters US prepared consult on procedures designed influence member countries' policy and practices on continuing basis. US also prepared examine possibilities of harmonizing with trade policies other measures affecting trade. OECD should also be forum for consultations on problems which LDCs would raise at UN Trade Conference.

Belgium called for continued study of administrative and technical trade obstacles and work on removal of QRS. Felt Trade Committee might develop discipline to ensure that tariff reductions not offset by other restrictive practices and welcomed US readiness discuss these. Netherlands felt TC could play role as "Platform of Industrialized Countries" to facilitate successful outcome negotiations under TEA. Stressed importance continued OECD drives against QRS.

Sweden welcomed growing importance of TC and development its work program. In addition to work on LDC problems, felt TC should help prepare "for activity in GATT to liberalize trade among industrialized countries via TEA." France felt OECD has useful role in trade field in context its concerns with economic policy matters generally.

3. Agricultural trade. While recognizing necessity for EEC Common Agricultural Policy (CAP), Under Secretary Ball noted policy could be liberal or restrictive. Recalling Secretary Freeman's recent statement to Agriculture Ministers meeting, he underlined US concerns with evidences of restrictionist trend in development of CAP. Noted importance of CAP grain price level in determining future levels agricultural trade.

Recognized need for global approach in some cases and stated US willingness participate serious discussion possibilities global grain arrangement. Also stated US willingness join in considering its own policies affecting agricultural trade as part of general effort towards more liberalized trade in temperate agricultural products. De Murville noted CAP too young to have judgment passed on it. Agreed central question was level at which internal EEC prices would be fixed. However, felt it unreal to talk about "traditional trade patterns" in rapidly changing world. Welcomed US readiness to discuss its own restrictions on agricultural trade and stated EEC always ready participate discussions this general problem.

**Finletter**

December 1962

**422. Memorandum from Taylor to Bundy, December 7<sup>1</sup>**

December 7, 1962

SUBJECT

Police Assistance Programs

At its meeting of December 6, the Special Group (CI) considered AID's report on police assistance programs, submitted for the President on December 1, in compliance with National Security Action Memorandum 177. Implementation of the directives contained in the NSAM has been slow. However, a centralized Office of Public Safety has now been established, and arrangements have been made for the assignment of professional personnel to provide adequate staff support. Further, the Administrator has established an interagency police group to assist him in fulfilling his responsibilities in this field. A review of police training has been completed by an outside consultant. It emphasizes the need for the early establishment of an International Police Academy in the Washington area.

Action to establish the International Police Academy, and to coordinate U.S. police support efforts with similar programs conducted by friendly countries, has not yet been initiated. Also, AID has yet to develop ways of expediting delivery of equipment.

The Special Group (CI) has requested a further progress report for consideration during March 1963. In the meantime the Group will continue to monitor the police programs and to encourage the Agency to take action on those projects referred to above as not yet initiated.

**Maxwell D. Taylor**  
*Acting Chairman*

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<sup>1</sup> AID's compliance report on police assistance programs. Confidential. 1 p. Kennedy Library, National Security Files, Meetings and Memoranda Series, NSAM 177, Police Assistance Programs.

**423. Memorandum from Forrestal to Bundy, December 10<sup>1</sup>**

December 10, 1962

## SUBJECT

## Police Assistance Program

From an administrative point of view, this program has not been going too well until recently. Despite the President's directive (NSAM 177) of last August, AID did virtually nothing to set up a central administration for the police programs until early in November. The reasons are a basic lack of philosophic sympathy with the program in the regional bureaus where it is looked upon as a dangerous interference in the orderly development of their economic programs. The effect of this antipathy was reinforced by the fact that the program lacked a single head who felt responsibility for its execution.

Under the whiplash of the Attorney General's technique of offensive cross examination in the Special Group (CI) more was accomplished in the first two weeks of November than was accomplished since last August. Byron Engle, was made head of the Office of Public Safety in AID, and has now been given more than adequate authority and responsibility to spark this program. Furthermore, he seems to me to be the kind of man who would carry the ball once he got his hands on it. There is some nervousness in the Budget and from Ralph Dungan over whether we have not gone too far in centralizing the police program; but I think that if we have erred, it has been in the right direction.

Nothing has been done, however, on the International Police Academy here in Washington; this is a matter on which we are now concentrating.

AID has also shown some resistance to "civic action", i.e. small-scale public works carried out by indigenous military forces. Here the problem has been not only philosophical antipathy but, even more, AID procedures which are incredibly cumbersome and inflexible. Some progress has been made on this front, especially in Indonesia, but it is a matter which requires constant goading on a case-by-case basis.

One of the difficulties we are having in the Special Group (CI) is that the group has moved from the stage of initiating new policies and actions in the field of counterinsurgency to the stage of monitoring the progress made on directives which were issued many months ago.

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<sup>1</sup> Thoughts on AID's handling of Police Assistance Program. Secret. 2 pp. Kennedy Library, National Security Files, Meeting and Memoranda Series, NSAM 177, Police Assistance Programs.

This is a boring procedure for some members of the group and intensely irritating for others. Nevertheless, my own feeling is that the exercise is definitely worthwhile provided we can keep the group from flying off into attempts to manage the entire foreign policy of the United States in underdeveloped countries.

**Michael V. Forrestal**

February 1963

424. Memorandum from Kaplan to McGhee, February 11<sup>1</sup>

February 11, 1963

SUBJECT

Geographic Distribution of Bilateral Economic Assistance by DAC Countries  
Other Than the United States

I. *Status and Trends.*

A. *Germany*—Apart from reparations the German aid program began on a significant scale in 1960. By the end of 1961 Germany had foreign aid commitments to 38 countries. By the end of 1962 the list had grown to 61 countries. The list covers all continents and countries ranging from Iceland to Liberia, Israel and Turkey to Afghanistan and Korea and Argentina. There is no particular pattern of concentration. German aid officials have stated that they prefer not to accept primary responsibility for any developing country, but would rather play a secondary role to U.S. (or France). Their motives in extending aid are partly political—discourage recognition of the East German government—respond to U.S. and French pressures as well as those of developing countries to share the burden of foreign economic assistance, help countries where German influence has been traditional (Turkey, Iran, Togo, Tanganyika) or where there are significant German populations (the Latin American countries). In part their program was stimulated by the U.S. decision to tie its project lending and the subsequent pressure from German firms which had previously obtained attractive contracts under the U.S. aid program. In part, their purpose is to strengthen ties with countries in which Germany is interested in expanding its trade, investment and economic relations generally.

B. *France*—The very large French foreign aid program is concentrated almost entirely on countries in the franc zone. Only 2% or some \$23 million of disbursements in 1961 went to other countries. When the French government decided to grant independence to its African colonies a few years ago, it stepped up its aid programs to these countries. Ninety percent of such aid is in the form of grants. In 1961 40% of French aid went to Algeria, 9% to Sahara, 3% to Morocco and Tunisia and 40% to other African states and Madagascar. France has

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<sup>1</sup> "Geographic Distribution of Bilateral Economic Assistance by DAC Countries Other than the United States." Official Use Only. 4 pp. Department of State, Central Files, AID 1.

participated in various collective arrangements such as the rescheduling of the commercial indebtedness of Argentina, Turkey and Brazil and in the India consortium. It prefers, however, to confine its effort for non-franc zone countries to export credits up to 10 years in duration at commercial rates of interest but guaranteed by the government. In brief, the French have accepted and seem prepared to continue to carry primary responsibility and to provide assistance in generous amounts to former dependent territories in order to retain French political, military, cultural and economic influence. Aid to Algeria and Sahara is in part related to French oil interests. France is concerned lest it be frozen out of attractive markets in other developing countries, particularly Latin America and India; it hopes for the present to evidence its political interest and maintain its market position in such countries by means of credits on commercial terms.

C. *United Kingdom*—The U.K. is providing assistance to approximately 30 countries and dependent territories. Ninety percent of the money goes to colonies and less developed independent countries within the British Commonwealth. The remainder helps NATO partners, such as Turkey, and countries where the U.K. has strong commercial interests, such as Brazil and Chile. In the aftermath of Mr. Hamilton's visit to the U.K. last fall, the Foreign Office pressed within the U.K. government for a larger sum with which to serve the U.K.'s political interests outside the British Commonwealth. Thus far only Laos has been added to the list for a small sum. The Chancellor of the Exchequer is showing an increasing interest in using the foreign aid program for economic purposes. Thus he has spoken recently about an increase in the British foreign aid program on a tied basis in order to provide orders to underutilized industrial capacity in particularly depressed areas in Britain and to help U.K. commercial interests. Nevertheless, as of the moment the U.K. program is heavily concentrated in the Commonwealth and within the Commonwealth is heavily concentrated on dependent and very recently independent territories. Thus about a quarter of the 1961 program was directed to East Africa and almost as much to other African dependencies.

D. *Japan*—Japanese aid in 1960 went to more than 15 countries, mostly in Asia and the larger countries of Latin America. Reparations and indemnification payments still loom large in Japanese aid though loans have become about 2/3 of the total. Small amounts of aid have been made available to Turkey, Yugoslavia and Sudan, and Japan is interested in helping Nigeria, largely in view of a very large trade surplus. Japan is reluctant to accept a primary responsibility for helping individual countries and prefers to cooperate in areas where the U.S. in particular is active. While Japan tends to concentrate on Asian countries for political as well as economic reasons, Japan's acute awareness

of its dependence on trade is perhaps the principal motivating factor in a trend toward aiding non-Asiatic countries that show promise of becoming attractive markets for Japanese exports.

E. *Italy*—Italy's modest aid program is heavily concentrated in countries in the Mediterranean basin and East Africa. It also has provided some assistance to 8 countries in Latin America and 5 Asiatic countries. Motivating factors seem to be some feeling of responsibility for areas previously occupied by or dependent on Italy and its strong commercial and cultural interests in Latin America. The emigrant Italian population in such countries as Argentina, Brazil and Tunisia accounts in part for Italian interest in those countries.

F. *Canada*—The even more modest Canadian aid program has been extended to 19 countries, mostly members of the British Commonwealth or the Colombo Plan. It recently established a bank similar to our Export-Import Bank, which made loans in 1961 to the four largest Latin American countries. The new bank is clearly oriented toward promoting Canadian exports; it seems likely that the number of countries receiving loans will increase as the bank comes into full operation.

G. *Netherlands, Belgium, Portugal*—Bilateral assistance from the Netherlands, Belgium and Portugal is essentially confined to dependent territories or former dependent territories. Netherlands and Belgium, however, are increasingly conscious of the need to participate in development assistance, partly for burden-sharing reasons but more to protect their traditional worldwide exporting interests.

## II. Policy Issues.

Presumably the major U.S. interest in the degree of proliferation or concentration of the aid programs of other donor governments is in inducing an expansion of their aid levels and thus a better sharing of the burden. The recent history suggests that as a country's aid program expands, it proliferates to an increasing number of countries, largely to promote commercial interests in developing countries whose imports seem likely to increase.

This U.S. interest in expanding other donor programs raises a series of policy issues which are being discussed with the Clay Committee. The choices are not always apparent and clear-cut. A.I.D. is still in the process of reaching its own conclusions. Among the issues to be resolved are the following:

Would a reduction in U.S. assistance to former dependencies of European metropolises induce a commensurate increase in their assistance to these countries? Would this increase be likely to occur with sufficient promptness to avoid major political risks in such countries or would the increased assistance be likely to take place only after the critical effect of the reduction in U.S. aid has become apparent?



Should we urge countries to which we are giving substantial aid to refuse commercial export credits or other assistance on hard terms of repayment in the hope that commercial pressures would force the other donors to provide aid on terms consistent with the debt service capacity of the recipient country?

Should we urge countries whose import requirements from the U.S. are largely financed by our aid programs to limit their imports from other DAC members unless such potential donors are prepared to finance a significant part of such exports?

In the case of those African countries where U.S. aid performs essentially a presence function, should we eliminate such programs? Would our own security interests be damaged if these countries had no alternative source of assistance other than the former metropolises and the Communist bloc?

Should we ask former metropolises to diversify their aid programs so as to lessen the dependence of the former colonies on them and to permit a more varied pattern of relations with the free world to develop?

Should we encourage a multiplicity of aid donors to each recipient country in order to promote a healthier pattern of multilateral trade and avoid and consolidation of trading blocs?

**Jacob J. Kaplan**

*Director*

*International Development Organizations Staff*

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**425. Circular Airgram CA-241 to Certain Diplomatic Missions,  
February 14<sup>1</sup>**

February 14, 1963

**SUBJECT**

Policy Guidelines for A.I.D. Administration in Countries Receiving Communist Bloc Aid

**REFERENCE**

AIDTO CIRCULAR XA-17 (July 7, 1962)

This message transmits the policy guidelines adopted by the Acting Administrator of A.I.D. on January 11, 1963, which are to apply in

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<sup>1</sup> "Policy Guidelines for AID Administration in Countries Receiving Communist Bloc Aid." Confidential. 6 pp. Department of State, Central Files, AID (US) 1.

situations in which U. S. and Communist Bloc assistance activities seem likely to become associated.

The following is the text of the guidelines, which is being issued by A.I.D. as a Policy Determination, as a Manual Order, and in such other documentary form as may prove appropriate:

*U. S. Assistance Policies and Procedures in Countries  
Receiving Communist Bloc Aid*

I. (a) *General.*

The foreign assistance programs of the United States must be conducted so as to avoid furthering Communist Bloc interests inimical to the U. S. The use of U. S. aid in conjunction with Bloc assistance may, under some circumstances, result in damage to U. S. interests. Under other circumstances it may yield a net advantage to the United States. This is likely to be a growing problem and must be examined on a case-by-case basis. The following procedures have been developed to assure that U.S. actions in such cases are carefully analyzed with respect to their implications for U.S. interests. Washington agencies and country teams are required to remain alert to developing situations, to assess them, and to take action in the manner prescribed below.

(b) *Definitions.*

(1) Project. The term "project" as used herein refers to specific, current undertakings of identifiable scope and duration, including ongoing assistance to a particular institution, plant or training program. The term does not normally apply to the product of completed project assistance unless it continues to be clearly identified with the aid donor. Nor does it apply to an entire economic sector or an entire governmental department or public body parts of which are receiving foreign assistance.

(2) Non-Project Aid. The term "non-project aid" refers to all forms of assistance, including PL 480 commodities, which are not attributed to specific projects.

(3) The Communist Bloc. The "Communist Bloc" for purposes of this paper includes: Albania, Bulgaria, mainland China, Czechoslovakia, East Germany, Estonia, Hungary, Latvia, Lithuania, North Korea, North Vietnam, Outer Mongolia, Poland, Rumania, Tibet, Cuba and the U.S.S.R.

(4) Bloc Project. A "Bloc Project" is a project sufficiently assisted by the Communist Bloc to be so identified. It is normally a project to which an official agency of a Communist Bloc government is a primary contributor. It does not include projects of the host country using purchased Bloc materials, nor projects assisted by technicians of Bloc countries serving the U.N. or other international agencies.

## II. *Project Aid.*

(a) The United States normally will not provide funds, commodities or personnel, nor agree to the release of counterpart funds or U.S.-owned or controlled local currency, to Bloc projects or to projects whose primary utility would be to support or facilitate Communist Bloc projects. The United States normally will not agree to the provision of such direct support from the Communist Bloc to projects identified with the United States. Exceptions to these policies will be made on the recommendation of the Ambassador and the senior representative of the Agency for International Development (A.I.D.) in the country concerned and on the approval of the Administrator of A.I.D. Considerations upon which exceptions will be based include opportunities for advancing the interests of the United States through exceptional action, the degree of Communist Bloc or United States identification with the project, likely consequences of enforcement and of waiver of this policy, political relations bearing upon the issue, and proposed means of assuring favorable consequences of a waiver, such as local publicity on the U.S. action.

(b) The United States, at its option, may withhold further funding from a project for which the cooperating country accepts Communist Bloc project assistance. With respect to grant projects, authority for this action is derived from the interrelationship of Standard Provisions C and P of Project Agreements. With respect to project loans, a provision such as that given below will henceforth be incorporated in loan agreements.<sup>2</sup> The applicability of these Provisions to the particular circumstances dealt with herein shall be explained as promptly as feasible following issuance of this directive to appropriate officials of countries where there are actual or prospective Bloc assistance programs. It shall be explained subsequently to host government officials of additional countries at such time as Bloc aid programs may be initiated or contemplated in those countries. A record of such explanation, including the date, form, to whom made, and host government response, shall be sent to AID/W. The exercise by the United States of this option shall

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<sup>2</sup> *Other Contributions to the Project.* The Borrower and A.I.D. may obtain the assistance of any third party, public or private, in carrying out their respective obligations under this Agreement. However, except as financed under this Loan, the Borrower covenants that unless A.I.D. otherwise agrees in writing, it shall obtain the express consent of A.I.D. before any property, services, facilities or funds may be furnished, whether by loan, grant, sale or otherwise, by any third party, public or private, for use in connection with the Project or before any such third party may participate in carrying out activities related to the Project. (This provision is designed to accomplish purposes similar to those of Standard Provision C in Project Agreements.)

NOTE: It is intended that the foregoing clause be substituted for the current Standard Provision, if any, of project loan agreements governing "*The Source of Other Goods and Services Utilized on the Project*".

be determined by the considerations brought out in paragraph II(a) above. This provision does not preclude the use on a U.S. project of goods of Communist Bloc origin and available on the local market, except when such use is found by the Ambassador and the senior A.I.D. representative to be against the interests of the United States.

(c) Equipment and supplies provided by the United States for a project shall not be made available to, or used in support of, a Communist Bloc project without advance approval by the United States. This policy shall be implemented through timely explanation to the host government of the applicability to the situation of (1) the present Standard Provision H in project agreements and (2) the comparable language, if any,<sup>3</sup> in loan agreements, and through enforcement of said provisions. A record of such explanations, including the date, form and to whom made, shall be sent to AID/W.

(d) The United States normally will not undertake to train cooperating country technicians whose *known* future assignment is to be to Communist Bloc projects. Exceptions to this provision may be made in the field on a finding by the A.I.D. Mission Director or Representative that the placement of U.S.-trained technicians in Communist Bloc projects would be likely to serve U.S. interests. This provision does not preclude training of technicians for service in cooperating country institutions or facilities established by completed Communist Bloc aid or in cooperating country governmental agencies dealing with Communist Bloc aid.

### III. *Non-Project Aid.*

(a) The United States will not agree to the use of counterpart funds or other U.S.-owned or controlled local currency for purposes which are likely, in its judgment, to serve the interests of the Communist Bloc.

(b) The United States will not undertake to provide funds or commodities under non-project programs for the known purpose of facilitating a Communist Bloc project. This provision also applies to financing non-project imports for a State-owned enterprise which is publicly

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<sup>3</sup> It appears that most loan agreements now in force do not contain a provision comparable to Standard Provision H in project agreements. Accordingly, all project loan agreements hereafter entered into shall contain a provision substantially similar to the following:

*"Utilization of Goods and Services.* The Borrower shall cause all goods and services financed by the Loan to be used exclusively for the Project described in Sec. \_\_\_\_; provided that in the case of any goods which are not fully expended through their use for such Project, the foregoing provision shall apply until completion of the Project or until such time as such goods can no longer be usefully employed for the Project and thereafter may be utilized for any purpose at the discretion of the Borrower subject, however, to such terms and conditions concerning utilization as A.I.D. may impose during the period of repayment; and provided further that no goods financed by the Loan shall be exported from (country) without the prior approval of A.I.D."

identified as a Communist Bloc “project”. In administering this provision, A.I.D. Missions and Representatives shall inform themselves, to the extent practicable, of the degree to which proposed U.S.-financed commodity imports would be likely to facilitate Communist Bloc projects. A.I.D. Missions and Representatives shall consult with appropriate country officials regarding the basis for estimates of commodity import requirements reflected in Procurement Authorization Applications, with the objective of avoiding U.S. aid-financing of the principal commodity import requirements of Communist Bloc projects. The United States will not, however, require guarantees by cooperating country governments that commodities imported through U.S. non-project programs for commercial sale will be withheld from Communist Bloc projects.

(c) The United States will require that, in applications for non-project assistance, cooperating countries guarantee that commodity imports financed by the United States under such aid programs and *retained* under the title of the government or of state-owned enterprises of the cooperating country will not be sold, transferred, or otherwise made available directly to Communist Bloc projects.

(d) The United States normally will not provide balance of payments assistance (i.e. cash transfers, local currency purchase or commercial commodity financing) at a time when the cooperating country is transferring significant amounts of its foreign exchange resources to the Communist Bloc in repayment of credits. Special circumstances which may seem to justify exceptions to this policy should be fully explained to AID/W.

(e) Exceptions to the foregoing provisions covering non-project aid shall be governed by the procedures and criteria, where applicable, set forth in paragraph II, above.

**Rusk**

## March 1963

### 426. Memorandum from Forrestal to Bundy and Dungan, March 11<sup>1</sup>

March 11, 1963

#### SUBJECT

Clay Committee Report

I have glanced rather quickly at the draft report of the Clay Committee which Carl was kind enough to let me look at. It confirms my earlier suspicions about what a committee of this membership might come up with. It is basically nothing more than a re-hash of all the tired-out shibboleths in the business community about foreign aid. The tragedy is that more important parts of the business community have gone far beyond this kind of thinking to a more sensible, albeit still critical, view.

Nevertheless, having made our bed, we now have to lie in it, and I offer the following comments for what help they might be in the redrafting process.

At the outset I think we should be quite clear that to the outside world this is going to be a *Presidential* report and will be interpreted—unlike the Mansfield report—as a direct expression of this Administration's views. I don't see how we can escape this difficult fact. That is why it is essential that we take the time and effort to try to reconstruct something out of the mess which will not be positively harmful.

*Page 2:* I don't think a report of a Presidential commission should conclude that the American people are against foreign aid. Indeed, I believe there is a recent Gallup Poll indicating that the contrary is true.

*Page 3:* The gold flow problem must be kept separate from foreign aid. It is a phenomenon which is the result of the totality of our foreign transactions and other pieces of it are far more significant and susceptible of adjustment than the foreign aid program, i.e. military expenditures in Europe. It should be sufficient to point to the fact that we have reduced the Aid burden on the balance of payments by two-thirds in two years.

*Page 4:* Criticism of aid to "unaligned" countries must come out. We do not give aid in order to persuade countries to "abandon their

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<sup>1</sup> Comments on the Clay Committee Report. Secret. 3 pp. Kennedy Library, National Security Files, Subjects Series, Foreign Aid, Clay Committee, 3/11/63-9/27/63, Box 297.

strongly held views” which may differ from ours. The purpose of our aid is to establish and preserve the independence of weak nations from permanent domination by Sino-Soviet Communism, not to export the philosophy of some members of the Committee.

*Page 5:* Are references to the Hickenlooper Amendment and the amendments prohibiting aid to Communist countries helpful, especially in view of our efforts to get the latter modified?

*Page 7:* Criticism of the Marshal Plan is hardly something which should appear in any Presidential committee report. This is the first time in recent years that I have heard such a thought expressed—even from Henry Alexander. The facts are that of the \$17 billion which were programmed under the Marshal Plan, only 12 were actually spent, and the whole operation was conducted in considerably less time than had been anticipated.

*Page 8:* Here again is the discredited argument that we should not help countries whose economic system is “inconsistent with our beliefs.”

*Page 11:* The implication here is that we should cut off military assistance to countries which are not aligned with us. This ignores our efforts in civic action, internal security, and training in countries like Cambodia and Indonesia.

*Page 15:* The above principle is applied to exclude all of Africa.

*Page 17 through 21:* The entire discussion of Latin America proceeds on the assumption that our problems in Latin America arise from the fact that those countries have not taken all the orthodox financial steps necessary to make themselves attractive to American investment. This would seem to miss the point completely. The report says on page 20 that Latin American countries “must begin to accumulate wealth before (they) can effectively redistribute it.” I know some people in Latin America who have accumulated a great deal of wealth. Part of the problem is to get *them* to redistribute it. The major part of the problem, however, is to get the governments of Latin American countries to make a serious start on social and economic reform.

*Page 29:* I do not understand what is meant by the statement that the United States should not provide MAP “where the principal protagonist (sic) of the recipient country is a non-Communist neighbor with which the U.S. also maintains friendly relations.” Does this mean no help to either Pakistan or India, or what?

*Page 29:* The remarks about the private sector are a distinct regression from the accomplishment of the last Administration, where a similar committee was at least able to distinguish between the impracticality of imposing U.S. conceptions of private versus public sectors on under developed countries and the real problem involved in so

administering the aid program as to encourage U.S. private investment in these countries.

It seems to me that the report as a whole fails to meet the President's request that it address itself to the problem of using economic assistance to promote the United States' interest in maintaining the strength of the free world. Instead of talking about foreign aid as a positive means of advancing U.S. interests, it addresses itself mainly to ways in which the U.S. can diminish its responsibilities by withdrawing from non-allied countries and from those countries which do not mirror the American pattern of private enterprise. Such countries, which comprise the bulk of the world's less developed resources and population, are presumably left for exploitation by the enemy. One might have thought we had progressed beyond this sort of approach.

Michael V. Forrestal

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#### 427. Memorandum from Komer to Dungan, March 14<sup>1</sup>

March 14, 1963

The latest version of the Blank Report is a whale of an improvement, though still far less a cohesive rationale for US aid programs than a mishmash of *ex cathedra* pronouncements.

My only major concern is that it still comes out (especially Section IV) with a strong plug for reduction of aid. Isn't this precisely what will get picked up and add to the already shaky outlook on the Hill? How about one more effort to persuade the group that foreign aid must fluctuate with the exigencies of cold war policy, that some programs can be reduced but others may need to be strengthened, and that the Committee should hesitate to express a judgment about the overall level of foreign aid? Also note inconsistency between conclusions and new p. 8 which says "it is clear that reductions in foreign aid can only be accomplished by reducing the military strength of the Free World or by failing to meet specific commitments in other important areas."

I have one other major worry. The old wheeze on p. 9 that "US should not aid a foreign government in projects establishing government-owned enterprises which compete with existing private endeav-

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<sup>1</sup> Comments on Blank Report on U.S. aid programs. Secret. 1 p. Kennedy Library, National Security Files, Kaysen Series, Foreign Aid, Clay Report.



ors” can come back to haunt us, especially in India. These countries simply lack a developed private economy which would make a restriction like that proposed viable. We’re asking for trouble if we leave this in.

**R.W. Komer**

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**428. Memorandum from Forrestal to Kaysen, March 19<sup>1</sup>**

March 19, 1963

SUBJECT

Clay Report

Herewith the most recent draft of the Clay Report.

I refrain from commenting any further on the Report as a whole; but I do call your urgent attention to the sentence on page 37 which I have underlined. The first clause of this sentence is murderous. It is what a lawyer would call an admission against interest and in effect puts AID in the position of blessing not only the total conclusion of the Report that assistance could be reduced \$500 million, but also of endorsing the underlying calculations that go into this figure. I don’t see how the President can now go to Congress with a program that is one cent more than \$500 million less than last year’s. The effect of the sentence is to compel the President to argue only against the criteria of the Report and to preclude him from arguing against the process by which the \$500-million figure was deduced.

This is particularly disturbing, since it seemed to me to be the one statement in the entire report that Bell could control.

**Michael V. Forrestal**

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<sup>1</sup> Comments on most recent draft of Clay Report. Secret. 1 p. Draft report not attached. Kennedy Library, National Security Files, Subjects Series, Foreign Aid, Clay Committee, Drafts of Report, Box 297.

# April 1963

## 429. Memorandum from Reuter to Freeman, April 2<sup>1</sup>

April 2, 1963

Sales of agricultural commodities under Public Law 480 have had a positive impact in helping to reduce our balance of payments deficit. Yet there is a tendency to ignore this resource when considering actions in the present drafts and even some call for restrictions on our Food For Peace efforts to avoid interference with dollar-earning agricultural exports. The 1960 Mason Report on U.S. local currency holdings suggested there exists wide-spread confusion and misunderstanding concerning both their use and value. This is still true.

We have been reviewing the use of P.L. 480 to improve our balance of payments position. Obviously this is not the major factor in the dollar problem. But a positive and imaginative use of P.L. 480 resources might provide up to the half billion dollars net additional balance of payments assistance in the fifteen months to the end of Fiscal Year 1964. Part of this will result from the very momentum of the present expanding program. Part will result from changing attitudes, allowing us to "sell" programs where we have significant local currency needs. Part will come from wider use of U.S. Treasury foreign currency holdings, presently standing at some \$2½ billion equivalent.

These major areas of earning and saving dollars (primarily Title IV dollar sale and barter) are covered in some detail in a separate Food For Peace staff report. The following five points covering local currency use are illustrative of the possible short-term dollar actions under Title I alone.

### 1. *Uses of unexpected holdings:*

During fiscal year 1962 the U.S. Treasury purchased \$642 million worth of local currencies in 32 countries in which we showed no unallocated currencies but actually were holding local currency balances of almost \$1½ billion equivalent (primarily in market development [5%] and contract adjustment [2%] funds and in unexpended but committed loan or grant money).<sup>2</sup> "Buying" these monies with our appropriated dollars or "borrowing" them could have saved us up to \$104 million

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<sup>1</sup> Positive impact of agricultural commodity sales under PL-480 on balance of payments. No classification marking. 10 pp. Kennedy Library, National Security Files, Kaysen Series, Balance of Payments, Cabinet Committee, 3/63-7/63.

<sup>2</sup> List attached

last year—and at the same time provided safeguard against devaluation of balances so used. Under current G.A.O. ruling this may take either Congressional action or clear indication of intent. Bureau of the Budget is studying both this possibility and action required.

2. *Increased Title I U.S. use:*

In food-deficit areas, Title I sales of agricultural commodities can generate local currencies for U.S. use. In fiscal 1962, we paid \$271 million worth of bills in local currency. This can be increased by raising the U.S.-use percentage in contracts and by deliberately developing programs under Title I where local currency is needed. Our needs are the key—for we can't "save" more than we use. Including the above transfer of dollars under Point I the U.S. Treasury last year purchased a total of \$1½ billion worth of local currencies for U.S. use overseas.<sup>3</sup> Economic and political factors prevent the use of food to generate the local currency in probably 85% of these cases. However, the balance of almost \$200 million would have been subject to Title I currency action. With our expanding U.S. expenses for embassies and missions in newly-free countries, and with Peace Corps local currency needs of about \$15 million a new factor this year, these U.S.-use local currency needs in applicable countries will rise above the \$200 million 1962 balance not met. However, in the 15-month period \$200 million might be a *maximum* reasonable volume rate. The \$104 million saved under the above provision would leave us a net dollar saving addition on last year's figures of \$96 million. The balances generated could replace the funded monies borrowed under the *Use of Unexpended Holdings* if this use of frozen balances were utilized to gain an immediate advantage.

3. *Sale of Currencies to Tourists:*

We have for years sold U.S.-held foreign currencies for dollars to U.S. personnel overseas. Recently in Egypt we made our first sale to a tourist. At least limited sale of local currency to tourists is now allowed under 13 Title I sales agreements. Extension of this plan, particularly in excess currency countries, should be encouraged and special arrangements made with major travel agencies and issuers of travelers' checks. Even in the present 13 countries the U.S. holds over \$365 million equivalent of local currencies. The value of this for the United States will depend on our ability to develop tourist exchange in the large excess currency countries.

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<sup>3</sup> List attached.

#### 4. *Sales of Currencies to Contract and Registered Groups:*

Voluntary agencies registered with the Advisory Committee on Voluntary Foreign Aid transferred overseas in the six months from January through June 1962 a reported \$22.8 million. Of this amount \$9.7 million was in excess currency countries and \$5.1 million in other Title I countries. Assuming this rate is maintained, we have at least \$30 million a year subject to U.S. purchase for foreign currency holdings.

A.I.D. contracts with colleges, business groups and other organizations have long contained clauses covering use of local currencies by such contractors. However, the expansion of Title I to provide currencies where not now available and the use of allocated but unexpended balances should develop further dollar savings. The possibility also exists for small quantities of local currencies, particularly in excess currency countries, being sold to business firms, foundations, missionary groups and others not directly financed by U.S. agencies.

A final area of consideration here might be the payment of certain veterans' retirement and disability benefits to foreign residents in U.S. foreign currency holdings.

The proposals under this section may require a legislative amendment to P.L. 480 similar to the provision authorizing tourist sale. A significant dollar drain might be plugged by such action without limiting the activities of such groups.

#### 5. *Third Country Use:*

Consideration should be given to possible third country use of local currencies. For example, East African pounds and the French trading community francs might be generated in one country and used in others within the bloc. We should investigate the use of Egyptian pounds in other Arab countries; and perhaps even dinars and zlotys for certain U.S. uses in Communist-bloc countries.

We presently are paying \$4.1 million of U.N.R.W.A. costs with Egyptian pounds and \$2.7 million with Syrian currency in addition to \$6.7 million equivalent through direct food shipments. This is more than half of our U.N.R.W.A. support. During 1963 Fiscal Year we have budgeted \$239 million for support of the United Nations and other international organizations and special programs. "Third country use" such as the payment of Indian rupees as part of our Congo peace-keeping support might be possible and to the degree that excess currency country funds were used the United States would have savings in both dollar outflow and cash budget spending.

To accomplish this important effect on our balance of payments position would indicate more careful management of current holdings of currencies, some increase in the U.S.-use portion of contracts, and

the more deliberate use of Title I where we need local currencies. It may well mean an increased rate of Title I sales during 1964 Fiscal Year. This will require a change in Agriculture Department priority from Title IV to Title I in currency deficit countries.

Greatest obstacle to this increase will be considerations of normal marketings. The past approach to this has tended to be conservative. If balance of payments is given a priority consideration we may find greater objections from other food exporting countries. Department of State concurrence in this expanded Title I use would be required. It should also be emphasized that the cutting off of dollars supplied by normal U.S. expenses could work a hardship in some countries and presumably increase A.I.D. expenses. (Korea is a good example.)

However, we have adequate foodstocks and adequate Congressional authority for their use. In general the “demand” is present. A country-by-country review, using the broadest possible “shopping list”, should provide direction for a Title I “sales campaign” to reach our goal. Careful relationship of this projection to A.I.D. country goals would be essential to effective program development.

Title I step-up offers us our greatest potential for quick additional dollar impact and should provide more than half of our additional dollar savings. However, the expanded use of barter under the new regulations should allow Defense and A.I.D. offshore procurement of materials and services and some additional stockpile requirements through the use of food in place of dollars. The present artificially low barter rate of \$80 million per year presumably will be greatly increased, although we do not yet have an experience on the acceptability of this for current-use procurement. The eventual impact will probably be determined by the aggressiveness of A.I.D. and Defense in utilizing barter and the willingness of State to approve such expanded use.

One final proposal might be considered. Title IV sales legislation provides a moratorium of *up to* two years following last shipment in any year. More rigorous restriction of this provision and shorter term contracts with higher interest rates might allow for earlier and larger dollar earnings under Title IV contracts. This would make Title IV more nearly the transition step to full normal commercial transactions.

In summary then, we contend that for many purposes food and dollars are synonymous. When we spend local currency for U.S. uses, we are spending food and the dollars remain in this country. When we lend the local currencies back to the receiving country what we are really doing is lending food to help develop that economy.

It is this “food-for-dollar attitude” which has frequently been lacking in overall foreign programming and in previous recommendations on this subject. Our ability to grow food can be important to us here—

and at the same time contribute to the world struggle for freedom from hunger.

**Richard W. Reuter**

*Special Assistant to the President*

*Director, Food For Peace*

## Appendix

Dollar purchases of local currency by the United States Government as related to current U.S. Government holdings of local currencies.

Fiscal Year 1962 (in thousands of dollars)			
Country	Amount Purchased	Amount Held (Restricted Funds)	Maximum Savings 1962
Argentina	1,831	1,259	1,259
Austria	2,819	1,548	1,548
Bolivia	462	2,112	462
Brazil	57	75,198	57
Ceylon	5	13,046	5
Chile	641	11,990	641
China	4,315	30,292	4,315
Colombia	1,192	7,020	1,192
Congo	401	2,600	401
Ecuador	1,856	2,203	1,856
France	130,517	7,681	7,681
Greece	997	15,750	997
Iceland	1,855	2,096	1,855
India	70	897,992	70
Indonesia	25	92,968	25
Iran	17,053	6,346	6,346
Italy	40,169	6,036	6,036
Japan	231,966	8,165	8,165
Korea	49,841	14,335	14,335
Mexico	3,845	2,344	2,344
Morocco	10,039	11,443	10,039
Paraguay	623	5,996	623
Peru	2,647	6,973	2,647
Philippines	21,702	6,725	6,725
Sudan	1,485	780	780
Thailand	11,818	738	738
Tunisia	290	11,231	290

Turkey	2	51,129	2
U.A.R.	1	151,291	1
U.K.	96,834	16,448	16,448
Uruguay	385	3,951	385
Vietnam	6,269	10,721	6,269
TOTALS	642,012	1,478,407	104,537

## Appendix

Foreign currencies purchased with dollars from commercial sources by the United States Government. Asterisk denotes country where Title I programs not practical.

### Fiscal Year 1962

<u>Country</u>	<u>Amount Purchased</u> (in thousand dollars)
Afghanistan	2,527
Algeria	72
Argentina	1,831
*Australia	2,263
*Austria	2,819
*Bahamas	33
*Belgium	4,009
*Bermuda	2,255
Bolivia	462
Brazil	57
British East Africa	2,135
British Honduras	31
British West Africa	479
British West Indies	2,039
*Bulgaria	125
Cambodia	822
*Canada	99,785
Ceylon	5
Chile	641
China, Republic of	4,315
Colombia	1,192
Congo, Republic of	401
Costa Rica	427
Cyprus	3,128
*Czechoslovakia	166
*Denmark	2,879
Dominican Republic	304

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Ecuador	1,856
*El Salvador	847
Ethiopia	5,041
Fiji Islands	37
*France	130,517
French Africa	5,322
*Germany (East)	4
*Germany, Fed. Republic of	696,868
Ghana	1,802
Greece	997
Guatemala	1,373
Haiti	45
Honduras	2,396
*Hong Kong	3,786
Iceland	1,855
India	70
Indonesia	25
Iran	17,053
Iraq	965
*Ireland	1,144
*Italy	40,169
Jamaica	323
*Japan	231,966
Jordan	5,169
Korea	49,841
*Kuwait	352
Laos	3,361
*Lebanon	4,451
Libya	4,673
*Luxembourg	54
Malagasy, Republic of	496
*Malaya	2,370
Malta	54
*Martinique	73
*Mexico	3,845
Morocco	10,039
Mozambique	58
Nepal	627
*Netherlands	50
Netherlands West Indies	159
*New Zealand	1,240
Nicaragua	868
Nigeria	2,354
*Norway	4,661
Paraguay	623



Peru	2,647
Philippines	21,702
*Portugal	1,758
Ruanda Urundi	70
*Rumania	158
*Saudi Arabia	613
Somali Republic	1,621
*South Africa, Republic of	2,496
Southern Rhodesia	910
*Spain	5
Sudan	1,485
*Sweden	1,044
*Switzerland	1,964
Thailand	11,818
Tunisia	290
Turkey	2
*U.S.S.R.	895
U.A.R.	1
*United Kingdom	96,834
Uruguay	385
*Venezuela	1,961
Vietnam	6,269
Yemen	<u>1,446</u>
TOTAL	\$1,531,455
Not subject to new Title I use	<u>-1,344,459</u>
ADJUSTED TOTAL	186,996

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**430. Memorandum for Interdepartmental Committee of  
Undersecretaries on Foreign Economic Policy, April 3<sup>1</sup>**

April 3, 1963

The meeting of the Undersecretaries Economic Policy group on April 11 will take up some of the problems in administering foreign assistance programs that are of interest to several of the Departments. Background material for this discussion is provided in the preliminary version of the *Proposed Mutual Defense and Assistance Programs for FY 1964* (attached). The basic framework for aid administration is outlined

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<sup>1</sup> Background material for April meeting. No classification marking. 4 pp. Department of State, E Files: Lot 64 D 452, ICFEP, 1963.

in the introductory section. The Clay Committee report is also attached for reference.

Some possible specific topics for discussion are summarized in the attached memorandum.

### **Attachment**

#### Some Elements of A.I.D. Programs of Particular Relevance to the Interdepartmental Committee of Undersecretaries on Foreign Economic Policy

##### *1. More effective promotion of U.S. private investment in the less developed countries*

There is general agreement that for many specific purposes private U.S. investment is the most effective form of assistance, carrying with it not only capital contributions but also technical assistance of a highly relevant sort. The importance of foreign investment has been re-emphasized by the recent Clay Committee report.

The main question has always been one of how to stimulate private foreign investment more effectively; private investment by its nature cannot be "programmed." The A.I.D. investment guarantee program is making a major contribution. Congress is being requested to enlarge this program by almost doubling the dollar amount of guarantees that can be outstanding at one time. In addition, it is being proposed that the Internal Revenue Code be amended to provide tax incentives for further investment in less developed countries. Are there further efforts that could be made by other Departments of the U.S. Government to contribute to stimulating U.S. private investment in less developed countries? Other private investment in these countries?

##### *2. More effective utilization of all available resources in supplying technical assistance personnel*

Here again the Clay Committee report has highlighted a continuing problem. The importance of technical assistance is well understood and generally accepted. The most critical limitation to its effective use is the availability of highly qualified personnel. A number of further approaches recently have been and now are being explored.

The Association of State Universities and Land Grant Colleges established in November, 1962 an Executive Secretariat and a supporting committee to work with A.I.D. and the Assistant Secretary of Agriculture for International Affairs to channel more qualified agricultural specialists into technical assistance.

Among the sources of personnel utilized in A.I.D. missions during the past year were the Department of Agriculture, the Bureau of Public

Roads, the Department of the Interior, the Bureau of the Census, the Public Health Service and the Housing and Home Finance Agency. Under the Humphrey Amendment to the Foreign Assistance Act, A.I.D. in 1962 signed interagency agreements with the Housing and Home Finance Agency and the Department of Labor under which experts from these agencies might be loaned to A.I.D. on a reimbursable basis, without break in the expert's career record with his agency. An interagency agreement with the Federal Home Loan Bank Board is expected to be signed early in 1963 and several other agreements are in preparation.

A.I.D. is presently undertaking a review of its implementation procedures and, as part of this process, we are examining present methods for drawing upon outside communities for the skilled people needed for effective foreign assistance. Increased attention will be given in the development of our new procedures to facilitating the use of outside resources. In addition to increased efforts on the part of A.I.D. this will require efforts by the communities to organize themselves so that skilled members of their staffs can be released for foreign assignment on a regular basis without loss of rights or status. Training programs and staffing patterns will need to be designed so that people who have a basic understanding of the relationship of their own profession or discipline to the development process can become increasingly familiar with and available for assignments in underdeveloped countries.

### *3. A.I.D. and Commodity Trade*

A.I.D. relies on PL 480, usually Title I foreign currency sales, to provide all grain, cotton and edible oil imports needed by recipients of non-project assistance which can be supplied by the U.S. This is particularly important in Korea, Taiwan, Vietnam, India, Pakistan, Egypt, Israel, Turkey, Greece, Tunisia, and Brazil. Diminution of availability of surplus commodities in these instances would increase A.I.D. requirements.

A.I.D. will in the future generally finance petroleum fuel and crude oil, rubber, wool, sugar, tin and other U.S. net imports only on a basis of release from the stockpile or barter for surplus agricultural commodities under usual USDA procedures. In this way the burden of the larger remaining part of A.I.D. offshore procurement on the balance of payments will be relieved.

A.I.D. encouragement of other exports from less developed countries through continued procurement on a basis competitive with the U.S., but not with the 19 industrial countries, will continue. Close consultation on this with State/E and other interested agencies is desirable. We feel it would be very shortsighted to debar industrializing

countries from competing for A.I.D. orders at the same time that we are focussing on increasing their export potential as a key element in the transition to self-sustaining growth.

4. *How much further concentration on the best developmental prospects should be introduced into the foreign assistance program by reductions of present limited programs?*

The foreign assistance program is already a highly concentrated one. The two largest elements are development lending, including Alliance for Progress loans, and military assistance. Of development loans, nearly two-thirds in FY 1964 is expected to go to six countries that are showing favorable development efforts and prospects. The increases in the total program proposed for FY 1964 are almost entirely in these same programs. (In military assistance, about two-thirds is planned for the eight major programs to countries on the periphery of the Communist bloc.)

Further concentration along these lines would be largely at the expense of the programs designed particularly to achieve short-term political purposes such as a U.S. presence or some sort of holding action. Some further concentration is in order, but this is a matter of degree. This kind of question cannot appropriately be answered with finality other than on a case-by-case basis. But the general views of other interested departments on the desirability of a rapid reduction of assistance programs largely related to short-run political objectives would be of interest.

5. *Should an increasing portion of the foreign assistance program be through multi-lateral institutions?*

Substantial shifts in this direction were proposed in the Clay Committee report. Advantages of having some portion of the assistance program on a multi-lateral basis are clear. On the other hand, there is a real question of the degree to which specifically U.S. objectives could be equally well achieved if a larger portion of assistance were channeled through such institutions as IDA. Another aspect of the same question is the degree to which the Congress would believe that larger appropriations for international institutions were in the U.S. interest.

6. *Other donor countries—the DAC forum*

Economic assistance from other developed countries is of large and growing importance. One issue of major importance is that of improved terms of aid from the DAC members. A DAC meeting on this subject is taking place in Paris at the present time (April 3) the results of which, if significant, will be discussed with the ICFEP.

**431. Circular Airgram CA-11942 from Rusk to Certain Diplomatic Missions, April 24<sup>1</sup>**

April 24, 1963

Personal for Chief of Mission from Secretary. I have delegated to David Bell my responsibilities under section 622(c) of the Foreign Assistance Act for the continuous supervision and general direction of the economic and military programs authorized by it, to the end that such programs are effectively integrated both at home and abroad and the foreign policy of the United States is best served thereby.

The following message from him, with which the Department of Defense concurs, has my full endorsement and support and I request you to give it your most earnest personal attention:

PREPARATION AND JUSTIFICATION OF MILITARY  
AND ECONOMIC FOREIGN ASSISTANCE PROGRAMS

The purpose of this message is twofold. First, to improve the understanding between our Missions abroad and the responsible agencies in Washington on the reasoning upon which requirements in the U.S. national interest for Foreign Assistance Programs, both military and economic, are based. Second, to insure that the foreign assistance resources of the United States are being applied, as between countries and as between military and economic programs, so as to best serve the United States national interest.

You will have received instructions on the preparation of the 1964 and 1965 AID programs in accordance with the AID Program Guidance Manual and with the approved statement of country assistance strategy. The MAAG Chief will also have received military assistance guidance documents from the Unified Commander. These documents constitute guidance for the development of programs beginning in FY 1965 and the refinement of FY 1964 programs.

While the Secretary of Defense has primary responsibility for the determination of military end-item requirements and other aspects of the MAP program, and the Administrator of A.I.D. is responsible for the economic aid programs, these two programs must be mutually complementary parts designed to support the efforts of friendly nations to attain growth in freedom and to foster constructive economic and social change and development while forestalling the opportunities of Communism to exploit the situation.

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<sup>1</sup> Bell's responsibilities under Section 622(c) of Foreign Assistance Act. Confidential. 3 pp. Department of State, Central Files, AID (US) 1.

The closest coordination between State, including A.I.D., and Defense is, therefore, essential at all stages of the development, review, and implementation of both economic and military assistance programs in Washington and in the field. Interagency program review in Washington is established on a continuing basis. In order that this review proceed from a sound basis, we look to you, as Chief of Mission and head of the Country Team, for personal leadership in making program preparation a truly joint effort in the field, and for personal review of the composition, content, and justification of recommended programs to insure that they constitute the best balance of U.S. action necessary to attain U.S. objectives.

You are uniquely situated to view the complex of U.S. programs in the country as an integrated whole and to judge in detail the adequacy of their scope, articulation and balance. I need your personal judgment and advice on this, taking into account and expressly recognizing the differing points of view that may exist within the Country Team.

The programming process of foreign assistance is a continuing one. However, at least once a year we try to get a fresh, broad look at the scope and direction of our programs, the basic strategy and approach. This year that basic review is requested in the spring for both economic and military assistance, giving us more time for thought and a better chance to ensure adequate integration. Pertinent approved plans will be given due consideration, such as Internal Defense Plans for those countries where these have been approved and, in Latin American countries, plans approved by the Latin American Policy Committee.

You are requested to send to the Department at the time the respective programs are forwarded your detailed views and comments. I can assure you that your thoughts will be given the most thorough attention and will be a most important element in the interagency reviews of military and economic assistance programs in Washington.

Messages giving the timing and content of program submissions will follow shortly.

**Rusk**

## August 1963

### 432. Memorandum from Bell to Wolf, August 22<sup>1</sup>

August 22, 1963

In view of its lateness, I have signed the report to the Special Group on A.I.D. Counter-Insurgency Activities. It does not, however, seem to me to be as informative a report as we should submit. It seems to me to present mainly a series of interesting facts, without putting them into any kind of framework. How are our overall counter-insurgency efforts going? (Indeed, what do we consider our overall counter-insurgency efforts to be?) Are we doing more or less, better or worse? What main problems have we encountered and how many have we solved? And what do we expect by way of major changes and/or achievements in the future? These are among the kinds of questions I don't find answered in this report.

I would appreciate a chance to see the next one in draft.

**David E. Bell**

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<sup>1</sup> Unhappiness with content of AID report to Special Group on Counter-Insurgency Activities. Secret. 1 p. Washington National Records Center, RG 286, AID Administrator Files: FRC 67 A 1530, Special Group (CI).

**433. Memorandum from Bell to Executive Secretary, Special Group (CI), August 22<sup>1</sup>**

August 22, 1963

## SUBJECT

A.I.D. Progress Report on Counter-Insurgency Activities (January 1–August 1, 1963)

*Civic Action and Other Counter-Insurgency Programs*

Civic action constitutes a major counter-insurgency effort in Latin America with the level of funding for civic action projects increasing considerably in the last seven months. Important new projects funded include: assistance to Chilean National Police to expand a program furnishing medical assistance to remote areas, assistance to the Colombian Army in constructing a highway to open up a priority violence area, and assistance to the Brazilian Army Engineers to construct an important road link in the Northeast.

All A.I.D. projects identified in the Thai Internal Security Plan are proceeding on or close to schedule. To concentrate and accelerate rural programs in security threatened areas, the A.I.D. Mission in Thailand has organized all rural programs under a new Office of Rural Affairs. This coordination of program will allow for more effective coordination of the Thai-initiated Mobile Development Unit operations (military civic action) with other important A.I.D. rural development programs. A.I.D. is funding the installation of a radio transmitter to be installed in northeast Thailand and funded a civic action project carried out by U.S. forces during the recent SEATO exercises. [text not declassified] The program of aid to the tribal montagnards in Vietnam is being broadened to include schooling and vocational training to promote permanent ties with the government. Commodity support for the Vietnamese Army's medical civic action programs is continuing.

In the Korean civic action program \$1.7 million has been provided for road and bridge projects and support continues for the Brumece Army's resettlement project at Namsang, a civic action program designed to resettle loyal veterans in an insecure area. A.I.D. has continued large shipments of refugee supplies to the [illegible in the original] and to other non-Communist groups in Laos and, in April, funds were provided to purchase rice and other subsistence items for Laos armed

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<sup>1</sup> "AID Progress Report on Counter-Insurgency Activities, January 1–August 1, 1963." Secret. 2 pp. Washington National Records Center, RG 286, AID Administrator Files: FRC 67 A 1530, Special Group (CI).



forces and the Neutralist forces. The Indonesian Army civic action program received \$670,000 in equipment during the reporting period, and plans were developed to provide American university training for senior military officers now in key government jobs. A new project in the field of civic action in Iran was initiated in June 1963 with a \$45 thousand procurement of medical supplies to support a gendarmerie program of medical aid for villagers. Also in June, an agreement with Algeria was signed providing for a major work relief program utilizing PL 480 foodstuffs as partial payment for some 60,000 otherwise unemployed on public works projects in four sections of the country and for U.S. technical assistance to support implementation of the various projects. A.I.D. has agreed to furnish materiel to the Central African and Malagasy republics to support development projects by civilian youth organizations in those countries.

#### *Public Safety Activities*

There are now programs in 31 countries, of which four are new and four expanded, and there are limited activities in 9 other countries. The substantially increased funds made available in FY 63 have proven adequate and funds requested for FY 64 would be sufficient to maintain current or expanded emphasis. A.I.D. has 247 personnel in the public safety program as compared with 189 on December 1, 1962. Assistance in filling vacancies has been provided by several agencies including the Department of Defense which, at A.I.D. request, is providing 20 qualified military officers, 9 of whom are on duty, for two-year tours of duty with A.I.D.

The Agency's capability to respond to emergency requests for police assistance in Latin America has increased significantly with establishment by DOD of a stockpile of standard riot control equipment for A.I.D. in the Canal Zone. Complementing this forward deployment of police equipment are newly instituted administrative procedures designed to greatly reduce request-to-delivery times for procurement of public safety commodities. Since January 1963, emergency airlift delivery of riot control equipment was made to Pakistan, Peru, Bolivia and Ecuador. The student capacity of the Inter-American Police Academy has been nearly doubled and plans for the December 1963 opening of the International Police Academy in Washington, D.C. are on schedule.

#### *Training*

Fifty-two A.I.D. officers attended the Interdepartmental Seminar during this reporting period and two participated in counter-insurgency programs [text not declassified]. Production began in June on a

joint A.I.D./DOD training film, *First Line of Defense*, stressing the complementary roles of civil police and military forces in counter-insurgency.

David E. Bell

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**434. Circular Airgram CA-2258 to Certain Diplomatic Missions,  
August 26<sup>1</sup>**

August 26, 1963

SUBJECT

Military Sales Policy

Joint State/AID/Defense message. According to the wishes of the President, addressee posts are advised of the importance of prosecuting a program of selling U.S. military equipment to allies as an essential element of tying military aid to foreign policy and of decreasing the net outflow of gold from this country.

Posts should remain alert to opportunities for military sales and, in advising Washington as to these possibilities, making recommendations thereon, and prosecuting such sales, posts should be aware that, in keeping with the President's expressed desire, military sales programs are to be supported which are consistent with other foreign policy considerations. Questions such as the degree to which military sales could divert resources from higher priority economic development objectives, particularly where we are extending economic aid, should be brought to bear. The degree to which the arms which a country proposes to purchase are compatible with the objective of focusing military resources on internal defense as opposed to "arming against neighbors" is also a factor for careful analysis. All sales, whether government-to-government under the Foreign Assistance Act or direct commercial, are to be encouraged within the context of overall foreign policy considerations and should be fully coordinated within the Country Team. In Washington, the concerned Departments will take account of potential competition between military sales and grant military assistance for funds to finance either the sales or the grant assistance.

Rusk

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<sup>1</sup> "Military Sales Policy." Confidential. 2 pp. Department of State, Central Files, DEF 12-5 US.

# Trade and Commercial Policy

February 1961

## 435. Memorandum from Martin to Jones, February 2<sup>1</sup>

February 2, 1961

### SUBJECT

Export Promotion

I understand you have been informed of the attitude of Senator Magnuson and some of his colleagues on the Senate Interstate and Foreign Commerce Committee in respect of reinstituting a separate Department of Commerce Foreign Service. Such a separate foreign service was included among the recommendations of a recent summary of the Committee's forthcoming report on trade. This followed a staff report of last April which took a strong position on this point. It is apparent that several of the Committee members strongly favor such a development and are supported by some elements in the business community which feel, probably with some reason, that our commercial facilities abroad in recent years have been inadequate.

This situation was brought to sharp focus in a meeting in Secretary of Commerce Hodges' office January 30, which Mr. Ball attended. Its purpose was to allow a group of businessmen representing some of the largest firms interested in foreign trade and investment abroad to present their views on what the United States Government should do to correct our balance-of-payments situation. Besides some ten or more businessmen, representatives of the President's Council of Economic Advisers, Treasury, the Department of Labor, and the Export-Import Bank were present. The presentation by these businessmen elaborated on various sections of a report prepared by a committee of 14. It is of significance that the new Assistant Secretary of Commerce for Interna-

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<sup>1</sup> Export promotion: Congressional interest in a stronger Department of Commerce role. No classification marking. 3 pp. Department of State, Central Files, 102.7/2-261.

tional Affairs, Mr. Rowland Burnstan, was a member of this group. The pertinent section of their report follows:

*"Foreign Service for Export"*

Export promotion could be drastically improved by greater US Government initiative. Our government representatives stationed abroad today are not adequately trained in commercial reporting or representation. Further, they are more concerned with diplomatic niceties than in promotion of US commercial interests. Capable men should be recruited from the business community itself, by and under the charge of the Commerce Department. More funds and facilities should be put at their disposal, and they must be instructed to be active promoters of US exports. The fact that these men would, of course, continue to report to the Ambassador would advance the knowledge and sophistication of foreign service personnel from the top down in commercial matters."

This comment follows the line also taken by the staff of the Magnusson Committee that export promotion requires the services of businessmen experienced in foreign trade under our Ambassadors, but reporting directly to the Department of Commerce. Mr. Elliott Haynes, editor of *Business International* and member of the group, said that they expected much more support by our embassies to promote American commercial interests than heretofore and that perhaps some 50 large U.S. corporations doing business abroad would make available one or two of their executives on a loan basis for an export drive under the Department of Commerce.

Those of us in the Department who have studied this problem believe that the present unified service is the most satisfactory means for sustained support of American business and that the present Foreign Service Act is sufficiently flexible to accommodate stepped-up personnel and activities if resources are made available. There is no question that we need to improve the commercial services offered by our embassies, for which reasonable amounts of financial support have been requested in the FY 1962 budget. The situation we face, however, is one which might result in unsatisfactory legislation from the standpoint of this Department and over-all U.S. interests.

I believe it would seriously impede our export efforts if we were now to dismantle the present commercial service and to establish it in another agency with all the problems of recruitment and organization, wholly apart from the fact that it would be expensive and wasteful. In this respect, I believe the Department's position is fully defensible.

In regard to the employment of businessmen, however, there is some question as to the availability of the right type of people, at least in any number. Moreover, there is always the difficulty of such people

adapting themselves readily to government organization. For general staffing in the middle grades, it is most difficult to attract competent business people at government salary levels without permanent status. Some top business executives experienced in foreign operations could undoubtedly contribute considerable spark and drive to the present export program if they could be fitted into our foreign service establishments.

I believe the Department should take the initiative in meeting this situation and propose as a suggestion the employment of 10 FSR-1's from the business community to act as regional export promotion advisers to our various Ambassadors. I am informed that this can be done within our present personnel system. These advisers would be posted at London, Paris, Bonn, Tokyo, Bangkok, New Delhi, Buenos Aires, Beirut, Salisbury, and Mexico City, or such alternative posts as might be determined. These officers would require adequate travel and representation funds. As I envisage it, they would not be responsible for the day-to-day commercial reporting and activities but would be given special assignments on the export promotion aspects of commercial activities. They would be expected to travel extensively, make speeches, and establish highest level contacts in the business community. In some areas they would be accredited to several governments and operate on a regional basis. They would help and supplement the work of our regular commercial attaches and their staffs.

The highest rank for commercial attaches is currently FSO-2, with 8 officers serving in these posts, of which 6 are Department of Commerce employees. It would not be anticipated that the new higher adviser positions would be considered permanent or would be filled from the Foreign Service or from regular Department of Commerce employees, but only from the business world. These advisers would be nominated by Commerce, with the Department having the right to accept or reject such nominees.

This proposal is designed to test out the thesis that highly competent business people are available and could give real impetus to our export efforts. It would avoid the risks of drastic change at a time when our present export expansion program is just getting under way. Moreover, I believe such a proposal might satisfy the Magnuson Committee and obviate legislation unsatisfactory to the Department. If you concur, Mr. Ball may wish to sound out Secretary Hodges on the subject.

This proposal has been discussed with Mr. Herman Pollack and Mr. William Crockett.

**436. Memorandum from Martin to Ball, February 10<sup>1</sup>**

February 10, 1961

## SUBJECT

Export Promotion

Mr. Jones has now approved my memorandum (Tab A) recommending the employment of ten top-flight businessmen as regional export promotion advisers at the FSR-1 grade, with the understanding that the cost would be financed in the FY 1962 budget. You will recall that this memorandum suggested that you would sound out Secretary Hodges on this subject. I now recommend that you do so at the earliest opportunity, recognizing that this proposal may open up the whole subject of a separate commercial foreign service under direction of the Department of Commerce as recently recommended in a release of the Interstate and Foreign Commerce Committee which Senator Magnuson authorized. A statement on this subject is attached (Tab B).

The proposal for businessmen to serve as export promotion advisers is a natural follow-up to the President's message to Congress on Balance of Payment and Gold. Since it requires reopening the FY 1962 budget for funding, I recommend that we include also a request for funds to purchase market surveys in foreign countries for American products. This activity is not now provided for but should prove most useful to supplement the work of our commercial staffs abroad. According to several despatches from the field, such surveys are readily obtainable in some countries at a cost considerably less than staffing our foreign service establishments for increased activity in this field. The nature of these surveys would be worked out by the Department of Commerce in consultation with various industries or trade associations. This too is a logical follow-up to the President's request for vigorous action in the export promotion field. I suggest you also make this proposal in your talk with Secretary Hodges.

Recommendation: That you discuss the above two points with Secretary Hodges.

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<sup>1</sup> "Export Promotion." Two attachments provide background material. Official Use Only. 5 pp. Department of State, Central Files, 400.11/2-1061.

**Tab A**

## SUBJECT

## Export Promotion

Mr. Martin's memorandum of February 2, 1961 proposes the assignment of 10 FSR-1's from the business community to act as regional export promotion advisers to our various Ambassadors.

I agree with the proposal in principle. However, it should be clearly understood that there are no funds in sight at the present time to proceed with such appointments. It may be that prospective appointees would not be recruited, cleared and ready for entrance on duty until near the end of the current fiscal year.

In this event, we would have to seek an increase in the 1962 ceiling to fund them or provide for them within whatever funds are finally appropriated.

In view of the President's remarks on export promotion in his recent Message to the Congress, I plan to seek an increase in the budget ceiling.

**Tab B**STATEMENT ON INTEGRATED COMMERCIAL ACTIVITIES  
IN THE FOREIGN SERVICE

1. In the conduct of foreign affairs, a high percentage of the problems are economic in nature and require staffing of our missions abroad with officers competent in this field. The work done by these officers is of direct concern and interest to American business. Commercial work is now an integral part of economic and other mission activities. Our Ambassadors must continue to direct the economic work of our missions, including all but the most routine commercial tasks.

2. Our improved trade position today is attributed in large part to successful negotiating efforts by our missions to achieve relaxation of foreign trade and exchange controls. A unified service facilitates such team operations which require the participation of diplomatic, economic and commercial officers. Thus, a unified service, including commercial officers, is stronger than an independent commercial service, since the Chief of Mission and key officers are more fully informed at all times and better able to place the full weight of the United States Diplomatic Mission behind our commercial activities.

3. Commercial work is thus handled as a function of our missions with different officers contributing to it. Designated commercial officers by arbitrary definition are those who devote over one-half of their time

to this work. Virtually all economic officers and many consular officers spend part of their time on commercial matters. Moreover, commercial work is further supported by permanent staffs of competent commercial specialists native to the area. Only by these means is a truly worldwide commercial service possible without great waste and expense.

4. As presently administered, the Departments of State and Commerce work jointly in the recruitment, selection and placement of commercial officers. The two Departments collaborate in planning and instructing our missions on commercial and many general trade matters. The present system avoids duplication of administrative costs, representation, and reporting, which otherwise would obtain, and provides clear lines of responsibility and authority in the field.

5. Any shift of commercial work to another service would perforce mean the loss of expertise built into the career foreign service over the last twenty years. There are presently some three hundred officers with identified skills in commercial work, and some three hundred others who have backgrounds identified as desirable for commercial specialization. A new commercial foreign service would not be expected to attract more than a few volunteers from this group. In any circumstance, the problem of recruiting competent personnel for a new service would be formidable.

6. Functionally, a separate commercial service would mean either the loss of economic and consular officers' services or would require continued dependence upon the Foreign Service for a large part of the needs of the Department of Commerce and the American business community. The alternative would be costly duplication of Embassy economic staffs.

7. The urgent need to maintain a favorable trade balance dictates that commercial work be strengthened by the most expeditious means within the present organizational framework, rather than risk the confusion and problems obviously inherent in setting up a new service.

8. The Foreign Service is sufficiently flexible to accomplish all that a separate commercial service could do, providing budgetary resources are made available and reasonable priority is accorded the commercial function. In addition to the present complement of officers experienced in commercial work, new officers have been and can be recruited from business, or from Department of Commerce personnel, and trained for foreign assignment. Moreover, joint operations in the commercial work by the Departments of State and Commerce, and direct administration in the field by our Chiefs of Mission, reflect with reasonable accuracy the respective responsibilities of the two Departments in the foreign and domestic fields.



April 1961

437. Ecbus 416 from Brussels, April 15<sup>1</sup>

Brussels, April 15, 1961

Washington pass Schaetzel. Commissioner Rey and Mansholt invited me yesterday to call at Commission this afternoon. Inasmuch as the subject of the conversation was to be the present impasse in US-EEC Article XXIV: 6 negotiations, Corse, on my invitation, came and accompanied me. Commissioner Rey presented me with two aide-mémoires. One dealt exclusively with the question of wheat, which was handed we understand, in identical version, to the Canadians today and will be subject of separate telegram. The other and more important dealt with the Commission's deep anxiety over what they now consider to be a hopeless opposition of views and expectations between the two delegations in Geneva. Rey stated categorically that community had exhausted agricultural and industrial concessions that it could consider offering to the US during the Article XXIV: 6 phase. He spoke of the astonishing paradox that outstanding difficulties with the UK had been resolved satisfactorily whereas difficulties with the US, the trusted friend of the European Community, continued to place us far apart. He stressed the vital importance of the establishment of a common agricultural policy without which a United Europe of the Six could not be achieved. He dwelt therefore upon the agricultural aspect of the Geneva negotiation expressing conviction that EEC offers met XXIV: 6 obligations not only for CXT as whole but also specifically for agricultural sector. Mansholt agreed with Rey and stressed willingness community to negotiate maximum levies on wheat. Mansholt warned that under the status quo there was a danger that export opportunities, for reasons unrelated to tariffs, were more likely to decline than if the Commission is permitted to move ahead with the common agricultural policy.

I responded that Washington understood the vital importance of a common agricultural policy as essential in development of Common Market. However I stated that the Commission's offers in the agricultural field were "entirely inadequate" and that serious effort should be made to meet Washington's formulation of minimum requirements. Corse dealt illustratively with a number of commodities upon which

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<sup>1</sup> US-EEC Article XXIV:6 negotiations; impasse continues. Official Use Only. 3 pp. Department of State, Central Files, 394.41/4-1461.

he had tried without success to obtain concession from Donne, the Commission's chief negotiator in Geneva.

Our meeting adjourned with no narrowing whatever of the gap which divides us and Six. On basis this session and my frequent previous conversations with Commissioners, I am firmly convinced that this deplorable state of affairs attributable, to a considerable extent, to Washington's prolonged and continuing delays in coming up with a minimum package of demand to which it would be reasonable to expect the community to attempt to achieve settlement. The longer we stand upon our previously defined "minimum package" the less likely it is that the Commission will be willing and able to obtain from the Council of Ministers authority to make further compromises. As the community settles its problems with other negotiating partners there will of course be less and less premium for them to settle with US.

I am not hopeful that the present gap in EEC-US thinking can be easily closed. I am sure however that it is imperative that, as contribution to maximum overall result from "Dillon phase", and in consistent fulfillment of our overall political objectives, a realistic minimum package must be provided Corse at the earliest possible date in hope that this difference between US and EEC be resolved.

**Butterworth**

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**438. Aide-Mémoire, April 29<sup>1</sup>**

April 29, 1961

The Department has been informed by its Delegation to the tariff conference in Geneva that the EEC has completely rejected the proposals made by the United States Delegation on April 22 for settlement of outstanding issues with respect to certain agricultural commodities in the current negotiations under Article XXIV:6 of the General Agreement on Tariffs and Trade. The Belgian Ambassador is requested to convey the following views urgently through his Government to the Chairman of the Council of the European Economic Community, in

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<sup>1</sup> Demarche to EEC on rejection of U.S. agricultural package. No classification marking. Attached memo from Martin to Ball provides background information for Ball's meeting with Belgian Ambassador. Official Use Only. 5 pp. Department of State, Central Files, 394.41/4-2961.

order that they may be considered by the EEC Council at its meetings scheduled for May 2 and 3.

1. The United States Government is seriously disturbed to learn that the EEC has summarily rejected the proposals of the United States Government for a settlement on the agricultural aspects of the Article XXIV:6 negotiations which the United States Delegation put forward in Geneva on April 22. In informing the United States Delegation of the rejection, the EEC spokesman indicated that his instructions precluded further negotiation and that the Community was unwilling to work toward mutually acceptable solutions through further discussion and negotiation. The United States agricultural proposals were developed with great care within the United States Government, and were reviewed at the highest levels in the appropriate Departments of the United States Government, in an effort to develop a list of requests which could reasonably be submitted to the EEC for consideration.

2. The United States Government has now also been informed that in a meeting of the Trade Negotiations Committee in Geneva on April 28 the EEC Delegation has taken the position that the EEC would not be prepared to begin Phase II negotiations with the US or other countries until the Article XXIV:6 negotiations have been concluded. The US has for its part declared its willingness to begin Phase II negotiations with all countries including the EEC, in the expectation that solutions to the unresolved problems under Article XXIV:6 would be found while the reciprocal negotiations progress. The United States Government believes that the urgent business of Phase II of the tariff negotiations cannot be further delayed and believes that the EEC must reflect seriously on the situation which will result if the EEC on the one hand will not further negotiate for acceptable settlements under Article XXIV:6, but will not on the other hand open Phase II negotiations until settlements under Article XXIV:6 have been reached.

3. The United States Government is confident that the European Economic Community shares its desire to avoid actions that would endanger the harmony of the GATT and of the wider Atlantic Community.

4. The United States Government recognizes the special problems with which the EEC has to cope in carrying the Geneva negotiations to a successful conclusion. Taking these difficulties fully into account, there nevertheless appears to be insufficient recognition of the important political and economic interests of third countries which are affected by arbitrary decisions based on factors internal to the Community.

5. The peremptory position adopted by the Community will inevitably lose support for the EEC in the United States and elsewhere. It will encourage active opposition on the part of those who will be

directly and adversely affected by EEC refusal to negotiate or to make appropriate tariff adjustments to which they believe themselves entitled under the GATT. It may well alienate those who have in the past given full support and encouragement to the development of the EEC and who have defended it against unwarranted criticism.

6. Similarly, it makes it more difficult for the United States to maintain a liberal trade policy toward the EEC, if the Community invites the criticism that it is moving in a protectionist direction. Evidence of a restrictive trade policy on the part of the EEC will lend new encouragement to protectionist forces in the United States.

7. The United States Government therefore urges that the Community give full and immediate consideration to the list of requests submitted by the United States Delegation in Geneva on April 22, so that negotiations may lead to an early resolution of the problems remaining unresolved. The United States Government invites the Council to put forward suggestions which will enable the outstanding differences to be resolved in a mutually satisfactory manner and which will preserve the close relationships which have been maintained with the EEC since its inception.

### **Attachment**

#### **SUBJECT**

Démarche to EEC on Rejection of U.S. Agricultural Package

Carl Corse in Geneva has reported that the EEC has already rejected the revised agricultural package which was presented to them on April 22. Apparently this rejection was without benefit of careful consideration or reference to the EEC Council and was not tempered by any suggestion for further negotiations. Carl Corse has urged, and Ambassador Butterworth agrees, that a démarche be made urgently to the EEC, in order to bring the matter before the EEC Council at its meeting on Tuesday, May 2. Accordingly, arrangements have been made for you to see the Belgian Ambassador, Mr. Scheyven, who would in this instance act as the channel to the Chairman of the EEC Council, the Chairmanship being filled by Belgium at the present time.

There is attached an Aide-Mémoire for presentation to the Ambassador. It is suggested that you orally make the same points to the Ambassador.

May 1961

439. Letter from Udall to Ball, May 1<sup>1</sup>

May 1, 1961

Dear Mr. Secretary:

I am glad to have your letter of April 13 which should serve to initiate necessary conversations to enable us to reach a concerted point of view with reference to the pending lead-zinc bills.

We are aware of the importance of international trade in lead and zinc, and we have, as you know, participated fully in the work of the International Lead-Zinc Study Group. We have been keenly disappointed at the unwillingness of the Study Group to recognize the problems which our domestic lead and zinc industries face. Not until this last meeting in Mexico City was there any real effort to cope with the fundamental problem of excess world supply of lead. Even these efforts were conditioned in part on the announced willingness of the United States to acquire through barter surplus lead stocks outside of the United States. The Group has made no effort to deal with the problems of zinc since early 1959.

We do not wish to underestimate the value of the Lead-Zinc Study Group, and we expect to continue to work with this body. We cannot agree, however, to the proposition advanced in your letter to the effect that considered unilateral action would jeopardize these efforts. We believe many foreign participants in the Group will admit that the imposition by the United States of quotas on imports in late 1958 had a salutary effect upon producers and governments, and that such unilateral action has been, to a large degree, responsible for the limited success of the international effort to date. Nor do we believe we can continue to defer additional action by the United States while awaiting more effective action of the Study Group.

Our domestic lead and zinc industries, as you point out, are gradually losing their economic strength. Hundreds of small, independent mines have closed. Independent smelters are finding it difficult to keep going. One of our largest integrated companies has shown heavy losses for two consecutive years. We have reason to believe that exploration and development, plant modernization, and other capital expenditures are lagging because of the uncertainty of the outlook.

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<sup>1</sup> Domestic lead-zinc industry relief and foreign policy considerations. No classification marking. 2 pp. Department of State, Central Files, 411.004/5-161.

In contrast, the industries of Europe, Australia, Japan, Canada, and even Latin America are proceeding with development. Peru, whose reaction to imposition of the quotas was described in the dispatch attached to your letter, has increased its mine production of lead from 124,000 metric tons in 1957 to 131,000 in 1960. Peruvian smelter production of lead has increased from 69,000 metric tons to 73,000 over the same period. For zinc, Peruvian mine output has increased from 158,000 metric tons in 1957 to 169,000 in 1960 while smelter production fell off slightly.

Since 1957, production of refined lead in the United States has fallen 205,000 tons as contrasted to an increase in the balance of the free world of 115,000 tons. For zinc, U.S. smelter output declined 173,000 tons between 1957 and 1960, while production in the rest of the free world increased 154,000 tons.

It is quite apparent that despite the imposition of quotas, the industry outside of the United States is in comparatively satisfactory condition when measured against the situation in the United States. We are deeply concerned that if foreign producers continue to take advantage of the relatively easy access to the U.S. markets we shall lose much of our remaining productive capacity for these two important commodities.

The Area Redevelopment Program will do little, if anything, for that segment of the lead-zinc industries still operating. It will in time provide assistance to stranded mining communities, but even this limited contribution is probably quite a few months away.

We cannot accept the premise that any action to relieve the domestic industry would meet insuperable objections from the standpoint of foreign policy. The Department is firmly of the view that a program must be developed to prevent further deterioration of the domestic lead and zinc industry and to enable the industry to regain some of the ground lost in the past four years.

We should be pleased to discuss this matter with you in detail.

Sincerely yours,

**Stewart Udall**  
*Secretary of the Interior*

**440. Circular Telegram 1771 to Certain Diplomatic Missions,  
May 10<sup>1</sup>**

May 10, 1961

Paris for USRO and Embassy. Brussels for USEC and Embassy. Geneva for GATT. Re Depcirtels 1707 and subsequent.

A. As preliminary background, following is summary of tentative plan under study here for approach to multilateral understanding on textiles and textile products. Being readied for exploration with other governments beginning with May 15 US-UK-Canada London talks. Not yet fully cleared here and therefore subject to change. Subject to further change later in light discussion other governments.

B. Plan envisages 2-stage multilateral arrangements among major consuming and exporting countries, along following lines:

1. Interim arrangement:

(a) Acceptance following objectives: (i) widening total export market by relaxation existing import restrictions in certain countries; and (ii) providing for major consuming countries acceptance of systematically increasing quantities textile imports, under controlled orderly arrangements with exporting countries to avoid disruption established markets.

(b) Commitment by governments to adapt policies and procedures to work toward those objectives and refrain from action inconsistent with them. Some escape provisions may be added. *Note:* Specific formulas not suggested as part of initial interim proposal. However, if long-term arrangement does not mature quickly enough, commitment might be later extended to include interim formulas (perhaps 6-month adaptations of long-term formulas).

(c) Establishment multilateral Study Group to maintain surveillance international textile situation and call attention to any significant developments. This or a separate group to act as Preparatory Committee to develop specific terms of long-range arrangement GATT facilities will be drawn on to provide Secretariat support for preparatory work and subsequent conferences.

(d) Individual consuming countries remain free to negotiate agreements with supplying countries re level of exports from latter to former.

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<sup>1</sup> Textiles: tentative U.S. approach. Confidential. 4 pp. Department of State, Central Files, 411.006/5-1061.

2. Long-term arrangement: multi-year agreement (1962–64) on cotton textile products—yarn, cloth, garments, etc—with following main provisions:

(a) Countries now without import quotas or other discriminatory restrictions on imports from low-cost countries agree—perhaps subject to escape provision—refrain introducing such restrictions. Apparent eligibles: US, Canada, Switzerland, UK, and BENELUX, latter two except as to Japan.

(b) Countries now maintaining discriminatory restrictions on imports from low-wage countries agree relax such restrictions gradually. (Formula in mind would permit cooperating low-cost countries access to at least 5% of domestic markets by end 1964.) Apparent eligibles: France, Germany, Italy, Austria; also UK and BENELUX, as to Japan.

(c) Low-cost exporting countries agree maintain controls—by categories—over exports to “a” countries—or any other countries later falling within category—with view to limiting annual increases in exports to each such country, according to some formula. (Formula in mind is a percentage increase—perhaps 5%—in exports to that country during base period, e.g. 1960–61.) Apparent eligibles: Japan, Hong Kong, Taiwan, Korea, India, Pakistan, Egypt, Spain, Portugal.

(d) Continuation of Study Group.

C. COMMODITY COVERAGE: US concerned about entire range textiles and textile products from all fibers. However, considering giving priority attention to categories of widest international interest and urgency—i.e. cotton textiles, as in para B-2 above.

D. PROCEDURE:

1. Series of exploratory bilaterals and trilaterals, beginning London May 15, continuing in certain European capitals, and then picking up in Washington and/or through US missions, with other countries including Japan. Expect cover at least most key countries this way before multilateral talks. Possible UK and Canada may also undertake coordinated bilateral approaches.

2. Multilateral meetings: (a) Seeking Paris session May 29 under OECD aegis, with major consumers attending, for agreement—at least in principle—on lines US approach. (b) Official-level mid-June Geneva meeting major consuming and exporting countries, under GATT aegis, hopefully to accept interim arrangement, establish Study Group, and arrange earlier follow-up policy-level conferences. (c) Policy-level late July or mid-September Geneva meeting same countries, again under GATT aegis, to seek reach long-range agreement. Further meeting to be scheduled if necessary with view reaching final agreement before end December. (d) GATT endorsement of effort for multilateral understanding and authorization for use GATT Secretariat will be sought.

**Bowles**  
*Acting*



**441. Memorandum from Palmer to Jones, May 11<sup>1</sup>**

May 11, 1961

## SUBJECT

Commercial Work in Field

I recently attended the first regional conference of commercial officers in Hong Kong, stopping off also at Bangkok and London where the first permanent US trade centers are to be located; at Kuala Lumpur and Duesseldorf where there are pilot projects for commercial work; and at other posts en route, i.e., Tokyo, Beirut, Vienna, Frankfurt, Bonn, and Paris. This trip enabled me to get a first-hand view of commercial work at different missions and to discuss certain of its aspects with our Ambassadors or principal officers.

Proposals for a separate commercial foreign service under the Department of Commerce were uniformly opposed by our people, as well as by Commerce's own people assigned in the field as commercial attaches. It was generally recognized that it is not feasible to make an arbitrary division between economic and commercial work which a separate commercial service would require. Therefore, such a service would result in wasteful duplication. Moreover, the top echelons of our embassies are of necessity concerned with such matters as liberalization of trade, the removal of restrictions against US goods, tariff and customs problems, all of which are basic to the promotion of US exports.

I was impressed by the fact that present organizational arrangements permit trade promotion under such different conditions as obtain in Malaya and in Duesseldorf. In the former, the principal medium for trade promotion is a newsletter sent out to business people giving information concerning American firms wishing to sell in the Malayan market. In the second case, the commercial staff concentrates on setting up trade information booths at various specialized trade fairs and soliciting from people attending the fair expressions of their interest in importing specific American products. Both methods have been productive, although these excellent markets for American goods have not yet been fully exploited by American business. There is also a vast difference between our commercial work in the UK, which is centralized in London, and in Germany where markets and commercial activities are dispersed throughout the country. Also, our present organizational set-up for commercial work in the field facilitates cooperation with ICA and the furtherance of our commercial interests in those

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<sup>1</sup> U.S. trade promotion abroad. Official Use Only. 2 pp. Department of State, Central Files, 400.11/5-1161.

countries where a substantial segment of imports is financed by U.S. aid programs.

The present close coordination of commercial and economic work provides flexibility of work assignments of both American and local staffs. Thus in 1960, the Foreign Service was able to increase the number of trade opportunities developed by 75 per cent, and take care of 40 per cent more business visitors with only a nominal increase in total staff. However, we have now stretched our resources to the limit, and there is no slack to handle the still increasing workload. Our principal commercial officers find themselves pretty much deskbound and unable to get out to make the personal contacts so important to trade promotion. In both London and Bangkok, it is apparent that additional help must be provided to cope with the extra load on the commercial staff which will result from the establishment of permanent trade centers. In these circumstances, we must fund a substantial increase in commercial officers and supporting staff this year if we are not to provide further ammunition to those who advocate a separate commercial service.

I also had occasion to discuss with our top people and others the proposal to provide special commercial advisers to operate on the regional basis. Practically all of the people with whom this was taken up were enthusiastic about the idea, including commercial attaches who are presently on loan from the Department of Commerce to the Foreign Service. Specifically, Ambassador McClintock of Lebanon thinks that such a special commercial adviser in Beirut could serve a most useful purpose. Similarly, Ambassador Dowling in Bonn believes this is an excellent idea and thinks that we should have at least two such advisers in Europe. He would be pleased to have one of them stationed in Frankfurt which is a logical location, being both an airline crossroads and a large commercial center. Ambassador Young would like to have one stationed in Bangkok.

**442. Memorandum of Conversation, Paris, May 29, among Ball and his EEC Counterparts<sup>1</sup>**

May 29, 1961

UNDER SECRETARY'S TRIP TO EUROPE  
May 15–June 4, 1961

SUBJECT

Textile Problem

PARTICIPANTS

*United States*

Under Secretary Ball  
Ambassador Tuthill  
Mr. Jacques  
Mr. Diebold  
Mr. McClellan  
Mr. Boochever  
Mr. Stibravy

*Austria*

Mr. Dienzl, Director of Textile Department  
Ministry of Commerce  
Ambassador Carl H. Bobleter, Head of Delegation  
to OEEC

*Belgium*

Mr. P.A. Forthomme, Ambassador, Administrator,  
Director-General Ministry of Foreign  
Commerce  
Ambassador R. Ockrent, Head of Delegation to  
OEEC  
Mr. Bassett, Delegation to OEEC

*Netherlands*

Mr. van Oorschot, Director-General for  
International Economic Relations, Ministry for  
Economic Affairs  
Mr. Kruijtbosch, First Secretary, Trade Officer in  
Delegation to OEEC

*Switzerland*

Mr. Albert Weitnauer, Minister Plenipotentiary,  
Delegate of the Federal Council for  
Negotiations, Dept. of Public Economy  
Ambassador Soldati, Head of Delegation to OEEC  
Mr. Claude Caillat, Assistant to Mr. Weitnauer  
Mr. Begle, Swiss Delegation to the OEEC

Mr. Ball outlined the textile problem as seen in Washington and made the following points:

- a) the need for orderly development of international trade in textiles to avoid pressures for import controls in industrialized countries that might frustrate expectations in developing countries regarding their ability to earn foreign exchange from such exports;
- b) the domestic political importance of the problem in the US;

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<sup>1</sup> "Textile Problem." Confidential. 5 pp. Department of State, Conference Files: Lot 65 D 366, CF 1874A.

c) the desire of the US Administration to avoid unilateral imposition of quotas on textile imports that would represent a setback for liberal commercial policy;

d) the general nature of the multilateral arrangement which we hoped could be established for dealing with the problem.

Mr. Ball also noted that:

a) Canada, the UK, France, Germany and Italy had recognized the problem and the desirability of exploring some multilateral arrangement;

b) we were still exploring such questions as the precise framework in which further discussions could be carried on, and their timing;

c) cooperation between OEEC and GATT in this matter would be useful;

d) we must avoid any impression of "a color line in textiles" or ganging up by the industrialized countries.

Mr. Weitnauer (Switzerland) recalled that it had always been liberal in its treatment of imports from less-developed countries. As regards imports of textiles from Japan, Switzerland now has in effect a price control system which excludes from entry into Switzerland textiles whose prices are lower than average Swiss prices by certain fixed percentages. Switzerland has not invoked Article 35 of the GATT against Japan and imports from that country now account for 10 to 15 percent of Swiss domestic consumption. Switzerland maintains no special control on textile imports for the less-developed countries. As regards imports from Hong Kong these need present only proof of Hong Kong origin. Such imports have increased by 3 to 4 times over the past few years but have showed signs of levelling off recently. Switzerland's own textile industry was gradually shifting toward high priced specialty lines. Switzerland would be glad to join an international meeting on textiles as envisaged by the US.

Mr. Dienzl (Austria) noted that the problem raised by Mr. Ball was of great concern to Austria whose textile industry employed 25 percent of the Austrian labor force. Imports from OEEC countries have risen by 30 percent over the past year. Even with respect to imports from less-developed countries, Austria was an important buyer, taking imports from such sources to the amount of 82 percent per capita per annum compared with \$1.40 in the US, 22 cents in Germany and 3 cents in Italy. Austria felt it necessary to maintain certain restrictions on textile imports, which were applied on a nondiscriminatory basis. It was difficult to see whether it would be possible to reduce these restrictions particularly in view of the fact that Austria's imports from the OEEC area were increasing steadily while their exports were not doing so well.

Mr. Forthomme (Belgium) noted that the textile problem, along with the wider problem of imports from low-wage countries, was

taking a lot of time of the Common Market people in Brussels. However, it had not thus far been possible to develop an agreed view. Various schemes had been considered, but all had disadvantages as well as advantages. As far as Benelux was concerned it maintained a reasonably liberal policy on textile imports. In addition, it had developed an arrangement with Japan under which the Japanese limit exports to Benelux, principally cloth.

Mr. Forthomme emphasized that it would be a great advantage if a common solution could be worked out in agreement with exporter countries. Such solution could provide a pattern of cooperation not only on textiles but also on other manufactured products from low priced countries moving in international trade. He expressed the personal view that restrictions on textile imports, even if these were developed in agreement with the exporting countries, were not the real answer to the problem. For example, it would introduce a significant amount of control into international trade with undesirable long term implications for the liberal commercial policy written into the GATT. Another argument against this approach was that the low prices at which even limited quantities might be permitted to enter importing countries would not benefit either exporters or consumers, but would simply provide windfall profits for the middleman. The scheme of "managed" textile trade outlined in the paper circulated informally by the US did not take into account the situation of other textile manufacturing countries. Many of these such as Mexico and Colombia, have their own well-established textile industries, but continue to maintain severe restrictions on textile imports. These should not be left out of any multilateral textile agreement. Mr. Ball agreed that provision should be made for entry into the world market of new textile exporters and that account must be taken of the possibility of shifts of textile production from countries which are now important exporters to other areas.

Mr. Forthomme thought that perhaps the problem might be dealt with through the imposition of some kind of import tax designed to eliminate substantial price differential between textiles produced, for example, in Hong Kong and those produced in Benelux. Such import levies might be negotiated with the exporting countries and the proceeds could accrue to a fund on which the exporters could draw for basic development projects. In this connection, the low wage position of the less-developed countries could be presented not as an advantage, but as the result of unfortunate circumstances which meant that these countries were not getting the full benefit of their labor. The development fund financed by special charges on low cost textile imports could help these countries attain greater benefits from the use of their labor force.

Mr. van Oorschot (Netherlands) noted that the Benelux allowed practically free entry of textiles, except from Japan with whom they have a special control arrangement. Mr. van Oorschot wondered whether it was intended to discuss the problem of all textiles or only some categories. Mr. Ball replied that we regarded this as primarily a cotton textile problem. Mr. van Oorschot felt that the kind of arrangement being suggested did not really represent liberal commercial policy but rather "managed international trade." He wondered whether this would serve as a precedent for other manufactured goods exported by low wage countries. Mr. Ball replied that the exercise on textiles should not necessarily be regarded as a precedent for anything, but simply as an exercise designed to avoid retrogressive steps in the field of textile trade. While a completely liberal solution was not realistic for the foreseeable future, the US objective was to preserve as much liberalism as possible by building into any multilateral agreement possibilities of growth textile exports from less-developed countries. Mr. Ball agreed with the comment of Mr. van Oorschot that we should continue to present our long term objectives in this respect in terms of liberal commercial policy.

Mr. Forthomme (Belgium) felt that, if we must envisage quantitative restrictions as part of a multilateral arrangement on textiles, these should be part of a long term scheme aimed at replacing them with something else. While he recognized that we would have to use the GATT for this purpose, he felt strongly that the OEEC should first be the site of informal consultations among importing countries. Mr. Ball agreed that, because of the sensitiveness of other GATT members, it was necessary to utilize the GATT as the meeting ground of importers and exporters. Such meetings could be preceded by further ad hoc consultations among consuming countries to explore various possible formulae which might be advanced at the GATT meeting.

Ambassador Bobleter (Austria) argued that the importers should have thorough informal consultations in the OEEC before taking up the matter with exporting countries. When Mr. Ball referred again to the problem of avoiding suspicion on the part of other GATT countries, Mr. Forthomme noted that this raised a long-term problem of relations with the less-developed countries. He felt that, if these were to object each time the OECD looked at relationships with the less-developed countries, the Organization would not be able to do much in this direction. He again urged that the importing countries first thrash out the problem. He was not trying to "fix things up," but felt that prior consultation among importers was essential.

Mr. van Oorschot felt that conflict between the OEEC/OECD and other GATT members should be avoided and suggested that preliminary consultation among importers might be carried on in an *ad hoc*

group. Then it might be possible to consider a joint OECD/GATT meeting as had been previously suggested. Ambassador Bobleter again argued that preliminary consultation should take place in the Organization in Paris. If this were not done, it would be clear that important trade problems would not be dealt with in OECD. He noted that it would be difficult for Austria to make any trade moves on a global basis if European trade questions remained unsolved. Ambassador Ockrent noted that it would be difficult to set up a restricted group in the OEEC to discuss textiles.

Ambassador Tuthill suggested that it might be desirable first to have a public announcement of the textile meeting to be held in Geneva, before convening an *ad hoc* meeting of importing countries. This would clearly stamp the importers meeting as preparatory to full scale discussion between importing and exporting countries. Mr. Forthomme suggested that the US circulate a new paper which would summarize the reactions obtained by Mr. Ball to the US proposals during his current visit to Europe and any new thoughts the US might have in view of these reactions. This paper might serve as the basis for further discussion among importing countries.

In response to a question as to the results of his various talks, Mr. Ball stated that, in general, the indications were that the various countries were prepared to cooperate in exploring the problem along with possible solutions, including the procedural arrangements which might serve as the framework for discussion.

Mr. Forthomme suggested that perhaps the paper to be prepared by the US might be submitted for consideration to the OEEC Steering Board for Trade in order to obtain the reaction of the expert members of the Board. This might be a prelude to the meeting of the importing countries discussed above. The discussion closed with the comment that if any such consideration of the paper were to take place in the OEEC, it would be better to use an informal group rather than the Steering Board. In any case, the question of precisely how consultation among importers would take place needed further thought.

June 1961

**443. Memorandum of Conversation, June 19, between Ball and Nobuhiko Ushiba, Economic Affairs Bureau, Foreign Office, Japan<sup>1</sup>**

June 19, 1961

SUBJECT

Textiles

PARTICIPANTS

*JAPAN*

Mr. Nobuhiko Ushiba, Director, Economic Affairs Bureau, Foreign Office

Mr. Akira Nishiyama, Minister, Embassy of Japan

Mr. Nobuyuki Nakashima, First Secretary, Embassy of Japan

*UNITED STATES*

Mr. George W. Ball, Under Secretary of State for Economic Affairs

Mr. J. Robert Schaetzel, Special Assistant, Office of the Under Secretary for Economic Affairs

Mr. Edwin M. Martin, Assistant Secretary for Economic Affairs

Mr. Sidney B. Jacques, Director, Office of International Resources

Miss Edelen Fogarty, Commodities Division, Office of International Resources

Mr. Clifford C. Matlock, Economic Special Assistant, Bureau of Far Eastern Affairs

Mr. Leonard Bacon, Acting Director, Office of Northeast Asian Affairs

Miss Thelma E. Vettel, Special Assistant, Office of Northeast Asian Affairs

Since Mr. Ball was delayed at another meeting, Mr. Schaetzel opened the discussion with a brief description of the U.S. domestic political situation and its relationship to the textile problem. He described the pressures being exerted by influential members of the Congress and the textile industry for unilateral U.S. restrictions on textile imports. He then referred to the President's seven-point statement of May 2 on textiles, with particular reference to point 6 calling for an international conference of major importing and exporting countries to consider the textile problem.

At this point Mr. Ball arrived. Mr. Ball expressed the view that it was indispensable to the solution of the textile problem that the consuming countries provide an expanding market for textiles. It would be necessary, therefore, to persuade some of the major European countries to accept this principle and to try to work out a formula which

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<sup>1</sup> Discussion of textile problem. Confidential. 4 pp. Department of State, Central Files, 110.12BA/6-1961.



would permit a progressive increase in the acceptance of textiles. Noting the increasing number of textile producing countries throughout the world, Mr. Ball said that to avoid closing the market for textiles the problem must be worked out multilaterally. He said the U.S. would attempt to be as liberal as possible and to take Japan's restraint into account. The alternative would be to let the situation go, and Mr. Ball expressed serious doubt as to our ability to prevent a deterioration of the situation.

Mr. Ushiba agreed that a reasonable solution could be found only in a multilateral way, as long as provision is made for experience and equitable treatment for the exporters. He said the Japanese attach great importance to the proposed international meeting and that it is receiving serious consideration in Japan. The Japanese Government and industry have formed a council to prepare for the meeting. Mr. Ushiba pointed out that many pressures are exerted on the Japanese Government on this question.

Mr. Ushiba said that Japan has long experience in dealing with the European countries on the question of import restrictions. Based on that experience the Japanese see a great deal of difficulty in the path of the conference. He said the Japanese hope the conference will succeed and are very conscious of the bad effect its failure would have on world trade. Therefore, Mr. Ushiba said, so long as the conference moves in the right direction, the Japanese will try to cooperate to the best of their ability.

Mr. Ushiba said he doubted whether the European countries were ready to help expand the textile market. He added that of course they would pay more attention to the U.S. and much would depend on the policy of the U.S. According to Japanese experience, however, the European countries are sometimes very unreasonable and the Japanese believe the conference will not be easy.

Mr. Ushiba expressed the view that so long as the basic idea of quota restrictions is maintained there is no reasonable basis for determining amounts, etc. As a basic principle, he said, the right approach should have full liberalization as a target. There might be a period of preparation and then liberalization across the board. After liberalization, in the event of market disruption, he said, there are safeguards under the GATT, and if they are not sufficient, the Japanese are ready to discuss other means to safeguard and help restore equilibrium. He said that the fear of European countries that opening the gates would result in an immediate flood of imports from Japan is not justified. In his view those countries should follow the example of Canada and the U.S.

In the coming conference, Mr. Ushiba said, this principle should be stated. Otherwise the Japanese see no usefulness in discussing levels of imports or some interim agreement. With this in mind the Japanese will cooperate to make the conference successful.

Mr. Ushiba added that there is a tendency to treat the European countries as a bloc and give the member countries some preferential status. This Mr. Ushiba believed was not right but the Japanese do not object to a European community taking form so long as their conventions comply with the GATT. Mr. Ushiba said, however, that with respect to textiles, it would be very unfortunate for the European countries to meet before the international conference to build a united front giving the non-European countries a fixed level.

Mr. Ball responded that that was not our intention in convening the meeting of major European consuming countries. The purpose is to try to persuade them to provide for expansion. Mr. Ball believed it was better to get together with them first.

Mr. Ushiba said the objective as stated by Mr. Ball would give comfort to the Japanese. He pointed out that Portugal and Spain are exporting countries; therefore there is no reason for treating European countries differently. He said the textile problem should be studied in its entirety and the underdeveloped countries should be consulted.

Mr. Ball said we were trying to introduce an element of rationality to the textile problem. Mr. Martin said we draw the line between primarily importing and primarily exporting countries rather than between European and non-European countries.

Mr. Ushiba observed that the Japanese are regularly negotiating with France, Italy, Norway, etc. on these matters. He said the Japanese may be able to furnish the U.S. with some useful information stemming from this experience.

Mr. Ushiba expressed gratification that Mr. Wyndham-White was coming to the Washington meeting. Mr. Nishiyama expressed some concern over EEC participation in the Washington meeting.

Mr. Nishiyama asked what made Mr. Ball believe the forthcoming meeting would be successful. Mr. Ball responded that it was the general concern of the European countries that unless the problem can be worked out under a multilateral arrangement it would mean unilateral quotas in the U.S. He said our European friends are interested in helping us avoid this.

Mr. Ushiba said Japan is also concerned about the possibility of unilateral U.S. quotas.

Mr. Schaetzel said that in Bonn the Germans had indicated that they were having trouble with their industry over their efforts to liberalize, and they welcomed this approach.

Mr. Ball said a multilateral approach helps producing countries with their industries. He pointed out that we are using a multilateral approach in increasing our aid to less-developed countries. Now we are saying that new producers need markets. Mr. Martin observed

that any one country attempting to liberalize feels that everyone will concentrate on it; a multilateral approach makes this easier.

In response to Mr. Nishiyama's question Mr. Ball said no formulae or figures had yet been developed. He said this was a difficult and complicated problem.

Mr. Nishiyama observed that before World War II Japan had very difficult discussions with India on such a problem; now the problem is much more complicated. He added that there were some suspicions in Japan as to what kind of proposal would be made.

Mr. Ball closed the meeting with assurances that the Japanese would be kept fully informed as to the meeting in Washington.

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#### 444. Letter from Hodges to Bowles, June 21<sup>1</sup>

June 21, 1961

Dear Chet:

I have your letter of May 26, setting forth the views of the Department of State relative to the establishment of a separate Foreign Commerce Corps as proposed in S. 1729, a bill introduced into the Senate of the United States by Senator Engle.

I agree with you that advancements have been made in our approach to the commercial work performed by the Foreign Service of the United States in recent months. There remain, however, important fundamental weaknesses which are most difficult of solution under the present system.

The President has asked me "to provide emphatic leadership to American industry in a drive to develop export markets." Present administrative arrangements do not give us in the Department of Commerce the resources needed to carry out this important and difficult responsibility. In my contacts in several embassies in recent months, as well as my constant contacts with American exporters, I find a great lack of strength as well as interest on the part of our commercial people. I think we both need to take a "new look."

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<sup>1</sup> Establishment of a separate Foreign Commerce Corps. No classification marking.  
1 p. Department of State, Central Files, 411.0041/6-261.

It is my understanding that Senator Engle is determined to go ahead although none of our people have given him any encouragement to do so.

Sincerely yours,

**Luther Hodges**  
*Secretary of Commerce*

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**445. Memorandum of Conversation, June 21, between President Kennedy and Japanese Prime Minister Ikeda<sup>1</sup>**

June 21, 1961

SUBJECT

International Economic Groupings and US-Japan Economic Relationships

PARTICIPANTS

*U.S.*

The President

Mr. James J. Wickel—LS/I

*Japan*

Prime Minister Ikeda

Mr. Miyazawa, Member, House of Councillors, Japan

The President introduced the subject of the OECD, pointing out that the United States consulted fully with Japan before becoming a member. In spite of Japan's great desire to enter the OECD the President did not think this to be the best time to press for admission. The President described the European nature of the institution and its attempt to involve the United States and Canada in its affairs, but pointed out that Japanese membership in the OECD would naturally lead to a demand by the British for admission of Commonwealth nations such as India, Pakistan and Australia, thus destroying its basic character. The President expressed a preference for leaving the matter in abeyance for awhile.

The President commented on the role of the OECD in promoting the flow of capital among its members and wondered if it might not be desirable to establish a similar organization to do the same in non-

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<sup>1</sup> "International Economic Groupings and US-Japan Economic Relationship." Secret. 3 pp. Department of State, Conference Files: Lot 65 D 366, CF 1914.

European areas. The President indicated that the United States would consider such a proposal carefully.

The President noted that an inquiry by Japan on the question of Japanese admission to the OECD had been received prior to the Prime Minister's visit but pointed out again that the Atlantic nature of the organization would be basically altered by the admission of Japan, which would open the door for applications by other Commonwealth nations.

He explained that most European peoples view the OECD as a means to promote greater unity in the Atlantic Community. Therefore, he concluded that it might be better to leave the matter in abeyance and instead, during the summer and fall, consider the establishment of a similar organization for the other Free World nations.

The Prime Minister noted that Japan is asked to join organizations which finance projects in underdeveloped nations, for example the DAG, but is excluded from trading blocs. He considers this to be most unfair. Should Britain enter the Common Market he feels that Japan's trade position will deteriorate since such membership will no doubt lead to greater restrictions against her.

The President noted that British membership would pose a problem for the United States as well as Japan, as would the development of a Latin American trading bloc, both of which would decrease America's export market. Perhaps trade could be increased with the former French colonies of Africa in place of the Latin American market.

However, the President felt that the integration of West Germany into the economic life of Europe is sufficient reason to support the development of the Common Market, because the orientation of post-Adenauer Germany is as yet unknown. He admitted that the United States would have to make a sacrifice to achieve this purpose and recognized that Japan's sacrifice might be greater. In any event, these matters could be discussed with Mr. Ball.

The Prime Minister expressed particular pleasure with the establishment of the Joint Economic Committee. He also expressed his own and his nation's appreciation for the generous manner in which the United States had negotiated a settlement of the troublesome GARIOA EROA problem. Referring to the importance of Japanese-American trade the Prime Minister emphasized his view that the United States offers the greatest possibility for expansion of Japan's export market.

The President assured the Prime Minister that the United States values all trade, including that with Japan. He reaffirmed the free-trade position of his administration and his intention to encourage trade liberalization. The President noted that American reciprocal trade legislation will be up for renewal by Congress next year, and observed that

American cotton exporters do not articulately support such legislation despite the fact that they export more cotton to Japan than this country's total cotton textile imports. Since those American manufacturers who are affected by imports are most articulate and energetic in their public opposition to it, the President forecast difficulty in securing renewal of the legislation next year. He emphatically stated his endorsement of liberal trade and promised to do his utmost to secure passage of the extension.

(At this point the President himself drew a graph, charting the constant level of Japanese imports from 1957 to 1961 under voluntary export controls in contrast to the sharply ascending line of imports from Hong Kong, which have this year surpassed those from Japan.)

The President considered this to be a most serious situation because of its inherent inequity. He indicated that demands for relief by the depressed American textile industry are a source of concern to him, for these articulate demands are focused on Congress. He promised to do his best to maintain a liberal trade policy in both the national and the world interest.

The Prime Minister explained that Japan has embarked on a ten year program to double the national income. As advances are made Japan will increase her imports from the United States from the present \$1.5 billion level annually to \$3 billion annually at the completion of the program. The Prime Minister doubted that Japan could increase her purchases in the United States without reciprocal sales.

The President promised that Under Secretary Ball would maintain a continuing interest in this matter. He regretted again that those who benefit from liberal trade policies remain silent in politics while only those who are adversely affected are articulate. He hoped to find a way to stimulate an articulate reaction by those who benefit from their exports to Japan.

**446. Memorandum of Conversation, June 21, between Rusk and Japanese Foreign Minister Kosaka<sup>1</sup>**

June 21, 1961

SUBJECT

Liberalization of Trade and Payments

PARTICIPANTS

*Japan*

Mr. Zentaro Kosaka, Foreign Minister  
Mr. Shigenobu Shira, Deputy Vice Minister for Foreign Affairs  
Mr. Toshiro Shimanouchi, Counselor, Ministry of Foreign Affairs  
Mr. Koichiro Asakai, Japanese Ambassador to the United States  
Mr. Nobuhiko Ushiba, Director, Economic Affairs Bureau, Ministry of Foreign Affairs  
Mr. Akira Nishiyama, Minister, Embassy of Japan  
Mr. Tadao Kato, Counselor, Embassy of Japan

*United States*

Mr. Dean Rusk, Secretary of State  
Mr. Chester Bowles, Under Secretary of State  
Mr. Edwin O. Reischauer, United States Ambassador to Japan  
Mr. Walter P. McCaughy, Assistant Secretary of State for Far Eastern Affairs  
Mr. Paul Nitze, Assistant Secretary of Defense for International Affairs  
Mr. Leonard L. Bacon, Acting Director, Office of Northeast Asian Affairs  
Captain John J. Reidy, USN, Assistant to Director, Far East Region, International Security Affairs, Department of Defense  
Mr. Richard L. Sneider, Officer-in-Charge, Japanese Affairs, Dept. of State  
Mr. James J. Wickol, Interpreter, Department of State

The Foreign Minister remarked that, as had been indicated in the course of the conversation between President Kennedy and the Prime Minister on June 20, he wished to discuss the question of Japanese liberalization of trade. Japan is hampered by low productivity and other difficulties. It is, nevertheless, anxious to accelerate its liberalization program. At the same time, the Japanese are concerned by the apparent rising tide of protectionism in the United States, particularly with respect to textiles which are observed to have considerable political ramifications. The United States Tariff Commission has already recommended increases in tariffs on such items as ceramic tile and plate glass. Such actions may be expected to create serious economic and social difficulties in Japan. In addition, it has been noted that there are various moves to exclude Japan-made goods from the United States. Japan appreciates the efforts of the United States Government to defeat

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<sup>1</sup> "Liberalization of Trade and Payments." Confidential. 2 pp. Department of State, Conference Files: Lot 65 D 366, CF 1914,

such moves in respect to woolen items. Nevertheless, organized labor is making strong efforts to limit the import of woolen suits. Finally, certain state laws appear designed to limit the use of imported articles. An example is Texas where the demand has been made that only American steel products be used in Texas highway construction. These moves give concern to Japan, and if Japan is to continue to liberalize its trade it would like to see the spirit of free trade observed on both sides for our mutual benefit.

The Secretary replied that it was certainly true that political sensitivity to imports is higher than in the earlier post-war period. This sensitivity has no special connection with imports from Japan. In fact, it dates back to the beginning of the Industrial Revolution. However, one factor which seems to suggest that this sensitivity is new is the circumstance that in the earlier post-war period our producers were not affected by competitive imports, since the industrial countries of the world, particularly in Europe, had been devastated. Now their industries have been restored and other industrial countries have entered the international market in a very vigorous fashion. We are impressed by Japan's enterprise. Problems have arisen which are not easy to resolve and which will probably continue to demand attention. Nevertheless, it is the firm resolution of this Administration to work toward general liberalization of trade because we believe that the world's economic health depends on an expanding trade. A "Great Debate" is expected in the coming year in Congress on our international trade policy. This should be helpful in acquainting the public with the issues. Unfortunately, our exporting industries are not so vocal as those industries which feel themselves hurt by imports. We appreciate the Foreign Minister's remarks, and questions raised by him are under review. There is, however, no question as to the policy which the United States wishes to pursue.

The Foreign Minister noted that a similar situation obtains in both Japan and the United States. In conclusion, he wished to point out that the United States favorable merchandise trade balance is some \$5 billion yearly, to which Japan contributes substantially. Japan's imports from the United States are actually increasing despite a continuing adverse trade balance with the United States. The Japanese Administration hopes to educate its people on the benefits of liberalized trade as does the American Administration.



**447. Memorandum of Conversation, June 23–June 24, between Jacques and Feldman<sup>1</sup>**

June 23–24, 1961

SUBJECT

Textiles—Congressional Letters to President

PARTICIPANTS

Myer Feldman, The White House  
S.B. Jacques, E/OR

1. As instructed by Under Secretary Ball, I telephoned Mr. Feldman on June 23 to inquire about the Congressional textile “petitions” which had been delivered to the White House that morning. Mr. Feldman asked me to stop in at his office the following morning for the letters.

2. On June 24, I called on Mr. Feldman. He handed over to me the two identical letters (copy attached) which had been received, one (Senate Committee on Appropriations letterhead) signed by 33 Senators and the other (Chairman of the House Armed Services Committee letterhead) signed by 122 Representatives. These letters criticized the Department’s plans for a multilateral arrangement on textiles.

3. Mr. Feldman said the letters had been delivered to him separately, by Senator Pastore in the one case and by Congressmen Vincent and Dorn in the other. He said he told them that they were being unfair to Mr. Ball in their criticisms; that Mr. Ball had simply given them a frank—perhaps, under the circumstances, too frank—appraisal of what he thought might come out of the negotiations; and that Mr. Ball was nevertheless not giving up but, instead, would try to get the most he could in the negotiations, perhaps even more than he currently anticipated. Mr. Feldman felt that, while he had not satisfied his visitors, he had nevertheless calmed them down.

4. On the question of replying, I mentioned that Mr. Ball was planning on drafting replies for the President’s signature. Mr. Feldman indicated some question as to the desirability of this. I said my impression was that, in view of the criticism and the accusations that he was not complying with the President’s directive, Mr. Ball apparently felt that the “laying on” of the Presidential hand at this stage was important to solidify his negotiating position. Mr. Feldman said his concern was at getting the President personally involved. I observed that this was really not a matter for me to discuss, and it was left on the basis that

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<sup>1</sup> “Textiles: Congressional Letters to the President.” Limited Official Use. 2 pp. Department of State, Central Files, 411.006/6–2461.

Mr. Ball would have the replies drafted as he thought appropriate and the matter could then be pursued by him.

5. In closing, Mr. Feldman said that he had told the Congressmen it would be important for Mr. Ball to have their support in his upcoming negotiations and urged them to provide such support.

October 1961

**448. Memorandum from Schaetzel to Ball, October 6<sup>1</sup>**

October 6, 1961

SUBJECT

Comments on Howard Peterson's Trade Legislation Proposals

Attached you will find a memorandum which sets forth Peterson's preliminary ideas on the trade program. Before reacting to these you will of course want comments from E. You will find it helpful to look over the record of the afternoon Consultant's meeting last Tuesday, and I call your attention to Ray Vernon's notes which he prepared at my request.

A few observations on Ray's notes—which apply as well to Peterson's proposals:

First I think it needs to be carefully considered how one handles this whole business within the Government. It seems to me that Peterson's essentially conservative notion of tactics ignores the atmosphere within which we must work in Washington, namely a constant process of chiseling away. The result of starting low, as Willard Thorp pointed out in the meeting, is that we would end up with a perfectly impossible proposition even before we present the matter to the Congress. I think this observation ought to be taken into account in reviewing the totality of Peterson's proposal.

Related somewhat to this point is the danger implicit in Peterson's retention of both the framework of the reciprocal trade agreements program and the peril point. It seems to me that the Congress and the protectionists are thus given an ideal opportunity to pump back into the legislation all the old and restrictive language, excising in the process the new ideas put forward. This is much what happened with the AID legislation.

You will also remember that when we were working over the Stevenson and the various task force reports we thought there was tremendous advantage in putting forward something new which would force the enemy to fight on new ground and in the process establish new positions. I am very fearful that the Peterson approach, while attempting to garner whatever residual support exists for the

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<sup>1</sup> Comments on Petersen's trade legislation proposals. Confidential. 2 pp. Department of State, Central Files, 411.0041/10-661.

“known evil” as contrasted to the “unknown”, ignores the extent to which he elects terrain highly favorable to the enemy.

I also attach importance to the point that Ray makes, namely, that the Europeans will act adversely and strongly to anything that smacks of the peril point procedure.

Finally, it seems to me Ray’s proposal that we should go ahead with this bill and if it becomes subject to crippling amendment then we withdraw it is basically naive. The loss of governmental prestige, the sense of victory which the protectionists would have, discouragement abroad, would put us in an absolutely impossible position to go back after the 1962 election.

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#### **449. Memorandum from Kaysen to Petersen, October 7<sup>1</sup>**

October 7, 1961

Your memorandum of October 4 sketches out a line of policy with which I am broadly in agreement. However, I come to a different conclusion than the one implicit in the memorandum about the extent to which it is desirable to continue some of the present forms under which the procedure of tariff negotiation operates, even though their substance is materially changed by redefining the standards under which they are applied. In part, this judgment rests on matters of substance. In part, it raises questions of the tactics of legislative action and public appeal. While I have my own sense of these tactical issues, I pretend to no political expertise, and I advance that part of my argument which rests on them with an appropriate measure of diffidence.

In my own judgment a new program would do better to dispense with the whole peril point procedure. Continuing the procedure with the modifications in the standards of its application that you propose can be justified on two grounds: first, that it provides an opportunity for those affected by tariff negotiation to be heard; second, that its removal would be bitterly fought by the protectionists in the Congress. There are other ways to meet the substantive issue. In particular, the Interdepartmental Trade Committee could arrange for informal consultation with interested businessmen in advance of a tariff negotiation.

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<sup>1</sup> Comments on Petersen’s trade legislation proposals. Confidential. 4 pp. Kennedy Library, Petersen Papers, Trade Policy Memorandum, Box 2.

These consultations need not result in formal findings or determinations, but would simply inform the negotiating officials as to what particularly sensitive or difficult problems might be. The absence of formal findings need in no way diminish the extent to which the responsible officials would take into account the information, but they would not be bound as they are now by the peril point procedure. The problem of injury to American business could then be handled after the negotiations by a combination of escape and adjustment assistance. I would suggest a provision that permitted injured industries to petition for escape and/or adjustment assistance in a period after one, and not more than four, years following a change in tariffs. The Tariff Commission would hear these petitions and, on a finding of substantial injury under the criteria proposed in your memorandum, could then recommend either a temporary import quota or a temporary rise in tariffs, or adjustment assistance, or some combination of these. This finding would then go to the President as it now does. It is important that the standard of injury be such that significant section of an industry, at least, be involved so that no small group of firms, or single locality should qualify. This method would have the virtue of substituting actual experience under the new tariffs for speculation as to their effect. This alone would be a great gain. Further, the fact that an interval of at least a year would have to pass before relief was asked would mean that affected businesses would be stimulated to make some attempt to adjust on their own, rather than be encouraged as they are now to foresee as many perils as their advisers can invent.

By contrast the peril point proceeding is bound to err on the side of caution, notwithstanding the proposed new standard which would take into account the total effect of a new trade posture rather than merely a change in duty on a particular commodity and which would be directed toward a finding of idling of facilities or displacement of workers. The Commission would still be required to draw conclusions from what were at best speculative forecasts. In these circumstances, all the pressures on them would be in the direction of caution, i.e., finding that a proposed change would in fact create injury.

Disclaimers of expertise in matters of tactics are usually made as cover for views thereon; mine is no exception. It seems to me that the protectionists in the Congress will in fact fight hard on whatever legislation is offered. In particular, if the peril point procedure is kept in, they will seek through a series of technical actions on the committee level to push it in its present direction. The President's problem in presenting new legislation is to get something which will rally the supporters of more liberal trade policy to a large positive effort. This is more likely to be achieved by broad changes in the form of the legislation than by redefinitions of technical criteria and procedural

changes. While the latter form a very good battleground for the experts in the Ways and Means Committee, they offer a very poor one for a public struggle. It is hard to see the League of Women Voters excited over the subtleties of industrial definition. Further, the fact that the technical battles have been fought and refought and, unfortunately by the same participants, further strengthens my preference for a larger measure of novelty.

On these, as well as on more general grounds, I am quite favorably struck by Kermit Gordon's suggestion that over and above the other features of the proposed new legislation, there be a clause giving the President power specifically to negotiate a broad trade treaty with the common market subject to the approval of both houses of Congress by concurrent resolution. It seems to me this does provide the new concept around which a dramatic appeal can be made. I would judge that it would be too risky to rely on this alone, and therefore that it should appear as an addition to a legislative proposal along the lines you have suggested, with such modifications as my and other comments lead you to adopt.

**Carl Kaysen**

#### **Attachment**

Dear Howard:

I attach a comment on your memorandum of October 4. I would be glad to discuss them with you at your convenience.

Since I will be leaving Wednesday afternoon for ten days or so, it perhaps would be better to try to set it up before then.

**Carl Kaysen**

**450. Summary Minutes of Interdepartmental Committee of Under Secretaries on Foreign Economic Policy, October 18<sup>1</sup>**

October 18, 1961

PRESENT

\*Mr. George W. Ball, Under Secretary of State for Economic Affairs (Chairman)  
Mr. Jack N. Behrman, Deputy Assistant Secretary for International Affairs,  
Department of Commerce  
Mr. Richard Caves, Assistant to the Special Assistant to the President  
Mr. Joseph D. Coppel, Director, Foreign Economic Advisory Staff (Executive  
Secretary)  
Mr. A.R. DeFelice, Deputy Assistant Administrator, Agricultural Trade Policy  
and Analysis, Department of Agriculture  
\*Mr. Henry H. Fowler, Under Secretary, Department of the Treasury  
\*Mr. Kermit Gordon, Council of Economic Advisers  
\*Mr. Edward Gudeman, Under Secretary, Department of Commerce  
Mr. Kenneth R. Hansen, Assistant Director, Bureau of the Budget  
Mr. Ralph Hirschtritt, Chief, British Commonwealth and African Division,  
Department of the Treasury  
Mr. John M. Kelly, Assistant Secretary, Department of the Interior  
Mr. John M. Leddy, Assistant Secretary, Department of the Treasury  
\*Mr. Charles S. Murphy, Under Secretary, Department of Agriculture  
Mr. Howard C. Petersen, Special Assistant to the President  
Mr. Morton Pomerans, International Activities Assistant, Technical Review Staff,  
Department of the Interior  
Mr. Myer Rashish, Assistant to the Special Assistant to the President  
Mr. Philip H. Trezise, Deputy Assistant Secretary for Economic Affairs,  
Department of State  
Mr. Leonard Weiss, Director, Office of International Trade, Department of State  
Mr. Leo R. Werts, Deputy Assistant Secretary for International Labor Affairs,  
Department of Labor  
Mrs. Ruth S. Donahue, Chief, Policy Reporting Staff, Office of Assistant  
Secretary for Economic Affairs, Department of State (Recording Secretary)  
  
\* Member

DISCUSSION

*Trade Program.* Mr. Ball asked Mr. Petersen to speak about his trade proposal and the representatives of the various Departments to express their views.

1. *Petersen Proposal.* Mr. Petersen assumed that those present were familiar with the proposals set forth in his memorandum of October 4. The memorandum was sent to the Departments most concerned and Mr. Petersen has since had discussions with them. There was a large

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<sup>1</sup> Discussion of Petersen proposals. Official Use Only. 6 pp. Department of State, E Files: Lot 65 D 68, ICFEP, Trade Proposal.

degree of agreement to many of his proposed features—the quantum of authority, the term of five years, retention of the escape clause, the proposed change in criteria in definition of serious injury and the proposal for some form of trade adjustment assistance. There was disagreement, however, on retention of a modified form of peril point procedure, which several Departments thought would make impossible meaningful negotiations in the future. There was also a great difference of opinion on the tactics to be employed in getting legislation.

Mr. Petersen described the measure of modification he proposed. First, the new definition of serious injury (based on the idling of US labor and productive resources) would be applicable to peril point findings as well as to escape clause proceedings. Second, by putting peril point findings in a different context in the negotiations (against an internationally agreed goal), it is hoped there would be a change in the peril point findings. While it is impossible to predict the effect the new criteria and different context would have on Tariff Commission findings, at least a new reason would have been given to forsake the path of the past. Also, with adjustment assistance and the escape clause, lack of peril pointing is not necessarily fatal to an affected industry. Third, if the Commission did do excessive peril pointing, the President would still be able to free his hands for international negotiations by doing a massive breaching of the peril points on broad political grounds. Adjustment assistance and escape clause procedure could be brought into the act for the seriously injured.

Mr. Petersen felt it would be best to keep the formal hearing as an essential ingredient of our procedure as it has been since 1934; informal consultation with industry is no substitute for the more formal proceeding. He also favored the Tariff Commission as the agent for selection, believing that it would be almost impossible politically to attempt to have this done by the President, the Trade Policy Committee, or some other such forum.

As to tactics—whether the Administration should ask for more than it hopes to get and thereby get more than it would have otherwise or whether to go up on a modest basis—opinions differ sharply.

2. *Objections to the Proposal.* Mr. Leddy said the major objective is to get the sort of tariff negotiating authority we need to accomplish an effective negotiation with Europe (the Common Market as enlarged) which will adequately provide access for American products. Our experience indicates almost conclusively that the only way we can make an arrangement with the Six that will provide for American exports is the linear approach, which is the way the Europeans are cutting their tariffs externally and internally.

The problem Mr. Leddy has with Mr. Petersen's proposal is that it implies a selective process of tariff cutting. It would be a contradiction



for the President to recommend to Congress a peril-point procedure and then to have to make a major overruling of the peril point judgment in order to carry out the linear approach. If Congress thought the President had in mind a massive overruling, it would probably write in a provision preventing him from doing so.

Also, Mr. Leddy felt it would be nearly impossible to negotiate a tentative agreement multilaterally and then have the peril point procedure. Other countries would not put a reliable proposition on the table unless we could put forward a proposal on which they could rely. Mr. Ball agreed that we would be unable to get concessions in a negotiation if what we negotiate on our side is subject to subsequent peril point findings.

Mr. Leddy thought it would be a mistake to put the tremendous push that will be necessary to get trade legislation into something we are not convinced will do the job after we get it. Mr. Hansen of the Budget Bureau and Mr. Gudeman of Commerce endorsed Mr. Leddy's approach.

3. *Adjustment Assistance.* Mr. Fowler said the thing to do is to make application of peril point procedure the trigger for adjustment assistance. Instead of going back and modifying our offers, we could take adjustment action at home. The question is when and under what circumstances trade adjustment would begin to apply. What is the area of tolerance? What are the changes that everyone should take as a part of the general burden and the price for the general opportunity of getting our products into the Common Market? Adjustment aid, as he saw it, would just take care of the peaks of displacement.

Mr. Hansen asked how we would put a budgetary price on adjustment assistance. He thought it would be most difficult to estimate and that we would be asked by Congress just how much assistance we mean.

Mr. Ball said the discussion pointed up the need to get recognition that there is a degree of adjustment which must be borne before aid is given. People must think of adjustment as a normal thing, but know there is a point at which the Government will come to their assistance.

Mr. Werts commented that when unit costs abroad are very substantially below US unit costs, that is where injury occurs. Ruttenberg (AFL-CIO), however, sensibly does not want differences in wage rates and costs associated with the tariff mechanism. He considers it more desirable to have GATT and ILO exhort countries to improve the income of workers.

4. *Need for New Terminology.* In his original presentation Mr. Petersen criticized the present terminology—the impreciseness of “peril,” the strong implication of “breaching” peril points. This discontent with terminology was reflected throughout the discussion.

Mr. Ball said he felt we would do ourselves a great disservice by accepting the present terminology and he thought serious consideration should be given to changing it. This view was pretty generally endorsed. A suggestion was made that an industry incurring "serious injury" might instead be considered "eligible for adjustment assistance." In reply to the suggestion that the new terminology might be related to export expansion, Mr. Petersen said export expansion did not encompass the whole objective, including the problem of expanding the trade of LDC's; that actually economic growth is the idea. He doubted whether, in the short time we have available, we could educate people to new ideas and concepts.

Mr. Ball said if the terminology is simplified, the educational process might be made easier. Mr. Gudeman felt it essential to use new terminology. Mr. Hansen said that export expansion has a one-sided sound; what we are talking about is adjustment to changes in trade patterns.

5. *Need for New Concept.* Mr. Hansen pointed out that there is a significant difference between our objectives in the past legislation and our objectives now. Whereas before our objectives have been liberalizing and expanding trade, we are now faced with a particular thing happening in the world (the Common Market) which calls for very consequential changes and we are asking for authority to accomplish something that isn't really spelled out yet. Our past trade relationships were in the context of our being the greatest market in the world; now we are confronted with a market potential much larger than ours and in an area which has a higher growth rate. There are opportunities for American products and in many ways these are greater than we can offer foreign producers. If we are forced to use the tools of the past with only minor changes, we will not have equipped ourselves with the implements necessary to enable American producers to take advantage of the opportunities. Therefore, they will export capital rather than goods, and that could be fairly disturbing for our economy.

Mr. Ball said we have to get recognition that the trade legislation is an effort to enable American industry to meet the challenge of the new market or else face the dangers it poses for us. This merits a departure from old concepts. We have to argue that the European integration movement presents a challenge not only to our industry but also to our political leadership. We must make clear to labor that it must accept the need for local adjustments which are necessary counterparts of the opportunities to establish markets for our products.

Mr. Gudeman agreed that we must mount a whole new program. It is essential to have new ideas, new terminology and a publicity campaign as soon as possible aimed at businessmen as well as at Congress. If there is enough time to put it across at the next session,

fine. If there isn't, we should not go up with a program at this time, as it is so important. We must have a new concept; there is very little understanding of the Common Market problem.

Mr. Kelly said Interior did not think we could put forward a "rehash"—we must have something new and different to offer.

6. *Form of Agreement.* There followed some remarks on the possible form of agreement—treaty, executive agreement, enabling legislation, etc.

Mr. Gordon said he was under the impression the President needed no further authority to negotiate an agreement ad referendum and submit it to Congress for action by both Houses. That would make it possible to dramatize the issue in simple form and convey the meaning of the action to the public in a way in which renewal of authority, with its technical issues, never would. If the public begins to see that Europe is moving ahead and we are drifting away and that this has disturbing economic and political implications, this kind of a negotiated agreement could appeal to the country and to Congress. It is this kind of a political and psychological climate that has to be created to get what we want.

Mr. Ball said it would be folly to talk about merging two major trading areas (the expanded Common Market and the US) as that would do violence to our relations with the rest of the world. He thought it would be possible to draft a piece of legislation which would have a new look but which would not be so far from the basic idea of reciprocity.

7. *Political Considerations.* Mr. Gordon recalled that the history of the Trade Agreements Act has been one of progressive limitation. Protectionism in Congress is stronger today than ever. There is even a semi-respectable argument for protectionism—the balance-of-payments deficit. How do we propose to reverse this historical trend? We should address ourselves much more directly to what we can do to this proposed agreement with the Europeans to give it an appeal it does not now possess.

Mr. Murphy said that agriculture's interest in export markets is very great and that this interest might be sufficient to mobilize support.

Mr. Ball asked whether it isn't possible that, with the expansion and rate of development of the Common Market and so much energy and capital being employed, the American market is not likely to be injured seriously by the Common Market procedures in the next few years. This might be worth looking into to see if we could relieve some anxieties. Also, Mr. Ball thought Treasury should look into the possibility, from a balance-of-payments standpoint, of stimulating the import of capital into the US. We must make the point to labor, he continued, that one way it can protect itself from American industry

sending its capital abroad for production there rather than in the US would be to make possible exports at advantageous prices and that this can be done only by tariff negotiations. If we can make them understand this, we have a fairly appealing argument.

8. *Conclusion.* Mr. Ball said the main purpose of the meeting had been to have a discussion and that was accomplished. He would find it most difficult to give the consensus of the meeting.

**Joseph D. Coppock**  
*Executive Secretary*

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**451. Memorandum from Ball to President Kennedy, October 23<sup>1</sup>**

October 23, 1961

SUBJECT

Obtaining the Tools Necessary to Meet Our Negotiating Requirements in a Trading World Undergoing Revolutionary Changes

Mr. Petersen's memorandum ably argues the proposition that you should request the next Congress to extend existing trade agreements legislation with modifications to reduce the restrictive effect of the "peril point" machinery. Mr. Petersen bases the case for staying generally within the traditional pattern on the contention that this is the most authority that can be obtained in the present atmosphere of conservatism and protectionism.

I do not agree with Mr. Petersen's underlying assumption or with the proposals that he erects upon it. I am convinced that a more radical approach might yield better tactical results. Even granting that Mr. Petersen is correct in his pessimistic appraisal as to what Congress might ultimately accept, I feel moreover that it would be unwise to concede so much at the outset.

But the issue does not have to be posed with such narrow options. The times and the circumstances call, I feel, for a quite different approach.

I urge, therefore, three propositions:

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<sup>1</sup> Trade legislation: Ball's counterproposal. Confidential. 15 pp. Department of State, Central Files, 411.0041/10-461.

1. The mere renewal of negotiating authority within the structure of traditional trade agreements legislation, even though modified as proposed by Mr. Petersen, is not good enough for our purposes. It would not provide us with the powers we need if the United States is to make full use of the opportunities and avoid the dangers implicit in the newly emerging trading world.

2. The requirements of this new trading world make it necessary for the Executive to be equipped with a whole new arsenal of tools.

3. The Administration should not seek new trade agreements authority in the 1962 Congressional session. We should devote the next year to an intensive education of the American people and the Congress in the nature and significance of the new world trade patterns that are now emerging. As soon as those patterns become clearly defined, we can design the tools we need, tailoring them so as to enable us to deal effectively with these new conditions. We should request the legislative authority for such tools in the 1963 Congressional session.

## I

### THE CONDITIONS OF WORLD TRADE ARE RADICALLY CHANGING

Between now and the end of next year the following developments will shape a new trading world:

(A) *The British Government's application for membership in the European Community will, if successful, unite the major trading nations of Western Europe in a single vast market.* The conditions for trade negotiations will this be fundamentally altered.

Traditionally the process of negotiating industrial tariffs has been characterized by a large number of nations each seeking to make a satisfactory bargain with the nation that is the principal supplier of each product. The results have been generalized through the application of the most-favored-nation principle.

In the new trading world the principal suppliers of the greatest proportion of industrial products will be contained within two markets—the United States and the expanded EEC. The task of American negotiators will be to trade off reductions in the common external tariff of the expanded EEC against reductions in our own trade barriers, while again applying the most-favored-nation principle.

We shall never achieve our objectives if our representatives are limited to trading on an item-by-item basis. The internal tariffs of the expanded Common Market are being eliminated by a phased series of across-the-board cuts. If the differential between external and internal tariffs is to be substantially lowered (and we must reduce this differential if we are to avoid having our exports placed at a major disadvan-

tage) the common external tariff of the EEC must also be reduced on an across-the-board basis. This in turn requires across-the-board action on our part.

It is impossible to achieve this result if on our side we retain the obsolete machinery of "peril points" as Mr. Petersen recommends. The use of peril points, no matter how liberally defined, would inevitably require highly selective, product-by-product tariff negotiations inconsistent with an across-the-board approach.

*(B) Over the next year, trade in agricultural products, both temperate and tropical, will become a major issue in international relations. Trade agreements legislation in the traditional pattern is neither relevant nor adequate to deal with these products.*

Two developments are bringing about this situation:

First, the arrangements for the adherence of the United Kingdom to the Common Market necessarily involve a solution of the highly complex problem of Commonwealth preferences. These preferences affect both temperate and tropical agriculture. Their solution is related, in turn, to the system of preferences presently extended to the Associated Overseas Territories of the Common Market.

These preferential systems must ultimately be eliminated in order to avoid discrimination against our domestic producers and producers in Latin America. Yet these preferential systems can be adequately disposed of only if we are in position to cooperate in the development of global arrangements for important agricultural commodities. We began exploratory negotiations along this line with respect to certain tropical products as early as last February. Within the past fortnight we have begun preliminary talks regarding possible global arrangements covering key temperate agricultural products.

Second, Western Europe is on the verge of becoming a net surplus agricultural producer. The technological revolution in farming methods has already achieved this result for France. As the results of the revolution are more widely applied, both the United States and Europe will be spewing out surpluses to the remaining parts of the world, which, under present conditions, will be unable to pay for most of them.

The imminence of this problem requires that we work with European and other major agriculture producers, to arrange for the coordination of pricing policies. This is necessary if we are to protect our diminishing market position. In addition we must seek to establish the machinery for orderly marketing arrangements around the world and closely coordinated operations for the provision of surpluses on non-commercial terms to the underdeveloped nations.

Legislation providing the traditional pattern of reciprocal trade agreements powers would be irrelevant to, and thus totally inadequate

for, the pioneering task of forging a system of global agricultural arrangements.

(C) *The present decade of economic development is generating many new low-wage sources for primary commodities and industrial goods which must be accommodated in world markets. Their problems cannot be solved with traditional trade legislation.* The success of our foreign aid programs may well turn, in the case of a number of key countries, on the ability to solve their export problem.

To a large extent we hope to be able to meet the problems created by an improved production of primary products through global commodity arrangements. But, as is explained later, we shall also need a new bargaining mechanism for assuring that a wide range of raw materials from underdeveloped countries are granted free entry by the advanced countries.

The trading problems that will result from widespread industrialization will be even more sensitive and difficult than for primary products. I cannot overstate the pressures that will be generated as the underdeveloped countries pour out larger and larger quantities of labor-intensive manufactures onto world markets. We have had a foreshadowing of this problem in the case of textiles during this past year. I do not recommend that the pattern of the Geneva textile agreement should be generalized—it was merely an effort to make the best of a bad bargain. But the continuance of the existing pattern of trade-agreements legislation is clearly inadequate to deal with the problem.

## II

### TO DEAL EFFECTIVELY WITH THE CONDITIONS OF THE NEW TRADING WORLD WE SHALL NEED A NEW KIND OF TRADE LEGISLATION

The trade agreements legislation passed in 1958 authorized a twenty percent cut in tariffs over a period of four years. This was intended to enable the United States to negotiate reductions in the common external tariff of the EEC in phase with the reduction in internal tariffs as provided by the Rome Treaty. In practice, however, the bargaining authority of our negotiators was eroded away before the negotiations began. This resulted from the operation of internal procedures developed over the long history of trade agreements legislation, including the “peril point” machinery.

When bargaining began our representatives found themselves in position to offer tariff reductions equivalent to less than 5% cut in our industrial tariffs in exchange for the 20% across-the-board cut we were seeking in the common external tariff for industrial products of the EEC.

This one time we shall probably be able to achieve close to a 20% across-the-board reduction on industrial tariffs from the Europeans in



spite of the weakness of our own bargaining posture. But this will require a major breaching of "peril points" on our side. Besides, we cannot expect that the Europeans will be so generous with concessions in the future. Their current willingness to treat us liberally springs in large part from the fact that the United Kingdom and the EEC have a motive for reducing their industrial tariffs in cadence because they wish to facilitate the merger of the United Kingdom into the EEC trading system. But during the next year that merger should be consummated. Thereafter the expanded Common Market will have no similar incentive for generosity.

We should not, therefore, take much comfort from this experience. In order to protect American trading interests in the future we shall need a much more powerful piece of negotiating machinery than that offered by legislation in the traditional framework of the trade agreements act, even as modified by Mr. Petersen.

The drafting of legislation adequate for the new trading world will involve the radical revision of the concepts that have circumscribed our trading powers in the past.

Most important of all we must not merely redefine but, in fact, eliminate the concept of injury. I suggest the substitution of a new concept which might be called "absorbable adjustment".

The genius of a dynamic industrial economy is its adaptability. Our economy has adjustments forced upon it every day by changes in public taste, population shifts, the application of new technology, the refinement of automation techniques, etc. Compared with these normal adjustments those brought about by tariff reductions are marginal. The adjustments that would be required even if we were to eliminate industrial tariffs entirely would, in fact, be relatively small for the economy as a whole. But admittedly they would fall heavily on certain industries.

If we are to meet the demands of the times it is imperative that our new trade legislation recognize that the process of tariff reduction involves the acceptance of structural adjustments in individual industries. European industry already has accepted this concept, with some startling effects upon investment and innovation. For the most part the required adjustments take the form of the shift of resources from one type of production to another, design changes, the substituting of materials, etc.

Up to a certain limit of tolerance individual industries and companies might be expected to assume the burden of such adjustments for the good of the economy as a whole. This is the assumption implicit in many types of legislation—taxes, regulatory arrangements, etc.

Beyond that limit of tolerance the adjustments should be cushioned by the provision of Federal assistance to facilitate the conversion to



new types of production, the modernization of plant, the retraining of workers, etc.

Beyond a certain further limit it would probably be necessary to restrict, or at least to provide a long transition for, tariff reductions. And in addition a limited list of products, for one reason or another, might have to be dealt with by special agreement, as in the case of List G items under the Rome Treaty.

We should not deceive ourselves as to the need for this conceptual change. The opening up of the trading world will be possible only if we are able to secure the acceptance of the concept of “absorbable adjustment” by the United States industrial community. This acceptance implies a repudiation of the traditional concept of “injury”—and there is great reason for making this explicit. The very fact of forcing a debate in Congress on this new concept would be a means of educating the Congress and the American people to the requirements of an adequate philosophy for approaching the whole trade problem.

Other changes in nomenclature as well as concept would be useful. I have already recommended that the new legislation not be treated as merely an extension of the trade agreements pattern; I would, in fact, suggest that it should be given a fresh name. The new proposals might take the form of a “Trade Expansion Act”.

(A) *We may require legislative authority to negotiate global arrangements for agricultural products.*

An adequate trade bill should not be limited to creating a mechanism for a reduction in barriers to the movement of industrial products. It should provide the President with the authority he needs to undertake the kind of global arrangements for agricultural products both temperate and tropical which have been outlined earlier in this paper. Just what form this authority should take deserves further study as the form of such arrangements becomes clearer.

(B) *The new legislation should provide for dealing with the products of the less-developed nations.*

As has been mentioned before we must provide techniques for assuring access to world markets for the products of the less-developed nations. Two types of legislative authority may be necessary for this purpose.

First, we should have authority to bargain with other industrialized countries for agreements under which the industrialized world as a whole will provide free access for a wide range of raw materials produced for the most part by the underdeveloped nations south of the equator. This power would complement the powers to work out global agricultural arrangements which we have mentioned earlier.

Second, we should design new mechanisms for the orderly acceptance of an expanding volume of labor-intensive manufactures pro-

duced by the underdeveloped nations. The textile agreement was an improvisation and its techniques should not be generalized. But we should seek to devise longer-term plans that might be facilitated by new powers provided in a new trade bill. This is a problem of considerable urgency. It should be given a great deal of attention by the interested Departments of the Government.

### III

#### WE SHOULD POSTPONE THE SUBMISSION OF NEW TRADE LEGISLATION UNTIL 1963

##### *(A) Action Recommended.*

Instead of asking Congress for legislation during the coming session we should give serious consideration to postponing the submission of a program until 1963. Meanwhile the Congressional leadership should be consulted as to whether the existing Trade Agreements Act need be extended for one year or whether we should let the authority under existing legislation lapse next June 30. So far as existing trade agreements are concerned, a lapse of one year or so is of small practical consequence. The domestic political consequences might, however, be different.

While we recommend that the decision be made now to postpone submission of the legislation we do not recommend that the decision be announced in those terms. Instead we would suggest a program along the following lines:

(1) The appropriate Administration leaders should in a series of speeches make clear to the American people that developments now in process in Europe and around the world are resulting in a wholly new free world trading pattern.

(2) They should make it clear that the Administration is determined to press on toward even more liberal policies. It intends to advance such measures as are necessary to enable American industry and agriculture to take advantage of the expanded opportunities that the new trading world will offer while at the same time defending the vital interests of the United States economy.

(3) To this end the Administration is working on a whole new set of tools to enable it to deal with the requirements of the new trading world. Those tools cannot be finally designed until the shape and pattern of the new world become more clearly evident. But the Administration should announce that as soon as that time arrives it proposes to go to Congress with a basically new trade bill.

(4) In the course of these public statements we should make it clear that we recognize the revolutionary challenge and opportunity offered by the growth of the European Economic Community. We should emphasize that we see in its growth a partial answer to Khrushchev's challenge of economic competition issued to the free world in his speech at the XXII Congress.

(5) We should emphasize also that there are values in the mutual opening of the European economy and our own to each other and to friendly third countries. The acceptance of this new competition offers us a spur to innovation and an important check on the wage-price spiral.

(6) We should also make it clear that any Administration proposal will include provision for adjustment assistance to facilitate the redeployment of labor and capital to more productive and competitive pursuits in the United States economy.

The reasons for recommending the postponement of the submission of trade legislation fall into two categories. One is substantive; the other is based on a political judgment.

*(B) Arguments Favoring a One-Year's Postponement.*

*(1) Substantive Arguments.*

*(a) Interference with the UK-EEC negotiations.*

If we engage in a trade legislation fight in the United States Congress during the time when the most intricate negotiations are being carried on between the UK and the EEC we shall run the grave risk of "cross-talk". The resultant passions, pressures, and misapprehensions could gravely endanger international relationships. They could also impede our own ability to influence the shape of the newly emerging European arrangements while seeking at the same time to protect our trading interests.

The process of negotiation initiated by the British application to the Common Market countries will be complex, delicate and difficult. Involved in this negotiation will be the whole delicate problem of evolving and substituting a new trading system for the existing preferential systems both of the Commonwealth and of the Associated Overseas Territories of the Common Market. It will mean a tense and difficult period for the neutral members of the OECD as well as for other Free World countries whose interests will be intimately involved.

At certain points the United States Government will have to become intimately involved in the negotiating process. At other points it will be just as necessary for us to remain aloof. If the United States' interests are to be adequately protected the Executive must maintain the closest control over our relationships with this negotiating process.

There are great hazards in inviting a Congressional debate on trade legislation at a time when this intricate process of negotiation is going forward. By doing so we run the risk of focusing all the forces of United States protectionism on the UK-Common Market negotiations and of having our own ability to negotiate embarrassed by imposed Congressional restrictions or by ill-advised and ill-informed Congressional speeches. A trade debate at such a time would be more likely to evoke Congressional insistence that the United States act to impede the devel-

opment of the Common Market than on providing the tools for well-conceived US moves to influence the shape and form of the Common Market in a direction compatible with our long-range political and economic interests.

At the same time that our own bargaining position in Europe might be impaired by the Congressional debate, the protectionist forces in the United States would be provided with potent ammunition by speeches and statements made in Europe in the course of the Common Market negotiations. The dangers of such "cross-talk" are formidable.

*(b) We cannot yet foresee the precise shape and character of the new trading world.*

Until the European negotiation has progressed much farther it will be difficult to predict with precision the form which the new trading world will take. As a consequence we cannot ask Congress with full confidence for the precise tools that we will need to protect our interests within that trading world.

It may be argued, of course, that our failure to ask for new trade agreements legislation in the Spring would weaken our ability to influence the negotiations in Europe. On the contrary we feel that if we submit to Congress traditional trade agreements legislation, even as modified by Mr. Peterson, we would betray to the Europeans that we were not going to have the tools to deal with the problems. We are on the strongest basis if we say to the Europeans that if this or that arrangement is made we shall undertake to obtain from Congress the authority that we need to play our part. The experience of both the UK and the EEC with our last piece of trade legislation (the 1958 extension) has convinced them that we will not be able to play a major role if we are not equipped with better weapons.

## *(2) Political Reasons.*

In the present climate—or the climate likely to prevail next Spring—neither the Congress nor the American people is likely to grant the United States Government the powers necessary to deal with the new trading world. At the moment neither the Congress nor the public has more than a dim perception of the revolutionary nature of the change taking place in the trading world. Hopefully the accession negotiations will be completed in about a year. At that time it should be generally apparent that we are dealing with a totally altered trading world—a world which presents enormous opportunities for the expansion and development of American industry provided we are able to take the necessary negotiating steps which the conditions require.

If we carry on a systematic program of education in the meantime American opinion should be ready by the spring of 1963 to grant the kind of authority we shall need.

That will not be an election year and hopefully unemployment will have declined from its present high level.

**George W. Ball**

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**452. Memorandum from Petersen to President Kennedy,  
October 26<sup>1</sup>**

October 26, 1961

My associate Mr. Myer Rashish has made an analysis of the fundamental differences between the two approaches suggested by me and Under Secretary Ball on tariff policy. Although it tends to over-draw the sharpness of these differences I think it helpful in delineating the fundamental problems.

Under Secretary Ball suggested that I forward it to you for your consideration. I hate to burden you further with reading material but the importance of the question would seem to warrant it.

**Howard C. Petersen**

**Attachment**

**THE CONTENT AND TIMING OF US FOREIGN TRADE  
LEGISLATION**

The following views are set down in an effort to make a contribution to the resolution of the issue of the kind of trade policy legislation the Administration should recommend and when it should recommend it. I confess that I do not feel any great degree of confidence that I know which course to take. There are too many aspects of the issue which I know too little about to offer a judgment that is persuasive.

I do fear, however, that whatever decision is made, there is danger that it will be made for the wrong reasons and without a clear appreciation of the implications of the alternative courses of action. The following discussion is, therefore, animated by the hope that it will

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<sup>1</sup> Transmits analysis of differences between Ball and Petersen approaches to foreign trade legislation. Confidential. 6 pp. Kennedy Library, Petersen Papers, Trade Legislation, 1/13/62–11/5/62.

contribute to a more reasoned and informed decision, whatever that decision may be.

### *The Two Approaches*

There is, it seems to me, a basic difference in concept behind the approaches identified with Howard Petersen on the one hand and George Ball on the other. I suggest that the following characterizations of these two approaches will reveal the underlying differences between them:

1. The Petersen approach starts from the basic premise that the fundamental purpose of the next step in the US trade policy should be negotiation with the Common Market for the purpose of moderating the margin of discrimination inherent in its external common tariff so that American exports can maintain their access to this vast and growing market. The approach is essentially an "economic" one. It finds its basic logic as well as its argument in the need to expand American exports. It draws for support on the fairly conventional range of arguments in support of liberal trade—expanding trade, efficiency, lower prices, free world cohesion, etc.—plus the new one of the US balance of payments problem whose resolution requires the discipline of the international market place. Given these objectives of trade policy, it concludes that (a) the United States should husband its negotiating power in order to gain the maximum leverage on the common external tariff for the benefit of American exports (in contrast to the exports of other countries), and (b) since American export interests are only one among a host of economic interests involved in trade, of which the interests of import-competing industries are the most important countervailing ones, due regard must be paid to the interests of import-competing industries in the construction of our trade policy. The implications of these two conclusions are that our negotiations for tariff reduction must necessarily be selective in character because (a) we necessarily will be selective in the bargain that we want to strike since we wish to maximize the opportunities for American exports, and (b) selectivity is necessary to take account of the differing circumstances and interests of domestic import-competing industries.

The recommendations for legislation therefore necessarily take on what appears to be a more or less conventional cast. The peril point concept is, in general, preserved as is the escape clause provision, although the content of each is substantially modified. There is a minimum of tinkering with the accepted forms and rubrics of the trade agreements legislation. The next extension is designed to have an organic continuity with the 27-year history of the trade agreements act. Its ethos is to a substantial degree the same as that which has animated the policy over this period. It is bolder in negotiating author-

ity and less protectionist in its “safeguarding” provisions because our present needs and those of the foreseeable future call for a bolder and more aggressive approach if we are to succeed in achieving the objectives which have been basic to the program since its inception.

2. The Ball approach starts from a different premise. It views trade policy as an essential instrument of foreign economic policy and one which must be adapted to the new set of circumstances confronting the United States position in the world. It emphasizes the newness of these circumstances and, even more, the newness of the objectives which we must have.

In his exposition, Ball is less explicit than one may wish but it is fair to say that the objectives which he emphasizes are basically of a political character. They involve the organization of the Western community. In brief, he visualizes a much more intimate and cohesive institutional and political relationship between the United States and Europe (and including as well Canada and Japan). The evolution of European economic integration from the early OEEC through the Coal and Steel Community, the Common Market of the Six and now the broader Common Market of Western Europe will inexorably extend to a broader arrangement embracing the North Atlantic countries as well. The OECD is the beginning of the institutional apparatus that will serve the broader Atlantic community. As it has within Europe, commercial policy will be the first bridge to the larger regional economic undertaking.

To serve these objectives, he would contend, commercial policy must make a clear break with the past. Although it must necessarily have conventional, commercial undertones comparable to those discussed in the Petersen approach (and indeed it must rely on the economic advantages to the United States economy in support of the innovations in American policy that are indicated), it must be much broader, bolder and ambitious in scope and conception. It conceives our objectives in trade policy as involving an approach to free trade within the Western world on an MFN basis. It addresses itself to areas of problems in trade relations that are not part of the traditional configuration of trade agreements policy, e.g. the treatment of temperate agricultural products, the treatment of exports of manufactures by the developing countries, etc. In fact, this approach comes close to saying that we can afford to dismantle all tariffs because they are an imprecise and irritating way of trying to manage international trade; that international trade on the whole should not be managed; but that where special problems arise that require management, they should not be managed on a unilateral basis (e.g. the escape clause), but through the development of internationally agreed upon arrangements that will force the concerting of policies (including domestic policies) among the participants in the particular areas under consideration.



This approach concludes that we must make a clean break with the past because what we propose to do in the future will be different from what we have done in the past. It suggests further that such a departure and innovation can only be supported if it is rationalized in terms of overriding political needs and considerations and that, in fact, such needs and considerations do exist.

### *The Question of Timing*

The above does not represent an exhaustive treatment of the different approaches, nor does it do justice to either. Each approach has displayed more of the characteristics of the other than has been suggested. I have emphasized the differences because it is the differences between the two approaches which have to be clearly understood in order to appreciate the difference in attitudes with regard to the question of timing. It is my contention that the differences on the question of timing relate directly to the differences in concept as to what the needs and requirements of US foreign trade policy are.

1. The Ball approach leads to the conclusion that we had better defer action beyond 1962. He has adduced a variety of reasons in support of his recommendation. The essential reasons seem to be to be the following:

We have not begun to appreciate and to understand the needs and requirements of US foreign trade policy. It will not be long, however, before these become apparent to us and with the negotiation for United Kingdom membership in the Common Market, and the broadening of the Common Market to virtually the whole of Western Europe, the important issues will soon become apparent. Moreover, in the field of international politics, crises in the West will soon make plain the need for measures to coordinate and fix a common Western policy in the military-political area. Because these needs are not yet felt or understood, it would be folly to make a move on trade policy in 1962. To do so would commit the US Government (and the Congress and public opinion) to a course of action that may within a year or two become patently inadequate. The result will be that we will not be in a position to come back to Congress for the right kind of authority before the 1962 extension of the trade agreements legislation expires and this may be too late.

The other arguments advanced by Ball are ancillary in character. The most important of these is the question of prejudicing the next stage (extension of the Common Market to the whole of Western Europe) in the evolution of an integrated Atlantic community. The launching of a great public debate on trade policy could have the adverse consequence of creating hostile attitudes toward European integration in the United States as a result of the fact that such integration would have



discriminatory consequences for US foreign trade. This result would be insured because the Administration would have to support its 1962 recommendation precisely on the grounds that, without negotiating authority, we will be foreclosed from access to the Common Market and this will have profoundly adverse consequences for our economic position. The ingredient of fear which must always be present cannot be controlled and may be transformed into hostility. If this should happen, the prospect for the evolution of a truly Atlantic community will have been seriously impaired. The European negotiations will go forward on the basis that there is no prospect for constructive accommodation with America in the future and native isolationist instincts in the United States will have been reinforced. The achievement of our long-term objectives will then have been frustrated with the consequence that the total Western position vis-à-vis the Soviet bloc and vis-à-vis the less developed areas of the world will have been seriously compromised.

2. The Petersen view is not unmindful of the longer term political-institutional objectives of US policy with regard to the West. It regards these, however, as possible of achievement sometime in the more distant future. It views the approach by the US to these objectives as being necessarily more gradual and evolutionary. The UK-EEC negotiations are currently in progress and will not be concluded until late in 1962. A number of important trade policy issues will arise from these negotiations which will be of direct interest to the US and to Latin America, Japan and other countries for whose economic welfare we have a concern. These issues must be resolved in a satisfactory fashion and this can only be accomplished if the President is equipped with authority so that he may, during the course of these negotiations, be able to exercise an influence from a position of strength. If the Congress does not act, our position will be uncertain and the European negotiations may lead to results which will be very difficult, if not impossible, to undo. Moreover, with regard to the general issue of negotiating reductions in tariff levels, a major step such as broadening of the EEC to include the UK and other OEEC countries cannot be expected to be followed immediately by radically new departure in trade policy which would embrace the Atlantic community. A gestation period will follow and it is during this period that we can undertake negotiations for the significant reduction of tariffs, particularly on industrial products.

It concludes that American approaches even toward the long-run goals (which, in its view, should probably not be articulated at this time) must, at best, proceed along the traditional path of gradual, though substantial, negotiated reductions in tariffs. The Petersen view might even agree that the 1962 extension of the trade agreements legislation would be the last extension of the legislation and that the broad

scope of the issues in the field of trade policy that will have to be treated in the future will not permit the use of conventional techniques, but might involve, for example, the use of the treaty device. Under the present circumstances, however, it regards discontinuity in the trade agreements legislation as a disadvantage, as a loss of forward momentum, and a mark of indecision. In short, it views the trade issues that confront us today as being more difficult and requiring more activity and forthrightness on the part of United States policy, but not as being different in essential character from those that we have confronted and have attempted to deal with, particularly in the last few years.

I would, therefore, suggest that these two approaches are more different than has generally been accepted in the discussions that have gone forward in recent days. They represent a different concept of needs and objectives and these differences are reflected in the differing views on the content of legislation and its timing. The basic policy objectives must be resolved first before either the substance of policy or the timing of the legislation is decided.

The following is, at least, a partial catalogue of the questions that have to be answered before we can come to an intelligent decision:

1. What should our basic long-term policy objectives in the field of trade policy be and how do they relate to our broader political objectives?
2. Can they be articulated and supported adequately so that we can move in 1962 or would they be compromised by acting now?
3. What is disposition of Europeans, Canadians, Japanese toward these objectives? Can they be expected to subscribe to them and when?
4. What bearing do the European negotiations have on the attainment of these objectives? Will these negotiations prejudice the attainment of US objectives or must we accept the results (on European terms) of these negotiations as a prerequisite to the attainment of US objectives?
5. Should we desire to do so, how can we best influence these negotiations to produce results which are consistent with US interests? Can we do this better with or without negotiating authority for the President? Can the issues be identified sufficiently clearly now so that we know what kind of negotiating authority is needed?

**Myer Rashish**

# November 1961

## 453. Despatch 416 from Tokyo, November 13<sup>1</sup>

Tokyo, November 13, 1961

### SUBJECT

First Meeting of the Joint United States-Japan Committee on Trade and Economic Affairs, November 2, 3, and 4, 1961.

### I. *Introduction*

This despatch, together with the additional references cited immediately below, contains the full record of the first meeting of the Joint Committee which took place in Hakone November 2–4, 1961. As agreed during the preparatory discussions between the two countries, no verbatim record of the Conference was made and the only official account of the Conference proceedings is the final communiqué. Each side was responsible for maintaining its own record. The attached report constitutes the record as compiled by the U.S. rapporteur, and approved by the senior advisors from the Embassy who attended the Conference. Time did not permit any portion of this record to be reviewed by the U.S. members themselves.

It proved possible during the Hakone Conference to utilize simultaneous interpretation only when statements were available in written form sufficiently in advance of oral delivery for translation into Japanese. With a view to conserving Conference time for spontaneous interchange of opinions, both the Japanese Ministers and U.S. Cabinet officers delivered a number of “lead-off” statements on various agenda items from prepared texts. All such statements which were made available to the U.S. rapporteur are reproduced as enclosures to this despatch.

Additional Embassy reports on the Hakone Conference are:

Embassy Despatch 398, November 3—Text of opening addresses by Prime Minister Ikeda, Foreign Minister Kosaka and Secretary Rusk.

Secto 12, November 2—Telegraphic resume of morning and afternoon sessions November 2.

Secto 16, November 3—Resume of November 3 meeting.

Secto 21, November 4—Text of final communiqué.

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<sup>1</sup> Record of first meeting of Joint U.S.–Japan Committee on Trade and Economic Affairs. Official Use Only. 25 pp. Department of State, Central Files, 411.9441/11-1361.

## *II. Morning Session, November 2, 1961*

### *A. Opening Ceremonies—9:00–9:15 A.M. (Televised)*

Prime Minister Ikeda welcomed the U.S. members of the Committee, referred to his faith in the role of the Committee in strengthening the ties of partnership between Japan and the U.S., and expressed the hope that the meetings would permit both sides to chart the future course of economic relations between the two countries with free and unbiased minds. Foreign Minister Kosaka, in his opening statement, drew special attention to the significance of the Committee as an organizational forum for economic cooperation between the two countries and the absence, heretofore, of such a link which the OECD provides in U.S. relations with Western Europe. Secretary Rusk, in his formal response, emphasized that the purpose of the meeting was to consult rather than to negotiate; he assured the Committee that the U.S. is committed to a liberal commercial policy and that he foresaw no necessary limit to the expansion of mutually profitable exchange of goods between the two countries which President Kennedy's Administration intended to encourage. For full texts of the three foregoing statements see Embassy Despatch 398, November 3.

### *B. Restricted Session—9:20 A.M.–12:00 Noon*

Foreign Minister Kosaka began with several procedural announcements including the designation of members of the committee to draft the final communiqué (on the Japanese side, Deputy Vice Foreign Minister Shima, and Messrs. Kato, Tsurumi, Ueda, and Nara; on the U.S. side Assistant Secretary Martin, and Messrs. Feldman, Hatcher, Lindley, and Doherty). Kosaka drew attention to the 8-point agenda which had been developed for the Conference:

1. General survey and outlook for Japanese and American economies.
2. Current financial and balance of payments situation in the two countries.
3. Wage systems and labor productivity in Japan and the United States.
4. Expansion of trade and promotion of economic relations between Japan and the United States.
5. Promotion of Japanese and United States economic and commercial relations with other parts of the world.
6. Economic assistance to less-developed countries.
7. Proposals for stabilizing primary commodity prices and their relationship to terms of trade.
8. Other business. [Which would include the political and security implications of national economic and trade policies, including consideration of recent developments in the economic policies and tactics of the Communist Bloc.]

Kosaka stressed there was no need to adhere rigidly to the order of the agenda which he said was drawn up purely to assist him as Chairman in guiding the discussion. Secretary Rusk's response to Kosaka's invitation for comments on conference procedure included the comment that great countries such as the U.S. and Japan have a considerable number of issues requiring solution and that it is in the nature of free economies that there is always unfinished business. He said there were pressures from nationals on both sides to take up matters of special interest but if the Committee were to create an impression that it had attempted to negotiate specific issues and failed the great basis of agreement which does exist between the two countries would thereby be underestimated. The Secretary said this unprecedented committee must not be used to negotiate specific issues or there would be enormous pressure to extend the mechanism to bilateral relations with other countries which the U.S., for its part, did not contemplate doing. The Secretary concluded his remarks with the hope that both sides would remember to stress common interests when dealing with the press.

Minister Kosaka suggested State Minister Fujiyama and Dr. Heller lead off on agenda item 1—General Survey and Outlook for the Japanese and American Economies.

Minister Fujiyama delivered a prepared statement, the text of which is reproduced as *Enclosure 1*. As can be seen therein, the main emphasis of Mr. Fujiyama's presentation was the importance of exports as the determining factor in Japan's ability to carry out its ten year plan and the vital role of the U.S. as an export market for Japan's goods; the statement also reflected Japan's unhappiness over "Buy America" and "Ship America" policies, textile import restrictions, etc.

Dr. Heller's opening presentation dealt with (a) the U.S. economic outlook, (b) "the hard policy questions, even dilemmas we face", and (c) implications of U.S. economic policy for areas of mutual Japanese-American interests.

Dr. Heller said at the outset of 1961 the U.S. was plagued by a \$50 billion gap between U.S. actual output of \$500 billion and the U.S. potential output of \$550 billion (annual rates). This gap was the result of a mild recession which was super-imposed on an incomplete recovery in 1959–60 from the previous recession. The gap was reflected in a 7 percent unemployment rate and over 20 percent excess or idle capacity in industry. Natural cyclical forces plus vigorous government action produced quick improvement in 1961: GNP rose from \$500 billion in the first quarter to \$515 billion in the second and to \$526 billion in the third quarter. Dr. Heller said he thought the present quarter would remain close to \$540 billion.

Turning to the prospect for 1962, Dr. Heller said the GNP should reach \$565 billion in the second quarter, a 13 percent recovery from

the first quarter of 1961. (i.e. the same rate of recovery as took place after the recessions of 1954 and 1958.) Output for 1962 as a whole was expected to be in the range of \$565–570 billion. Unemployment was expected to drop to about 5 percent by mid-1962.

Dr. Heller said the basic policy question the U.S. faces is: can we achieve full recovery and faster growth and still maintain reasonable price stability and progress toward equilibrium in our balance of payments? With regard to the prospects for full recovery, Dr. Heller drew a distinction between positive and negative aspects: on the positive side, full recovery would depend on rising plant and equipment investment and further increases in consumption and government expenditures. Beyond mid-1962 Dr. Heller said the picture was not yet clear in terms of the source and composition of demand required to make use of the economy's expected capacity to produce at a rate of over \$600 billion. On the negative side, Dr. Heller said full recovery depends on the price level and balance of payments questions; should U.S. prices rise or the b/p situation worsen, restrictive monetary and fiscal measures might be needed before full equilibrium is reached. Dr. Heller said he hoped this would not be necessary, noting that expansionist monetary and fiscal policies had been followed thus far in 1961 and that the outlook was for the continuation of a relatively easy money policy. Before the Berlin crisis, Dr. Heller said there had been hope for a tax reduction but this had now vanished.

Dr. Heller said much the same dilemma exists with regard to policy for economic growth. The ability to change the  $2\frac{1}{2}$  percent rate (at which the U.S. economy has been growing in recent years) to achieve its current potential of  $3\frac{1}{2}$  percent and to achieve the objective of a  $4\frac{1}{2}$  percent rate involves the same dilemma and requires the incentive of full utilization of resources. Dr. Heller looked to equipment investment and consumption as the prime contributors to a 4 or  $4\frac{1}{2}$  percent growth rate.

Turning to policy problems bearing on mutual interests, Dr. Heller made a statement which became one of the focal points of discussion during the remainder of the Hakone Conference. He said Japan has a vital stake in full recovery and faster growth in the U.S.: with a GNP of \$565 billion in 1962, U.S. merchandise imports could be expected to rise to \$15½–16 billion from the current level of \$13.6 billion (approximately 3 percent of U.S. GNP). Dr. Heller also said the figures do not tell the full story because liberalization of trade thrives on full employment and recovery. Japan also has a vital interest in price stability and b/p equilibrium in the U.S. Regarding prices, Dr. Heller noted that Japan's interests were somewhat conflicting in that higher U.S. prices would lead to larger Japanese exports but that U.S. price stability would contribute to higher U.S. growth rates which, as noted above,

would redound to the benefit of Japan's exports prospects in the U.S. Dr. Heller also noted a similar conflicting interest in b/p considerations: While Japan had an obvious interest in increasing its exports to the U.S. to help its own payments problems, a deterioration of U.S. accounts could lead to the imposition of additional restrictive measures by the U.S.

Dr. Heller closed by observing that it was necessary to strike a proper balance between a desirable expansion of U.S. imports and improving the U.S. competitive position on the one hand while avoiding b/p complications on the other. He suggested the Conference could make a significant contribution to this problem of mutual concern.

Minister Kosaka opened the meeting to questions on the two initial statements. Fujiyama and Dr. Heller engaged in a series of questions and answers in which the following points were brought out: the expectation of a \$570 billion GNP is the anticipated result of a series of programs initiated by the Kennedy Administration plus natural growth factors expected in the course of 1962. A policy of easy money will continue in the U.S. and the federal budget will move from a deficit to a surplus in the first half of 1962. In Dr. Heller's view, the anticipated \$2 billion increase in U.S. imports under the expanded GNP he had forecast implied that Japan's exports to the U.S. would also increase, maintaining approximately the same relative share of total U.S. imports as at present. U.S. policy for recovery from the recession was a combination of measures including easy money and the stimulation of growth through increased expenditures on education and training. To stimulate business growth a plan for special tax credits for plant investment had been drawn up. The Berlin crisis had given rise to increased military expenditures (which Secretary Rusk pointed out had been raised by \$6 billion (annual rate) since the beginning of 1960) which had a stimulating effect on the economy; both Dr. Heller and Secretary Goldberg stressed how much the Administration would have preferred a tax reduction instead.

Replying to Minister Sato's inquiry, Dr. Heller confirmed that the prospects for the U.S. he had presented took into account trends in the international economy with particular reference to Europe where, Dr. Heller said, the consensus was that there would be a slower rate of growth because that area was in general operating at full employment and full capacity.

Secretary Rusk asked Mr. Fujiyama to comment on the role of the government in giving guidance to Japanese industry with a view to carrying out the ten year plan for doubling the national income. Fujiyama replied that in a free economy such as Japan, the role of government is rather small. The goals set by the ten year plan were established in the first instance by a special commission composed of economists



and representatives of industry; government policy employs these goals as guides in determining action in fiscal, monetary and trade fields. With the actual growth rate nearly double the 9 percent planned rate because of excessive equipment investment in anticipation of liberalization, it was the role of the government at this stage to take measures to reduce the rate of equipment investment and so reduce the growth rate to a more healthy and stable figure. Replying to Dr. Heller's inquiry concerning inflationary measures in Japan, he said wholesale prices were remaining steady with the exception of lumber but retail prices had risen 4.7 percent since last year, occasioned largely by wage increases in medium and small scale industry, plus increased charges for services; he said the government was not considering measures to encourage savings and to suppress consumption somewhat. Dr. Heller raised two other questions: Has Japanese monetary policy been effective and how does the government's plan to reduce taxes fit into the general picture of the Japanese economy at present which is characterized by high consumption and high investment? Mr. Fujiyama's brief response was to the effect that the GOJ must consider the need for a tax reduction as well as the need for additional funds for public welfare (sic).

After a brief coffee break, Minister Kosaka called on Finance Minister Mizuta to lead off on agenda item 2. The latter's prepared statement is reproduced as *Enclosure 2*. The Financial Minister declared that the deterioration of Japan's international account differed from earlier crises in that it reflected basic trends in Japan's position in the international economy rather than temporary factors such as speculative imports; consequently he anticipated considerable difficulty in regaining balance in Japan's accounts and, in this context, requested U.S. assistance and cooperation, especially in the field of short term capital from U.S. commercial banks and the Export-Import Bank to permit continued coverage of the current account deficit by capital account receipts.

Under Secretary Fowler made a lead-off statement for the U.S. on agenda item 2 with a prepared statement, the text of which is reproduced as *Enclosure 3*. Mr. Fowler's presentation laid stress on the need for cooperation and joint efforts to manage the common problem both countries face in the management of imbalances in external accounts. The Under Secretary's presentation included an explanation of the necessity for the U.S. to maintain a large surplus on private current account to finance U.S. expenditures for security and economic development of the Free World, as well as of the need for the U.S. to correct its own serious payment imbalance to protect the soundness of the dollar as a key reserve currency. Mr. Fowler outlined specific areas of cooperation in meeting the need of both countries for substantially



increased exports: continued trade liberalization between each other and with other industrialized areas, assistance to less developed areas, and cooperation in the maintenance of a sound trade and payments system for the Free World. The Under Secretary cited the record of U.S. capital outflow to Japan and stated the U.S. was not unhappy over this assistance to Japan's industry and government notwithstanding the adverse effect on the U.S. balance of payments: He urged that the overall balance of payments relationship between the two countries (which has been unfavorable to the U.S.) be given the same degree of attention as Japan's unfavorable balance of merchandise trade with the U.S.

Minister Kosaka suggested the Committee adjourn for lunch. Before doing so the Committee briefly discussed and approved (with some modification) the general outline presented by Deputy Vice Foreign Minister Shima for the press briefing which he and Ambassador Reischauer would jointly conduct immediately thereafter.

End of Morning Session.

### III. *Second Session*—3:00 P.M.—November 2

Foreign Minister Kosaka proposed that the discussion shift to agenda item 3 concerning wages and labor productivity, follow with introductory statements on item 4, and then return to a free discussion of agenda item 2 and 4 at the same time, since the two were closely related. He invited Secretary Goldberg to lead off on item 3.

Secretary Goldberg began by commenting that Japan and the U.S. are partners in a basic principle governing labor-management relations, namely that both are committed to a free enterprise system with the right of workers to organize into unions of their own choosing and to engage in free collective bargaining including the right to strike protected by law. He noted that each country has problems, as do the best of partners, and he proposed to deal with these while concentrating on "... what unites us rather than what divides us" (reference President Kennedy's Inaugural Address). Secretary Goldberg said that U.S.-Japanese labor relations are characterized by four major misconceptions:

1. The U.S. labor movement has the conception of Japan as one of the lowest wage countries in the world, a conception shared by many U.S. citizens.

2. The Japanese think of the U.S. labor movement as a protectionist one, hostile to liberal trade policies and in particular hostile to Japanese products.

3. The American labor movement believes the Japanese labor movement to be primarily a political movement not related to trade union objectives.

4. The Japanese apparently think of the U.S. labor movement as an instrument of, or controlled by, governmental policy so that American union action is deemed to be U.S. Government action.

Secretary Goldberg said misconception number one is the key issue and that liberalization of U.S. trade policies would depend on removal of this misconception. He said the strides made in Japan, especially recently, to improve workers' wages and standards of living were not sufficiently understood in the U.S. He suggested that European countries' invocation of GATT Article XXXV seemed to reflect the same misconception. Secretary Goldberg said it was in order to set the record straight on misconception no. 1 that the U.S. had introduced its proposal for a joint study. He noted that the GOJ had submitted a counter-proposal (circulated as Conference Document JS3) and reported that he and Labor Minister Fukanaga had discussed the matter at lunch, in the light of which he proposed a further compromise: that the communiqué should contain a statement that both governments propose to consult through regular channels on all aspects of the labor scene bearing on trade relations between the two countries. The Secretary suggested this statement would not only give explicit recognition to the importance of consultation between the two countries in this field but would enable both parties to express their common desire to remove substandard conditions.

Turning to the second misconception, Secretary Goldberg said the facts are that to a surprising degree the labor movement in the U.S. has supported a liberal trade policy. He acknowledged that recently, largely as a result of unemployment, there has been a rise of protectionist sentiment within the labor field. He noted that the U.S. had been the beneficiary of an over-all favorable balance of bilateral trade with Japan but that it was extremely difficult for an individual unemployed worker to take a broad view.

With regard to the third misconception, Secretary Goldberg suggested the mutual task of correcting it would be much easier if the Japanese labor movement were to take a more active role in the ICTFU, the Free World organization of bona fide trade unions. On the fourth misconception, Secretary Goldberg referred to the recent boycott of Japanese suits by the ACW and commented that just as Japan's labor movement does things the GOJ does not like, so U.S. unions are free to do things the U.S. Government does not like: this, said Secretary Goldberg, is part of the price of freedom.

Concluding his remarks, Secretary Goldberg said he wished to endorse the desirability of continuing the labor exchange program between the two countries which had political as well as economic benefits. Recognition by U.S. labor of the advances made by Japan would lead to a better understanding in the U.S. and help to induce continued support for liberal trade policies.

Labor Minister Fukanaga said he was gratified to learn of the U.S. interest in removing misconceptions in this field. He stressed that cash

wages were not an adequate measure of international labor cost comparisons but that the entire structure of the economy must be taken into account. He then turned to his prepared statement, reserving the right to supplement it after studying Secretary Goldberg's remarks in more detail. The full text of Minister Fukunaga's remarks is reproduced as *Enclosure 4*. The main burden of his presentation was for a broadening of the joint study group proposed by the U.S. so as to deal with all fundamental problems relating to the promotion of Japan-U.S. economic relations.

After concluding the reading of his statement, Minister Fukunaga referred to his luncheon discussion with Secretary Goldberg, which, he said, indicated there was considerable flexibility in the U.S. proposal. He felt that Secretary Goldberg's remarks during the meeting were very close to what he himself had in mind and suggested that the two Ministers continue their discussion privately and report back to the Conference the following day or Saturday morning.

After ascertaining that this proposal was acceptable to the Committee, Minister Kosaka invited Secretary Hodges to make the lead-off statement for the U.S. on agenda items 4 and 5.

Secretary Hodges delivered a prepared statement, the text of which is reproduced as *Enclosure 5*. One of the central themes of his presentation, which is reflected in the text of paragraph 12 of the final communiqué, was that Japan must trade to live and grow and the U.S. must trade to grow and meet the commitments of the security and growth of the Free World. The Secretary referred to the openness of the U.S. (and Canadian) markets to Japanese goods which places on us the main burden of adjustment to changes in the Japanese economy. He stressed the restraint with which the U.S. had invoked the Escape Clause (3 out of 129 applications), stated that in his view Japan can expect a continued rise in its exports to the U.S., and urged removal of restrictions (both Japanese as well as those of other countries) which impede Japan's full participation in the pattern of Free World trade and investment which must be developed. The Secretary outlined in this connection U.S. policy toward the Common Market and other regional economic associations and stressed the importance of removal of other countries' discrimination against Japan under GATT Article XXXV.

MITI Minister Sato responded with a prepared lead-off statement on agenda item 4, the full text of which is reproduced as *Enclosure 6*. This statement contains a full catalogue of all of Japan's trade grievances against the U.S.: Minister Sato commented at length on what he regarded as the trend toward additional U.S. restrictions on imports from Japan. He described the Geneva Agreement on cotton textiles as a deviation from the principle of free trade, stated that recent U.S. moves

to regulate ocean shipping run counter to internationally accepted standards, and described the refusal of the U.S. to grant more liberal rights to Japanese airlines "New York and beyond" as unfair to Japan. He also referred to European restrictions on Japanese goods as a great bottleneck and expressed concern over the impact of European regional integration as a potential new source of discrimination.

After Minister Kono had remarked that he would defer his planned statement on agenda item No. 5 until tomorrow in order to conserve time, Minister Kosaka opened the session for questions and discussion. Minister Sato said he wished to supplement his prepared statement with a few additional observations: He understood the U.S. responsibility for assistance to less developed areas but he did not feel that this was relevant to the practical problem Japan faces at the present time. Japan's trade and payments difficulties cannot be resolved by generalities, he said, when the U.S. is the *only* large market open to Japan. Only by increasing sales in this market, could Japan hope to sustain its imports from the U.S. Commenting on Secretary Hodges' presentation, Minister Sato said that 75% of Japan's imports of items falling into the broad category of machinery were of U.S. origin and that this category constituted 20% of Japan's total imports. He also hoped there could be some further opening up of the Japanese market to imports in the near future. To underline the importance of Japan's trading relationship with the U.S. in comparison with other countries and areas, Minister Sato circulated a statistical table reproduced as *Enclosure 7*.

Under Secretary Fowler said he wished to comment on measures taken by the Kennedy Administration to redress the U.S. balance of payments deficit. Noting that some GOJ Ministers had implied that these steps adversely affected Japan, Mr. Fowler referred to the President's statement of February 6 where the alternatives of restrictive measures or an expansion of exports were squarely faced: Mr. Fowler quoted the President's policy—" . . . in seeking equilibrium, we must place maximum emphasis on expanding our exports . . . (and) a return to protectionism is not the solution". Under Secretary Fowler acknowledged that Japan's export opportunities had been somewhat reduced as a result of changes in ICA procurement policy but said Japan tended to overlook the compensatory actions by the U.S. which prevented an adverse over-all effect on Japan's balance of payments. He cited the fact that in the first half of 1961, Japan's net receipts of long term U.S. capital amounted to \$71 million compared with only \$7 million for all of 1960; assuming a continuation of this rate throughout 1961, Japan's receipts would be almost as high as Japan's maximum receipts arising from ICA procurement (\$147 million in 1960). Under Secretary Fowler concluded that when full account is taken of all items entering into balance of payments it was clear that U.S. policy to redress its own deficit involved no direct threat to Japan.

Minister Sato replied that he did not intend to criticize the U.S. Administration's efforts to protect the dollar and noted that Japan was in the same position of trying to increase its own exports. He wondered, however, whether the U.S. policy actions were taken with Japan's needs in mind. He asked why the U.S. insists on sending cement under ICA procurement all the way from the U.S. to Japan's close neighbors.

Minister Fukanaga intervened that he hoped the afternoon session would not terminate with the impression that each side's position was stiff; he said each needed better to understand the other's position, especially in matters of finance. Minister Kono commented at this point that he was sorry he had not been born a politician in such a wealthy country as the U.S. He said that Japan's neighbors consist of countries of the Communist Bloc and large numbers of underdeveloped countries. He said it was not possible to create a common market in this area and the U.S. is the only real market for Japan in the whole Pacific area. While agreeing it was possible to talk about the long-run need for equilibrium, Minister Kono said it might be a long and dark path unless an answer could be found for Japan's very practical trade difficulty arising from the geographic position to which he referred and its unusual dependence on the U.S. market. Minister Kono concluded with the hope that the "white heat" of the discussion indicated both sides were becoming close friends, since only close friends would speak so freely to one another.

Minister Sato said he would be very interested in knowing what the U.S. expected when the Reciprocal Trade Agreement Act came up for renewal and also what prospects there were for revision of the Bonner Bill, and whether there was any real room for negotiation on air routes between the two countries. Secretary Hodges said, in view of the lateness of the hour, he would defer a reply until the next morning. Secretary Rusk said he would have been disappointed if temperatures had not risen today, since frank exchanges of this kind were the very purpose of the meeting. He said he wished to reply to Minister Sato's query as to whether the U.S. took Japan's interests into account in framing its own economic policies to redress the U.S. balance of payments deficit. Secretary Rusk said U.S. balance of payments measures were adopted as a matter of global policy but that to the extent possible, special country problems, including those of Japan, were taken into account: he cited the reversal of U.S. policy with regard to the return of U.S. military dependents, restoration of local procurement for commissaries and military exchanges in Japan, and exceptions to ICA procurement policy in the case of fertilizer shipments to Korea. While Japan might not feel that the U.S. had done as much as it could, Secretary Rusk said that he wished to emphasize that Japan's position was taken into account.

Minister Kosaka reminded the Committee that Dr. Heller had wished to comment on item 2 but that this would now have to be deferred until morning. He then called on Deputy Vice Foreign Minister Shima to present an outline for the press briefing. After fifteen minutes of discussion in which Ministers Fukanaga and Kosaka and Secretaries Goldberg, Hodges, Rusk, Freeman, and Ambassador Reischauer participated, Secretary Rusk's formulation of the afternoon's discussion was accepted.

End of Afternoon Session.

IV. *Morning Session*—November 3—9:00 A.M.–12:15 P.M.

Foreign Minister Kosaka opened the session with a prepared statement on agenda item 5 concerning U.S. policy toward the OECD and the EEC and Japan's problems in trade with less developed countries. The full text is reproduced as *Enclosure 8*. In this statement, Minister Kosaka expressed deep disappointment over the trend toward permanent exclusion of Japan from the OECD and Japan's apprehension about the Common Market with particular reference to UK accession. Kosaka said Japan has no objection to the political objectives of European integration but urged the U.S., in framing its policy, not to overlook the position of Japan as the only industrialized country outside the area. One of the Foreign Minister's main points in his comments on Japan's trade with less developed countries was the latter's insistence on bilateral balancing of merchandise trade with Japan.

Secretary Rusk referred to Minister Sato's query of the previous afternoon concerning U.S. expectations with regard to renewal of the Reciprocal Trade Agreements act. He drew the Committee's attention to the wire service report on Under Secretary of State Ball's address before the National Foreign Trade Convention, copies of which he promised to distribute to all delegates later in the day. Secretary Rusk said this constituted the "opening gun" in what is likely to be a long battle in the U.S. He said that although specific legislative steps could not be promised, he wished to stress the Administration's recognition of the need for broader and more effective tools to deal with far-reaching changes in trade patterns. He said these changes are not only due to Common Market developments, although the latter symbolized the need for new U.S. negotiating authority in the tariff field to improve U.S. and Free World access to that growing market. Secretary Rusk said the U.S. objective is to create an open competitive free world trading system in which all free countries can take an active part. The Secretary referred to the need for the U.S. to make adjustments to new trade patterns which was not an easy task. He said that to refer to domestic politics in this context is simply to acknowledge that all democracies, including Japan, are subject to the same shortcomings.



The Secretary said the American people take exports for granted while imports are regarded as threats to the well being of the economy. The fact that 4½ million U.S. jobs depend on exports is a fact not sufficiently recognized by the American people. Secretary Rusk said that during the “great debate” on the Reciprocal Trade Agreements renewal in the coming months, there will be statements made which will no doubt irritate America’s friends. He asked for Japan’s understanding when this situation arises. After noting that there were still strong forces in the U.S. favoring a liberal trade policy, the Secretary described the dilemma facing many supporters in the remarks of a senator who said, “if you want to be a liberal senator, you must start by being a senator”.

Secretary Rusk said Japan could be of help during the next few months if in Japan’s informational activities, stress were placed on what a good customer Japan is for American goods. The Secretary said he intended to seek Ambassador Asakai’s help on this matter.

Secretary Rusk said he did not wish to shy away from the substantial bilateral gap in U.S.-Japan trade merchandise trade: He said the basic fact remains that so long as the U.S. carries such a heavy defense and foreign aid burden, the U.S. must maintain a substantial surplus in ordinary trade patterns. He added that U.S. defense outlays have an economic effect on the well being of other countries, including Japan, and that U.S. foreign aid expenditures in other areas help develop those countries as markets for Japanese exports. He concluded, however, with the observation that the U.S. is not content with existing U.S.-Japan trade relations nor is the U.S. content with discrimination imposed on Japanese goods by other countries.

Minister Kosaka expressed his great appreciation for the Secretary’s remarks and asked Dr. Heller to comment on agenda item 2 for which there had been insufficient time yesterday. Dr. Heller said he wished to comment on the effects of domestic economic policy on balance of payments. He said internal economic policy is a crucial factor in the solution of external payments problems. He illustrated this point by referring to the conjuncture in the first half of 1961 when, under the delayed impact of the 1960 recession, Japan’s exports to the U.S. fell 16 percent while under the impact of domestic U.S. recovery, U.S. imports from Japan during July-August were up 3.2 percent over the comparable months of 1960. Thus the success of U.S. domestic policy for growth, said Dr. Heller, is of prime importance for Japan as well. Dr. Heller also said the feverish pace of economic growth in Japan—i.e., domestic Japanese economic policy—was the principal basis for the 30 percent increase in Japanese imports. Dr. Heller said these illustrations simply underlined the obligation on both parties to adjust their internal economic policies in the light of their respective external positions.

Minister Sato said he was most impressed with Secretary Rusk's comments on trade policy and that he placed great expectations on the Secretary's statement that the U.S. is not satisfied with the present situation. He urged Secretary Rusk to expand on his ideas on ways in which Japan could be helpful at this time.

Secretary Rusk said that in Japan's superb department store in New York, Takashimiya, Japan could have appropriate displays reminding American buyers how much Japan purchases from the U.S. He said another example could be for Ambassador Asakai to visit an Eastern seaport when a large U.S. export shipment to Japan is due to leave in order to draw press attention to Japan as an export market for U.S. products.

The Secretary added that it is an objective of U.S. policy to reach a stage in terms of our balance of payments where the U.S. can return to more normal handling of foreign aid expenditures; many detailed problems which are a current source of difficulty between the U.S. and Japan on this score can be solved only in the context of an expanded world economy. The Secretary said this is a "mountain-top in the future" and that the Committee could not ignore the thickets which stand in the way of reaching that goal.

Minister Sato said differences of views are to be expected but he was glad to hear that the U.S. understands Japan's position better, to which Secretary Rusk replied that he hoped there would be better understanding on *both* sides.

Secretary Goldberg said he felt not enough attention had been given to the significance of Dr. Heller's comments yesterday concerning the prospect for a substantial growth of U.S. imports under conditions of recovery and growth in the U.S. economy, an increase in imports in which Japan should be able to maintain a significant share. Secretary Goldberg said one of the difficulties on the U.S. side in establishing a climate where such an increase could take place was the isolation of Japan's trade union movement from that of the U.S. due to Communist influence in the former. Minister Sato said Secretary Goldberg's comment indicated the importance of maintaining the labor leader exchange program which, he understood, Congress had not approved. Secretary Goldberg replied that he fully agreed on the importance of the labor exchange program and while it was true that Congress had not approved the Administration's request, it seemed likely that with the cooperation of Secretary Rusk it would be possible to permit a limited continuation next year using AID financing. Minister Fukunaga noted how active both the USSR and Communist China were in inviting union leaders to their countries and he said he looked forward to the efforts of Secretaries Rusk and Goldberg in enabling continuation of the exchange with the U.S.



Finance Minister Mizuta said he wished to comment on Under Secretary Fowler's observations with regard to U.S. capital outflow covering Japan's current account deficit. Minister Mizuta said that in the period January through September 1961 Japan's exports decreased 10 percent while its imports increased 40 percent. To offset the \$700 million deficit on current account Japan had a short term capital account surplus of only \$480 million, 90 percent of which was in the form of import usance reflecting the rapid rise in imports; when Japan's imports level off, Mr. Mizuta said the capital inflow of this type will correspondingly decrease and he said this trend was already noticeable. The Finance Minister said that while the short term inflow has helped to cover Japan's deficit in the past and while Japan was very grateful for the cooperation of U.S. commercial banks, this was not a stable mechanism to which Japan could look as a source for covering its current account deficit when imports return to a more normal level.

Under Secretary Fowler said he would be interested in hearing more about specific measures Japan contemplates taking to increase its exports to the U.S. and other countries. Minister Kosaka said he knew Minister Sato and Secretary Hodges and Minister Kono and Secretary Freeman were discussing these matters privately. He said Secretary Rusk's suggestion regarding publicity in the U.S. was an excellent idea and he thought U.S. farmers in particular should appreciate how good a market Japan is for U.S. agricultural products. Secretary Rusk cautioned that tact would have to be exercised in this field to avoid any risk of a charge that Japan is intervening in a political debate in the United States.

Secretary Udall commented that he felt that not all members of the U.S. Cabinet have been as active as they can and should be in demonstrating the importance of liberal trade policies. He noted in passing that Japan is one of America's best customers for coking coal and expressed the view that each Cabinet officer could take a more active role vis-à-vis Congress with regard to trade items within their respective spheres of responsibility. Secretary Rusk said it would be helpful if Japan could keep the U.S. better informed as to the trends of its economy with special reference to sudden increases in purchases from the U.S.; the Secretary said that sharp increases such as 40% in a period of months made adjustment in the U.S. very difficult.

State Minister Fujiyama quickly responded that advance information could certainly be given. He outlined the procedure through which Minister Sato meets with industry leaders and said that in the monetary field, Japan could be influential through over-the-counter or "loan window" controls. Based on these and other contacts between government and industry and financial entities, Minister Fujiyama said projections result which could be communicated to the U.S. Minister Mizuta

endorsed the desirability of such an interchange in order to keep the U.S. fully informed of Japan's long term goals. Minister Sato, in agreeing, said that he felt U.S.-Japan cooperation in the political field has not been matched to date in the economic field. He said staff level contacts could carry out the cooperation of the kind under discussion.

(An informal break in the proceedings occurred at this point as a result of the circulation of a cartoon by Herblock which appeared in the *Washington Post* recently. Ten copies are attached as *Enclosure 9*.)

Minister Kono said Secretary Rusk's statements during the morning had given him great hope but that he wished to express his attitude toward the current status of relations between the U.S. and Japan. In the field of foreign policy Mr. Kono said U.S.-Japanese cooperation is the foundation of Japan's foreign policy while, in the economic field, the relationship between the U.S. and Japan is regarded as one to be developed. He said Japan thinks of the U.S. first: Japan buys from America first and he hoped the U.S. would buy from Japan first. Minister Kono said Americans keep telling Japan to look for other markets and that this was very unexpected. He referred to trade in agricultural products, noting that the normal expectation would be for Japan to buy such items from less developed countries and sell them Japanese manufactured goods in return; but this was not the case at all: even in raw materials Japan puts first priority on the U.S. and this whole policy of primary reliance on the U.S. as a trading partner had led to the current balance of payments difficulties. Minister Kono said that at the outset of the present Conference the U.S. attitude had not seemed very favorable for an improvement in the present situation but that in the light of Secretary Rusk's statements, things seemed to be changing. He concluded by noting that the Committee would turn to trade relations with the Communist Bloc later in the day and reminded the Committee that Japan finds itself between the Sino-Soviet Bloc and the Free World.

Secretary Rusk said he appreciated Minister Kono's remarks but was just a little concerned that Minister Kono may have thought he had written a blank check which Japan could fill in at will.

#### Coffee Break

Secretary Hodges said he planned to discuss privately with Minister Sato a number of specific issues which need not take up Conference time but wished to make several general observations on U.S.-Japan trade relations. Secretary Hodges referred to American restiveness regarding unemployment in the U.S. and the very expensive measures the Kennedy Administration had adopted to deal with it. He said Japan must take this into account when requesting the U.S. to permit greatly expanded imports from Japan. Secretary Hodges said it was indispens-

able that international trade be really two-way and drew attention in this connection to the very poor response Japan had made to the U.S. offer for tariff reductions under GATT (Secretary Hodges said the U.S. benefits whose value was calculated at about \$100 million met with a Japanese list valued at only \$19 million). Secretary Hodges also drew attention to Minister Sato's prepared statement on textiles where a "rather harsh" reference to "honesty not paying" had appeared: Secretary Hodges said that if Japan had not applied voluntary controls, the problem would simply have arisen much earlier. Secretary Hodges said there were a number of measures both the U.S. and Japan needed to take in world trade: both needed to know their markets, both needed to give greater attention to research-oriented industries, both needed to emphasize quality products and both needed to do a better job of trade promotion and public relations. Secretary Hodges concluded with an observation that he was enthusiastic about future potentialities and foresaw a bright future for world trade.

Minister Sato expressed appreciation for these frank observations. He regretted that a satisfactory conclusion to the Geneva "Dillon Round" negotiations could not be found but noted that Japan's tariff level is quite low compared to that of the U.S. Regarding shipping matters and air routes, Minister Sato said he realized how serious both these issues were for the U.S. and recognized they could not be resolved easily. Concerning textiles, Minister Sato said he wished to correct any implication that his reference to honesty not paying was intended as a criticism of the United States which was not the case: it was intended to refer to Hong Kong having taken over Japan's market in the U.S. Minister Sato said he was aware of the frequent criticism that Japan tends to concentrate on too narrow an export market and assured the Committee that it was GOJ policy to seek markets in other parts of the world and over a wide range of goods. He said that discrimination under Article XXXV was a barrier in this connection and expressed the hope that the U.S. would continue its helpful support in obtaining its removal. Agreeing with Secretary Hodges on the need for improved quality and control standards, Minister Sato said it was Japan's intention to continue to obtain guidance and cooperation from the U.S. in this field.

Secretary Goldberg said that since he did not expect to participate in the private talks on shipping matters, he wished to point out that the U.S. maritime fleet is in serious trouble while Japan's is flourishing. He said the number of U.S. flagships had declined to below one thousand and that the great bulk of U.S. commerce was now carried in non-U.S. bottoms. He said the high wage policy in the U.S. merchant marine was a contributing factor and that the decline had reached a stage where national security considerations were involved.

Minister Sato commented that this illustrated one of the many jungles in the path of reaching the mountaintop Secretary Rusk had referred to.

Minister Kosaka invited the Committee to turn to item 7 and suggested Secretary Freeman lead off.

Secretary Freeman said that agenda items 6, 7 and 8 were all inter-related and that his statement would deal with some aspects of all of these items. He referred to the extraordinary technological explosion taking place in agriculture in the U.S., Japan and some other countries as well. The Secretary said that if this technology could be effectively applied in other areas of the world, it would be possible to meet the food needs of the world. He said there was an acute need in many parts of the world. The Secretary quoted several brief excerpts from the recently-released U.S. Dept. of Agriculture "World Food Budget 1962-66".

The Secretary of Agriculture said he wished to clarify U.S. policy in the Food for Peace Program in relation to U.S. domestic agricultural policy. The Secretary said the U.S. has not, does not, and he felt confident, will not engage in dumping practices or disruptive undercutting of markets in U.S. agricultural export programs. The U.S. proposed to maintain its historic markets and its historic share of markets as they expand. U.S. domestic agricultural policy is one of seeking to manage the enormous productivity of the American farmer, a program of "managed abundance"—and to utilize this capacity in a sensible way. The Secretary said the U.S. had not turned U.S. agriculture loose to produce what it could. The Food for Peace Program is not an international relief feeding program. It is designed to fill a gap when emergency situations arise but it is primarily aimed at promoting capital formation in under-developed countries.

With regard to international commodity agreements, Secretary Freeman said the Kennedy Administration policy is to work with other countries and through various international organizations to examine what can realistically be done to minimize extreme price fluctuations of agricultural and mineral products around the world. He said he expected that 50 years from now there would have to be very many commodity agreements to avoid complete chaos. The Secretary said that one serious problem both the U.S. and Japan should face is the prospect that in a few years, perhaps five or even less, Indonesia and perhaps the Philippines would become rice self-sufficient. When that happens Burma and Thailand will face a grave crisis because of their extreme dependence on rice exports. The Soviet Bloc can be expected to move into this situation with massive barter deals if the Free World permits this situation to develop without advance planning. Secretary Freeman said that in addition to the need for diversification of agricul-

ture in these countries (for example introduction of corn into Thailand), there was also need for careful consideration of an international rice agreement.

Minister Kono noted that it was time for the press briefing and said that Minister Kono's response and discussion of this item would be put over until the afternoon. The Committee then approved the general outline of the press briefing as presented by Deputy Vice Foreign Minister Shima.

End of Morning Session.

V. *Afternoon Session*—November 3—3:00 P.M.

The session opened with a prepared statement by Minister Kono on agenda item 7, the full text of which is reproduced as *Enclosure 10*. In this statement Minister Kono drew attention to the greater difficulties the Free World (including Japan) has in comparison with the Soviet Bloc in accepting large quantities of agricultural products from the less developed areas of the world.

After Minister Kono and Secretary Freeman had exchanged brief comments on the need for private discussions between the two governments on agricultural problems, Minister Kosaka said it was clear there was need for close cooperation at staff levels in the agricultural field. He mentioned in this connection the possibility of U.S.-Japan cooperation in Peace Corps activities.

Minister Kosaka invited Secretary Rusk to make his presentation on U.S. economic policy toward the Soviet Bloc.

Secretary Rusk noted that this was a highly sensitive topic and urged that all Committee members be discreet in dealing with the press. The Secretary said the U.S. does not believe that trade with the Communist Bloc can be considered in economic terms alone but that it involves political implications of the gravest and most far-reaching consequences. He said there is a crisis in history represented by the clash of two basic ideas, the idea of the inevitability of the Communist revolution on the one hand, a belief that is backed by the resources and power of the entire Sino-Soviet Bloc, and on the other hand, the conception of world society embodied in the UN Charter involving relations across national boundaries in keeping with international law. The Secretary said if there is any doubt as to what the Sino-Soviet Bloc is after it is only because the Free World does not believe what the Bloc has said in unmistakable ways. The Secretary cited in this connection the December 1960 Party declaration, Khrushchev's statement of January 6 and the 22nd Party Congress just completed, as well as during the Vienna meeting with President Kennedy. Secretary Rusk said that when Khrushchev says he will bury us or that our children will be Communists by 1980, it means that he intends to use all the resources at his command to bring this about.

The Secretary posed the question of what kind of trade policies are appropriate to pursue with countries that are determined to destroy us. He suggested that we should not make a direct contribution to the strategic strength of the Bloc and said he greatly appreciated Japan's cooperation in this regard. The Secretary said we should take care to deny recent technological developments, noting how clearly the Soviet Bloc benefits by picking up the final result of heavy research expenditures in the Free World. He added that he could see no reason to extend special advantages to the Soviet Bloc such as in the field of credits which would make it easier for the Soviet Bloc to obtain what they need. Finally, Secretary Rusk said he was especially concerned that some countries might become so dependent on the Soviet Bloc through trade as to be vulnerable to political pressures. The Secretary said that the trade relationship with the Bloc can become an extremely dangerous one if on the part of the Free World the relationship is approached as a purely commercial arrangement while the Soviet Bloc uses trade as an instrument of total policy. The Secretary said he recognized the argument of keeping open contact with the Soviet Bloc through the channel of trade but pointed to 15 years of experience marked by the tombstones of obstacles placed by the Soviet Bloc in the path of friendly relations. Secretary Rusk said U.S. policy in this field had been forced on the U.S.; quiet efforts in 1961 to improve relations have been met by outrageous rebuffs and demands for surrender of vital interests.

The Secretary said he did not wish to suggest there should be no trade with the Soviet Bloc, noting that the U.S. itself had such relations as well as many close friends. He said also he would not wish to suggest that Free World policy should be based on the notion that others are doing the U.S. a favor by adhering to the same general policies as does the U.S. because the issue transcends that of the individual interests of the U.S. or other individual countries.

The Secretary said his presentation was intended to indicate some of the reservations he has in this field. He strongly endorsed economic integration and inter-dependence within the Free World and expressed the hope that trade with the Soviet Bloc would be marginal so that no Free World country becomes dependent and thereby susceptible to political pressures.

Minister Kosaka replied that the points raised by Secretary Rusk were well-understood. He stressed that Japan's position is one of full commitment to democracy and cooperation with the Free World. He noted, however, that certain forces in Japan oppose this policy. Minister Kosaka then delivered a prepared statement the text of which is reproduced as *Enclosure 11* after which he quickly terminated the discussions by stating that he understood there was broad agreement on this topic and that any specific questions would be taken up elsewhere. He then suggested the Committee turn to agenda item 6.

Minister Sato led off with a prepared statement, the text of which is reproduced as *Enclosure 12* concerning Japan's policy in the field of assistance to less developed countries. This statement includes an appeal for closer cooperation between the two countries and, where practicable, joint projects.

Secretary Rusk said that President Kennedy feels strongly about the need to meet rising expectations around the world and that this means building the kind of world in which we ourselves would wish to live. He said that when the President took office it was apparent that there was a need for careful review of the previous 15 years experience with foreign aid; such a review has been completed and he wished to comment on several elements in the new U.S. approach.

Secretary Rusk said steps were needed to ensure that investment lead to the results expected. He said the U.S. did not intend to give assistance to countries whose own indigenous capital flows off to Swiss banks. While the U.S. does not presume to tell others how to manage their own affairs, the U.S. reserves the right to decide what is a good investment. The Secretary said the U.S. considers it unpromising to invest in areas whose regimes are indifferent to the welfare of their own people. More stringent rules have been written into the U.S. aid program with these factors in mind.

Secretary Rusk said it was not money but trained people which constituted the critical bottleneck in Free World assistance programs and this included shortages of people in recipient as well as donor countries including the U.S. He said the U.S. welcomed the increasing number of trained Japanese experts.

Referring to Minister Sato's reference to cooperation among developed countries, Secretary Rusk said all countries in a position to do so must make their best efforts if the Free World is to succeed. He expressed his respect and appreciation for the large contribution Japan has made in this field in recent years. The Secretary said there are many areas for joint cooperation between the two countries especially in Asia, although he cautioned that the U.S. could not make Japan "an agent" for U.S. aid.

The Secretary noted that the U.S. had sought Congressional authorization to use GARIOA repayments for foreign aid programs but Congress had declined, and therefore the Executive Branch does not have the means for direct linking it had hoped for. The Secretary said Japan should not, however, consider that its request had been completely rebuffed. He said there are ways the U.S. and Japan can cooperate on a case-by-case basis and he assured the Committee that the U.S. was interested in partnership in this field. The Secretary said that wisdom lies in the direction of flexibility and that he personally believed there would be dozens of occasions for cooperation between the two countries.



The Secretary said the U.S. balance of payments problem and especially the gold outflow precludes the U.S. from permitting unrestricted global procurement financed by U.S. assistance programs. He said he did not wish to appear apologetic for this because what the U.S. was trying to do was extend the maximum amount of aid it could with the resources at its disposal; the U.S. reserves of free gold were insufficient to permit unrestricted bidding at this time.

The Secretary concluded with an expression of hope that Japan would find ways to increase its aid especially in the field of training young people. He also hoped that as Japan's financial situation permitted, the government would move in the direction of longer term loans at lower interest rates because, he said, it was this kind of capital that the less developed areas needed. Finally, Secretary Rusk said he welcomed the partnership which the U.S. has already enjoyed with Japan in the field of assistance to developing countries.

State Minister Fujiyama said he was somewhat surprised to hear the strict attitude the U.S. has in this field. He noted that Japan expected to devote about 2.9% of its GNP to external assistance under the 10 year plan to double the national income. He agreed that the two nations could and should cooperate more fully in this field not only in agriculture but in creating new industry. Mr. Fujiyama said that aid by the industrialized Free World thus far has paid insufficient attention to small and medium sized industry which can best absorb the labor force of emerging countries. He suggested both countries should do more along this line rather than helping various leaders in less developed countries build monuments to themselves.

Minister Fukanaga referred to Secretary Rusk's comment to the effect that Japan could not be an agent for U.S. aid. Minister Fukanaga said his experience in less developed areas indicated an urgent need for the use of an agent and while the word "agent" might not be the best term, he urged the U.S. to consider making better use of Japan to increase the effectiveness of U.S. assistance. Minister Fukanaga cited the case of Burma which he said did not want to accept assistance openly from either the U.S. or the Soviet Bloc. In the field of technical assistance, he pointed to Soviet Bloc activity in sending technicians to Southeast Asia and declared that Japan was prepared to do more than it had to date. He closed by reiterating his hope that the Cabinet would go back to the U.S. Congress on the question of GARIOA repayments and point out the benefits which could accrue to the U.S. through such a device.

Under Secretary Fowler said he wished to commend Minister Fujiyama for his emphasis on the need to develop small and medium sized industry in less developed areas. He said Japan was an excellent source of skilled personnel for this kind of effort and said the U.S. would



welcome further exploration of cooperative steps to promote this objective.

Secretary Freeman drew attention to the fact that more than 80% of the people in the developing countries are engaged in agriculture and that there had to be development in this field also.

Secretary Rusk, returning to the question of Japan as an “agent” for U.S. aid, said he may have spoken too briefly in his earlier remarks which were in no sense directed at Japan specifically but applied with equal force to the U.K., France or any other industrialized country. After reiterating that there are many ways in which the U.S. and Japan can work together and that the U.S. is looking for situations where such cooperation looked promising, Secretary Rusk said he wanted to make it clear that if a country would welcome U.S. money at the back door but did not welcome the U.S. at the front door, the U.S. did not wish to be a party. He said the U.S. had its sensitivities and its pride, and moreover as Secretary of State he had to face the American people.

Minister Mizuta said he was pleased to hear that the U.S. appreciated Japan’s efforts. Commenting that he thought Japan deserved to be commended, he referred to the heavy burden of reparations payments which remained to be met (\$312 million paid thus far, \$700 million remaining). He also referred to the recent Burmese demand for hundreds of millions of dollars from Japan and said the Burmese negotiators had stated they would refuse assistance from the Soviet Bloc if Japan met their request. Minister Mizuta concluded with an appeal for special consideration by the U.S. on such matters as ICA procurement in view of the substantial efforts Japan is already making in the face of balance of payments difficulties and the burden of reparations.

Minister Kosaka drew attention to the fact that the spirited discussion during this session had continued for more than 2 hours without a coffee break and that it was now time to consider the press briefing. Before doing so, he asked Secretary Goldberg to comment on the unfinished labor items which he understood had been the subject of private discussions.

Secretary Goldberg first mentioned the exchange of agricultural workers which he said did not appear suitable for inclusion in the communique but wished to inform the Committee that the U.S. was prepared to work out a procedure which would permit continuation next year on a somewhat smaller scale. Secretary Goldberg informed the Committee that he had received a telegraphic report on the latest unemployment figures in the U.S.; the figure had fallen below 4 million but, unfortunately, the seasonally adjusted rate was still 6.8%. Secretary Goldberg said this pointed up the desirability of including in the communique some reference to the *joint* concern of both the U.S. and Japan over the need for an improvement of labor standards which, he stressed,

do affect trade policy. Secretary Goldberg said such a reference would demonstrate to U.S. labor that the GOJ also, rather than just the U.S., is concerned over this subject.

Minister Kosaka commented that he was very interested in continuing to send young agricultural workers to the U.S. and Minister Kono added that the Japanese farmers were grateful for the opportunity offered by this program and that the figures mentioned to him privately for the coming year were fully satisfactory.

The Committee approved the outline for the press briefing presented by Deputy Vice Foreign Minister Shima and agreed to meet at 10:00 A.M. Saturday, November 4, to consider the final communique.

End of Afternoon session.

VI. *Morning Session*—Saturday, November 5—11:15–11:25 A.M.

[NOTE: Formal convocation of the Committee was delayed while the drafting Committee met privately to negotiate last-minute changes in various paragraphs of the communiqué. Individual sentences of the communiqué which presented difficulties for one side or the other were taken to the respective Ministers concerned for approval.]

Minister Kosaka said he understood agreement had just about been reached in the drafting committee and while awaiting receipt of the text of the draft communiqué he asked if any of the Ministers wished to raise any other topics.

Minister Kono drew brief attention to the several outstanding issues between the U.S. and Japan agricultural matters which had been discussed privately with Secretary Freeman and urged continued cooperation on both sides.

Secretary Freeman referred to the U.S. quarantine on Japanese beef and mandarin oranges which he stressed were not imposed to restrict trade in any way but to prevent infestations. Noting that Minister Kono had declared there was not such danger, Secretary Freeman said technicians from both sides should thoroughly re-examine the question. Secretary Rusk confirmed that the U.S. does not use health regulations as a concealed method of trade protection.

Secretary Freeman urged that each question be considered on its merits and that both sides should avoid an attempt to horsetrade. The Secretary expressed his hope that Minister Kono would agree that, in this connection, importations of lemons into Japan should promptly be liberalized, without relating the question to that of U.S. restrictions on mandarin oranges.

Minister Kosaka reported the drafting committee had reached agreement and noted that he and Secretary Rusk were due to make a television appearance in a few minutes. He quickly concluded with an

expression of deep appreciation for the exchange of views during the past three days which, he said, covered more ground than could have been achieved in three years through normal channels. He said he looked forward eagerly to the next meeting. He closed with an expression of appreciation to the Committee staff and especially the interpreters. Secretary Rusk said time precluded his making an adequate closing statement but he felt certain the full committee realized how deeply he and his colleagues appreciated the unparalleled hospitality which had been extended to them.

The text of the final communiqué is reproduced as *Enclosure 13*.

Ten copies of a summary of November 4–5 Japanese press coverage of the Hakone Conference, prepared by the Embassy's Translation Services Branch, are attached as *Enclosure 14*.

For the Ambassador:

**Edward W. Doherty**  
*Counselor for Economic Affairs*

December 1961

**454. Memorandum of Conversation, December 2, between Rusk and Japanese Newsmen Watanabe<sup>1</sup>**

December 2, 1961

SUBJECT

Hakone Talks

PARTICIPANTS

The Secretary

Mr. Zenichiro Watanabe, Foreign News Editor, *Mainichi Shimbun*

Mr. Minoru Omori, Bureau Chief, Washington Office *Mainichi Shimbun*

Mr. Henry L.T. Koren, Director, Northeast Asian Affairs, State

Mr. John M. Gregory, Jr., Far East Public Affairs, State

Mr. James J. Wickel, Language Services, State

Mr. Watanabe stated that he felt that the attitudes being shown in the United States on restrictions on textile imports and bidding on AID fertilizer contracts had the effect of blunting the promise shown in the Ikeda-Kennedy Communiqué and the Hakone Conference.

In reply the Secretary indicated that on the textile matter we believe that the Japanese complaint is legitimate because of the good will shown by Japan in imposing voluntary export controls while other textile producers were exporting all they could to the United States. We are interested in helping Japan to enter other markets. We must now ask Congress for new kinds of trade authority to resolve problems like the present one of Japanese textiles. The Secretary said that the fertilizer matter is related to the gold-flow problem. He realized Japan was on the other side of the gold flow but we have to make our adjustments relative to the overall position of our gold holdings. He further commented that Japan is in a period of vigorous growth in which it needs capital and equipment for its ten-year plan. We cannot keep up with the adjustments needed to keep our trade with Japan balanced while Japan is running so fast. Another part of the problem is that Japan does not import what it produces and that it does not have domestic complaints about import competition. On the other hand, in the United States Japanese goods are very obvious to our people when they are displayed in stores and shops. No one sees things like the generating plants and capital goods that we export to Japan.

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<sup>1</sup> Trade with Japan. Official Use Only. 2 pp. Department of State, Secretary's Memoranda of Conversation: Lot 65 D 330.

United States importers are not vocal but the people who think they are being injured by Japanese imports are very vocal. We hope to try between our Governments to anticipate probable trade levels in order to balance them. But in the short run, we cannot balance our trade levels item for item. However, we shall do our best to work them out.

The Secretary said he wanted to impress Mr. Watanabe with his disbelief that a decision effecting one fertilizer transaction since the Hakone Conference erases the effect of Hakone. He observed that free nations are always trying to do more. The dynamism of our economics precludes complete harmony. We must remember that while one item, such as fertilizer, is disrupted, thousands of other items are being traded equitably.

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#### 455. Telegram 1470 to Tokyo, December 8<sup>1</sup>

December 8, 1961

Department and White House have noted heavy volume Japanese criticism President's request for Tariff Commission Section 22 investigation on cotton textile equalization fee. Suggest Ambassador consider giving speech before suitable forum at early date on general subject US-JAPAN commercial relations in which equalization fee problem can be put in perspective. Following points can be made:

1. US not repeat not departing from traditional foreign trade and foreign economic policies which continue to be based on proposition that interests of US and free world are bound up with liberal multilateral trading system. You may say that Department and White House have informed you that Administration proposes to go before Congress with far-reaching trade policy legislation which will be based on fundamental proposition of unconditional most favored nation treatment. We intend seek broad authority negotiate with Common Market, which is major new factor in international trade, but we intend generalize tariff concessions as in past. New departures in trade policy legislation, if accepted by Congress, will not harm or isolate Japan but rather will strengthen and expand multilateral trading system to benefit of all participants, among whom Japan is so important a member.

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<sup>1</sup> Strategy to blunt Japanese criticism of cotton textile equalization fee. Confidential. 3 pp. Department of State, Central Files, 411.006/12-861.

2. President's request of Tariff Commission for Section 22 investigation raw cotton export subsidy reflects continuing concern US Govt over obvious inequity that two price cotton system imposes on US textile industry. However, Tariff Commission has been asked to study and investigate. There will be a full examination this matter, including public hearings where all interested parties may make views known. There is no Tariff Commission recommendation impose equalization fee and cannot be until investigation completed. There is no way to anticipate its conclusions since procedure not yet under way. Its recommendation, when made, will represent judgment as to whether sufficient case has been made to warrant application equalization fee as means mitigate effect export subsidy on US cotton support price system.

3. While USG has identified cotton textiles as special problem case US approach is not intended be restrictive and narrow one. On contrary, we have undertaken to find answers through multilateral discussions and on the basis that the interests of the free world call for orderly expansion international trade in cotton textiles. We are actively seeking agreement to cover a period of several years during which the traditional and the new exporting nations will have access increasing markets in the importing nations.

In addition public address, Ambassador should take early occasion discuss with Hara of Cotton Spinners' Association and other textile industry leaders equalization fee question. Ambassador should stress that examination of equalization fee approach by Tariff Commission is one aspect of search for solution to genuine problem facing US industry (which Hara and others understand fully). It is not only possible solution but it is one we are committed to study and explore. Tariff Commission procedures will allow all interested parties to be heard and Ambassador should be free encourage Japanese put forward their case as they see it. He should express hope, however, that Japanese industry will show understanding that USG proceeding in orderly and careful way come to a decision on how best deal with inequity caused by two price cotton and that no unconsidered or hasty actions intended or even possible.

Believe both speech and discussions with textile leaders should be undertaken soonest in order clarify US position in Japan before view becomes fixed in Japanese public that equalization fee already has been imposed and Japanese interests ignored in process.

**Rusk**

May 1962

**456. Letter from Ball to U.S. Ambassadors, May 11<sup>1</sup>**

May 11, 1962

Dear Mr. Ambassador:

The President's program for dealing with our persistent balance of payments deficits places special emphasis on the Export Expansion Program. Effective export expansion activities by our Government urgently require renewed, vigorous efforts on the part of the Foreign Service on behalf of the Department of Commerce and the American business community. With a view to achieving a more effective contribution on the part of the Foreign Service, the Departments of State and Commerce have jointly reviewed their mutual responsibilities in this field. As a result, a new agreement has been reached between the two Departments which provides for a Commercial Specialist Program within the Foreign Service. This Agreement, dated November 15, 1961, has been concurred in by the Budget Bureau subject to a further examination of the budgetary procedures within the next year.

It is clear that your personal understanding and support are necessary to make this Agreement effective in your Post. I am therefore transmitting for your personal attention a copy of the Agreement, and wish to take this opportunity to make a few comments about it. I shall not discuss individual provisions. Rather, I want to stress the importance of the Agreement to the Export Expansion Program and to the Foreign Service.

Basic to the Agreement is the understanding which Secretary Hodges and I have reached that export expansion functions can best be provided within a unified Foreign Service but with a greater degree of specialization than we have known in the recent past. If we all do our share, this Agreement will work and work well.

The Agreement's substantive provisions are designed to stimulate a professional career specialization in commercial work. To this end, the Agreement provides for a series of new and improved personnel procedures; improved opportunities for promotion via the commercial specialist route; budgetary procedures designed to provide adequate resources for this activity; and for increased participation by the Department of Commerce in trade promotion matters.

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<sup>1</sup> Establishment of Commercial Specialist Program within the Foreign Service. No classification marking. 2 pp. Department of State, Central Files, 611.0041/5-1162.

Secretary of Commerce Hodges and I ask that you and your principal assistants give maximum support to our export drive in terms of your own time and effort and by giving guidance to the officers under your jurisdiction directly engaged in commercial work. We also ask that you draw these Commercial Officers into discussions of commercial and economic policy which substantially affect the commercial interests of the United States and the country to which you are accredited. These officers have a real contribution to make in this respect, and we must utilize it to the fullest.

Secretary Hodges and I plan to have senior officers representative of both Departments visit with your Commercial Officers in a series of regional meetings. These meetings will provide an effective forum for discussing the opportunities and responsibilities under the Commercial Specialist Program. They will also afford officers an opportunity to become acquainted with the Program in depth and to ask questions about it before making their choice of a career speciality.

We would welcome any comments or suggestions you may have about the Agreement both now and as it becomes operative.

Sincerely yours,

**George W. Ball**  
*Acting Secretary*



July 1962

**457. Minutes of Cabinet Textile Advisory Committee, July 18<sup>1</sup>**

July 18, 1962

PRESENT

Luther H. Hodges, Secretary of Commerce, Chairman  
George W. Ball, Under Secretary of State  
Charles S. Murphy, Under Secretary of Agriculture  
Meyer Feldman, Deputy Special Counsel to the President  
G. Griffith Johnson, Assistant Secretary of State  
Hickman Price, Jr., Assistant Secretary of Commerce  
W. Michael Blumenthal, Deputy Assistant Secretary of State  
E. Wayne Weant, Deputy Assistant Secretary of Commerce  
Daniel P. Moynihan, Special Assistant to the Secretary of Labor  
Robert A. Wallace, Special Assistant to the Secretary of the Treasury  
Stanley Nehmer, Department of State  
Robert C. Sherman, Department of Agriculture

The meeting was called to order by Secretary Hodges, as Chairman.

*Woolens*

Mr. Feldman led a discussion on woolens. He described recent discussions with representatives of the National Association of Wool Manufacturers and submitted a draft of a letter from him to the President of that Association, on which he asked for approval or suggestions.

The report of the Ad Hoc Subcommittee, consisting of representatives of Departments of State, Commerce, and Labor, dated July 13, 1962, was then considered and approved. A copy of this report is attached hereto as Annex A.

The State Department was requested to take necessary steps to call a meeting of the International Wool Study Group and to prepare a press release covering this. Mr. Price was instructed to call a meeting of the Wool Advisory Committee after the State Department has arranged for the organization of the proposed meeting of the International Wool Study Group, and immediately prior to issuance of the press release to inform the members thereof as to proposed action.

Mr. Feldman observed that it would be desirable at the same time to inform a selected list of Senators who are interested in the wool and

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<sup>1</sup> Discussion of import restrictions. Attached is a June 27 letter from President Kennedy to Congressman Vinson on textile concerns. Confidential. 13 pp. Department of State, Central Files, 100.4/7-2762.

woolen textile problem of this new development of the Administration's program, and said that he would prepare a letter for this purpose.

The Committee then instructed the Interagency Textile Administrative Committee to expand its functions to include monthly and continuing studies of importations of textile products manufactured from fibers other than cotton and to report to the Committee any significant changes of import trends, this being in line with the last paragraph of the recommendation of the Ad Hoc Subcommittee.

The Administration's policy to hold imports of wool textile products to approximately the present level was reiterated.

#### *Short Term Arrangement*

The next item on the agenda was import results and problems arising therefrom during the first eight months of the Short Term Arrangement.

Mr. Feldman explained to the Committee the history underlying the letter dated June 27th from the President to Congressman Vinson. Mr. Feldman explained that the President was attracted to the principle of the ratio of imports to domestic consumption, the basis for restrictions to be the quantitative import level of FY 61. The President's idea is to set a limit of 6% on imports to domestic consumption during the life of both the Short Term and Long Term Arrangements on the theory that it is virtually impossible to administer a program involving so many nations and categories in such a way as to hold to an exact total such as the quantitative figure of FY '61.

Secretary Hodges read appropriate sections of the President's letter of June 27, 1962, to Congressman Vinson, which is attached hereto as Annex B.

The Chairman gave a report on imports during the first eight months of the Short Term Arrangement, which are summarized as Annexes C, D and E hereof.

Mr. Blumenthal stated that due to the large number of categories presently under restraint from a number of countries, he anticipated that imports for the 12 months ending September 30, 1962, would be somewhere between 115 and 120 percent of FY '61, and that imports in the last month of the Short Term Arrangement year might be as low as 2%. He further said that the State Department's estimates were that this would result in an import/consumption ratio for the 12 months ending September 30, 1962, of slightly less than 6%. Mr. Price agreed that this was a theoretical possibility but that experience has shown that imports from countries not under restraint tend to increase sharply in those categories where one or more important countries were under restraint and that as a result these estimates were a bit too hopeful.

Discussion ensued as to possible means of curtailing imports during the remainder of the 12 months ending September 30, 1962, so as

to achieve the lowest possible excess above the level of FY 1961. There was some discussion as to how far it was feasible to request restraint from countries not now restrained in categories which are under restraint in the case of one or more other countries. It was concluded that restraint actions should be taken wherever feasible in order to prevent further disruption in such categories and to cut down further the total flow of imports during the remainder of the Short Term Arrangement year, but that caution should be exercised not to accentuate international complications by requesting restraint from countries whose exports in such categories are not significant in relation to the total. ITAC was requested by the Committee to restudy the entire import situation under the Short Term Arrangement and to take such action as may be necessary under the above criteria.

#### *Long Term Arrangement*

Conversation then progressed to the Long Term Arrangement. The question was raised as to the possibility of negotiations with one or more countries who have shipped during the Short Term Arrangement year quantities substantially in excess of the level of FY 1961. Mr. Blumenthal said that the State Department was prepared to open discussions with Portugal, from which country in the first 8 months imports had reached 147% of its total FY 1961 base level and which had continued to export large quantities of carded yarn to the United States after it had advised the State Department that no further shipments would be permitted after March 12th. It was proposed that the United States would request Portugal to delete from any restraint level requested under the Long Term Arrangement the amount of yarn exported from Portugal during the Short Term Arrangement year after March 12, 1962.

Further discussions developed as to the possibility of requesting cut backs from other countries based on excessive shipment in the 12 months ending September 30, 1962, from which agreement was reached on four basic points:

(a) The United States will not reopen negotiations of the Long Term Arrangement;

(b) The United States will undertake negotiations with the largest five or six exporting countries, particularly those which are under restraint in important categories, to prevent an undue concentration of exports in the first few months of the Long Term Arrangement following the end of the restraint and/or embargo period of October 1. The limited time in which to accomplish this was emphasized.

(c) A plan is to be developed in the immediate future with all of the large exporting countries toward the end of spacing shipments under the Long Term Arrangement at an even rate of flow in order to avoid undue concentration in any one period, since the Long Term

Arrangement does not specifically make provision for such even spacing;

(d) ITAC is to undertake a study toward the end of ascertaining best base periods under which to effect restraints under the Long Term Arrangement, following the first 12 out of the previous 15 month formula.

A subcommittee within ITAC was appointed to prepare a program of guide lines and procedures for operation under the Long Term Arrangement. This subcommittee will consist of Hickman Price, Jr., W. Michael Blumenthal and Daniel P. Moynihan.

There was some discussion with regard to the rights of a minority within ITAC. The Chairman read from minutes of the meeting of this committee of May 7, 1962, as follows:

"Secretary Hodges stated that it was necessary to regularize the operations of the Interagency Textile Advisory Committee so that at its meetings each representative of the Departments concerned would have full authority, if possible, to act at the meeting. In the event this were not possible, or if the representative of any Department desired to appeal a decision being taken on majority vote by ITAC, such representative should appeal the decision within two days in writing to Secretary Hodges as Chairman of the President's Cabinet Textile Advisory Committee."

The principle contained in the minutes as above quoted was reconfirmed, including the rights of either a majority or a minority of ITAC to appeal to this Committee.

The Chairman advised that it was most important for all of the members of ITAC to operate on a team basis and to cooperate to the fullest extent amongst themselves toward the end of achieving the objectives of the President's Textile Program of May 2, 1961.

## Annex A

### *Report of Ad Hoc Subcommittee*

On May 7, 1962, the Cabinet Textile Committee appointed a Subcommittee to study the implementation of the President's Seven-Point Program with respect to textiles other than cotton. In view of the strong feeling expressed by the Cabinet Textile Committee that there should be no international negotiations, there is a need to make recommendations to the Committee that could be employed in providing a positive response to the requests by representatives of the woolen and man-made fiber textile industries for governmental assistance.

After a detailed appraisal of the situation, the Subcommittee reaffirms the Cabinet Textile Committee's decision not to undertake inter-

national negotiations on woolen and man-made fiber textiles. The Subcommittee also recommends that the Tariff Commission should not be asked to undertake a study on imports of these items at this time in view of the fact that the industries concerned desire action rather than the promise of another study.

However, in view of the representations made by industry leaders that the domestic market in woolen and man-made fiber textiles and products is being substantially depressed by imports from foreign countries, the Subcommittee recommends that the Management Committee of the International Wool Study Group be requested to call a meeting of its member countries to explore those present and future problems of international trade in wool and woolen products and competing fibers and products that are of mutual concern to them.

The Department of State would first informally approach the United Kingdom Government and such other governments as it considers necessary to lay the necessary groundwork for the United States request to the Management Committee. The Department would indicate that it is not the intention of the United States to propose an international agreement at the meeting of the International Wool Study Group, but rather to reconvene a forum for all countries to discuss and study the commodities concerned and the problems confronting these commodities in international trade.

The Subcommittee also recommends that the terms of reference of the Interagency Textile Administrative Committee be broadened to permit it to consider textiles other than cotton textiles, pursuant to the President's Seven-Point Program of May 1961.

**G. Griffith Johnson**

*Assistant Secretary of State for  
Economic Affairs*

**Hickman Price, Jr.**

*Assistant Secretary of Commerce  
for Domestic Affairs*

**W. Willard Wirtz**

*Under Secretary  
of Labor*

## Attachment

Dear Carl:

I have carefully studied your letter of June 13. The arguments you make and the statistics you present are very persuasive.

It seems to me important to maintain a relationship between the volume of imports of cotton textile products and domestic consumption in such a manner as to prevent dislocation of domestic production, thus permitting the textile industry and individual mills to plan intelligently, on the basis of estimated demand. Such programing of imports and domestic production will permit the industry to assume its rightful place as a growing, vital factor in the economy.

As you know, the imports of cotton textile products are now subject to limitation under the Short-Term International Cotton Textile Arrangement expiring September 30, 1962. There has also been negotiated with 18 other nations a Long-Term International Cotton Textile Arrangement, expiring September 30, 1967, which will become effective October 1, 1962, upon adherence by the nations involved.

I note particularly your reference to the level of imports of cotton textile products during the first seven months of the Short-Term International Arrangement. Since it has been our intention to use imports during Fiscal Year 1961 as the base period for calculating the appropriate relationship between imports and domestic consumption, the excessive imports in recent months have been disappointing. It occurred due to temporary factors associated with the newness of the Arrangement and the lack of authority for dealing with nations not participating in the International Arrangement which was corrected by PL 87-488.

I am informed that these temporary factors have not been substantially resolved. Nevertheless, I am requesting the Departments of Agriculture, Commerce, Labor, State, and Treasury, which are represented on the Interagency Textile Administration Committee, to take such measures as may be necessary to limit imports of cotton textile products during the remainder of the Short-Term Arrangement to the desired level.

Similarly, it is our intention to use the terms of the Long-Term Arrangement in such a way as to limit imports of cotton textile products during its life to a level designed to achieve the objectives of the second paragraph of this letter. This would mean that the ratio of imports to consumption would be approximately that of Fiscal Year 1961, adjusted to such mandatory increases as are provided by the Arrangement. To prevent hardship to any one sector of the industry, the level of imports in each category will be held as closely as possible to the same desired level.

It is my intention that these agreements, together with such other powers as are available to the Executive department, be implemented and exercised in such a way as to prevent any further deterioration in the relationship between imports and domestic consumption.

With regard to textile products manufactured from fibers other than cotton, imports are being carefully scrutinized monthly. If a rising trend of imports above present levels affects adversely domestic industry, such measures will be taken as may be necessary to prevent deterioration in the imports/domestic consumption relationship.

I appreciate the assistance you have rendered in helping meet this objective.

Best personal regards.

Sincerely,

JFK

### Annex C

#### Certain Performance Figures under the Short-Term Arrangement (which excludes Japan)

(Millions of sq. yds. equiv.)

12 months ending June 30, 1961	567
8 months at FY 1961 going rate	378
8 months actual imports	514
8 months excess above FY 1961 going rate	136
% in excess above FY 1961 going rate	36.0%

The following countries have importantly contributed to the overages:

Country	FY 1961 8 mos. Going Rate	8 mos. Actual Imports	Excess	% of Excess
Hong Kong	135	221	86	64%
Portugal	33	72	39	118
Taiwan	16	28	12	75

## Annex D

RATIOS BY WEIGHT  
Imports/Consumption

	<u>Monthly</u>	<u>Cumulative</u>
1957	2.5 %	
1958	3.0	
1959	4.0	
1960	6.0	
FY 6/30/61	5.22	
1961	4.7	
October 1961	4.8 %	4.8 %
November	3.9	4.3
December	6.6	5.0
January 1962	6.9	5.5
February	7.5	5.9
March	8.3	6.3
April	7.5	6.5
May	7.4	6.6

## Annex E

IMPORTS  
in Square Yard Equivalents  
(millions)

	<u>All Countries except Japan</u>	<u>Japan</u>	<u>Total</u>
FY 6/30/61	566.9	245.9	812.9
Oct. 1961	41.7	17.8	59.5
Nov.	41.8	18.5	60.2
Dec.	57.7	22.9	80.7
Jan. 1962	72.0	42.0	114.0
Feb.	72.4	25.9	98.3
Mar.	78.0	30.7	108.7
Apr.	85.6	33.5	119.1
May	65.3	33.5	98.8
Total 8 Months			
<u>Ending May '62</u>	<u>514.0</u>	<u>224.8</u>	<u>738.8</u>
<u>% of FY 6/30/61</u>	92	91	92



Balance to reach FY 6/30/61 in remaining 4 mths.	52.9	21.1	74.1
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**Attachment**

Dear George:

Attached hereto are the minutes of the meeting of the President's Textile Advisory Committee of July 18, 1962.

If there are any changes which you would care to make I would appreciate hearing from you.

Sincerely yours,

**Luther H. Hodges**  
*Secretary of Commerce*

# August 1962

## 458. Memorandum from Ball to President Kennedy, August 21<sup>1</sup>

August 21, 1962

### SUBJECT

Woolen Textile Problem

There is only one rational way to tackle the import problem of the woolen textile industry. This is by coming to grips with raw material costs.

In this memorandum I suggest a course of action that would accomplish this in a way that would benefit the woolen textile industry, the raw wool growers, the consumer, and U.S. foreign relations.

### *The Present Structure of Protection*

1. Our woolen textile industry presently depends on imports for two-thirds of its raw wool. This comes primarily from Australia, but also from such countries as New Zealand, Argentina and Uruguay.

2. Raw wool imports are subject to a duty of 25½¢ per pound. In addition our wool growers receive a compensatory payment that in 1961, approximated 45% of their total receipts from their raw wool sales. The National Wool Act of 1954 limits compensatory payments to 70% of the aggregate amount of duties collected on raw wool and woolen textiles.

3. There is a tariff on woolen textiles consisting of an ad valorem duty plus a specific duty of 37½% a pound.

A. The *specific* duty component of this tariff is intended to equalize raw wool costs to the U.S. textile industry; in fact, it contains an element of extra protection.

B. The *ad valorem* component of the woolen textile tariff was increased, as of January 1, 1961, to a point approximately equal to Smoot-Hawley levels.

### *Recommended Course of Action*

In order to assist the woolen textile industry and to improve its competitive position as against imported wools, we recommend the following courses of action:

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<sup>1</sup> "Woolen Textile Problem." Confidential. 3 pp. Department of State, Central Files, 411.006/8-2162. September 1962

1. Negotiate with Australia a reduction in the tariff on raw wool by 50% using the authority of the Trade Expansion Act. As a *quid pro quo* for such a reduction Australia is prepared to offer some especially valuable concessions such as a raising of the embargo on the export of Merino sheep to the United States. This should materially help U.S. wool growers to build up their flocks of fine quality sheep.

2. In order to avoid loss to the wool growers from this reduction in import duties, the ceiling on compensatory payments should be revised so as to assure them of at least the same level of income that they are now receiving.

3. Both the ad valorem and specific duty components of the tariff on woolen textiles should be maintained at present high levels. Under our GATT commitments, if we reduce the duty on raw wool, we are required to reduce the specific duty. However, we could probably avoid paying substantial compensation to other countries for failure to do this, since we would have the support of Australia and other Commonwealth countries to a GATT waiver.

#### *Advantages*

This course of action offers the following advantages:

A. The competitive position of the woolen textile industry would be substantially improved as against imports, since its raw material costs would be reduced by roughly 12–15%. Its competitive position would also be improved as against the competition of fabrics domestically produced from man-made fabrics.

B. The United States wool-growing industry would be guaranteed the same level of income it now receives. In addition it would obtain special concessions, such as the opportunity to import Merino sheep.

C. The U.S. consumer would benefit by lower woolen textile prices.

D. Our foreign relations would benefit by our ability to reduce our tariffs on wool from Australia, New Zealand, Argentina, and Uruguay. These tariffs have been a source of galling complaint for a long time.

We have not computed the cost to the American treasury of the additional compensatory payment to the wool growers but the top limit would probably not exceed \$25 million.

The foregoing is proposed not as a substitute for our proposed approach through the Wool Study Group, but as a supplement to that approach.

**George W. Ball**

**459. Letter from Hodges to Ball, September 14<sup>1</sup>**

September 14, 1962

Dear George:

Attached herewith are the minutes of the President's Cabinet Textile Advisory Committee held Monday, August 27, 1962, at the White House.

The delay in getting these to you is regretted.

Sincerely yours,

**Luther H. Hodges**  
*Secretary of Commerce*

**Attachment**

**Minutes of President's Cabinet Textile Advisory Committee Meeting**

August 27, 1962

PRESENT

Secretary of Commerce Luther Hodges, Chairman  
Under Secretary of State George W. Ball  
Myer Feldman, Deputy Special Counsel to the President  
James A. Reed, Assistant Secretary of the Treasury  
G. Griffith Johnson, Asst. Secretary of State for Economic Affairs  
John P. Duncan, Jr., Asst. Secretary of Agriculture for Marketing and Stabilization  
Hickman Price, Jr., Asst. Secretary of Commerce for Domestic Affairs  
Mike N. Manatos, Administrative Assistant to the President  
Daniel P. Moynihan, Special Assistant to the Secretary of Labor  
E. Wayne Weant, Deputy Asst. Secretary of Commerce for Domestic Affairs  
Willard W. Cochrane, Director, Agricultural Economics  
Stanley Nehmer, Deputy Director, Office of International Resources, Department of State  
Raymond N. Marra, Asst. Deputy Commissioner, Bureau of Customs, Department of the Treasury  
James S. Love, Jr., Department of Commerce

Secretary Hodges called the meeting to order and directed the discussion through five major topics.

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<sup>1</sup> Conveys minutes of August 27 meeting of President's Cabinet Textile Advisory Committee. Confidential. 6 pp. Department of State, Central Files, 394.41/9-1462.

### *1. Correction of the two-price cotton system.*

Mr. Feldman stated that we should be prepared for a negative decision on the off-set fee by the Tariff Commission. He reviewed the President's intention in such an event to (1) make an announcement at the time of the Tariff Commission's decision that the Department of Agriculture was directed to find another solution and (2) to make a conditional statement along these lines to Senators with whom he is meeting this week. Secretary Hodges pointed out that these statements would be very helpful in achieving favorable action on the Trade Bill in the Senate.

Dr. Cochrane indicated that the Department of Agriculture was preparing several proposals to compensate for half of the price differential, and that all contemplated a payment for this amount. Mr. Feldman asked why the plans didn't cover the complete differential, and Secretary Hodges explained that while it was originally proposed that the other half would be made up by a partial off-set fee it had been decided at the meeting with the President on August 21 that compensation and/or price reduction would be the only methods used. Dr. Cochrane agreed to prepare plans on this basis.

Assistant Secretary Duncan expressed concern that the textile industry might not support a compensation plan, but Assistant Secretary Price replied that while the industry might be reluctant to propose such a plan he felt confident it would vigorously support one proposed and backed by the Administration. Mr. Feldman indicated he would favor a price reduction of as much as two cents so that the compensation could be correspondingly less, but he was not sure that the President would support more than a one-cent reduction at this point.

### *2. Short Term Arrangement.*

Secretary Hodges reviewed import levels for the first nine months of the Short Term Arrangement and then pointed out that preliminary figures for the first ten months, just received, would bring total imports through July to 110% of the base year, Fiscal 1961. Assistant Secretary Price stated that this was somewhat more than had been expected for the tenth month and that this might indicate that imports for the full short term year might be slightly over the previously estimated 120% of the base year. Mr. Feldman questioned the significance of this, and Mr. Love replied that if imports exceeded 120% of the base year they would also likely exceed 6% of domestic consumption. Assistant Secretary Price thought that this would be only a slight excess of perhaps 6.1%, and Mr. Feldman thought that such a small excess would not be too disturbing to the President's commitment to hold imports at 6%.

### *3. Japanese Bilateral.*

Secretary Hodges then turned to the Japanese Bilateral, and it was pointed out that the Japanese have now agreed not only to stay within

the total limit but also to stop shipments of the disputed categories. It was generally agreed that the State Department had done an excellent job in handling this situation and that in addition there had been excellent press on the announcement over the weekend. Under Secretary Ball passed out copies of the State Department press release on this matter.

#### *4. Long Term Arrangement.*

Secretary Hodges reviewed the President's commitment to hold imports below 6% of domestic consumption over the five years of the Long Term Arrangement. He stated that while a Presidential commitment should be sufficient, certain key Congressmen were insisting on more tangible assurances from the Departments who would be administering the Arrangement. Various possibilities were discussed, and Assistant Secretary Price pointed out that a Subcommittee of ITAC was in the process of drawing up a policy for administration of the Long Term Arrangement. It was agreed that the matter would be reconsidered when this paper was ready, probably in the next few days.

Mr. Feldman raised the question of obtaining adherences to the Long Term Arrangement, and Under Secretary Ball pointed out that probably few if any others would adhere until we did so ourselves. He further indicated that we would not do so until the Trade Bill was out of the way or at least further along so that we could maintain flexibility and freedom to maneuver depending upon what happened to the Trade Bill. Secretary Hodges was concerned that our waiting would delay others, but Under Secretary Ball was emphatic that we should maintain this flexibility.

Assistant Secretary Price emphasized the importance of immediate discussions with exporting countries to space out shipments under the Long Term Arrangement, particularly because of the long pipelines involved and the fact that ships may be loading even now or certainly very shortly. Mr. Nehmer reported on discussions already held with Israel and Taiwan and commented on discussions to be held with Hong Kong, not only for proper spacing but also for reducing the base applicable to the Long Term Arrangement. Assistant Secretary Price indicated that the embargo on Portugal might have to be continued. Assistant Secretary Johnson agreed that spacing of shipments was extremely important and suggested that it might be worth giving something on the totals in order to achieve this; this point however was dropped. Under Secretary Ball stated that whatever is required would be done, and Secretary Hodges pointed out that it should be all nations involved and not just a few principal ones.

Assistant Secretary Price stated that ITAC had also agreed to call all important categories and countries on October 1, but Assistant

Secretary Johnson raised the question as to whether this was necessary if an adequate job was done of getting to agree to spacing out shipments.

Mr. Feldman advised that the President would see the Senators on August 31. He raised the question of an OEP decision since the President said the Senators know we can control this decision to some extent. Mr. Feldman said however that he was not in favor of an OEP decision because of possible pressure to take other actions with this authority. He suggested assurances be given the Senators that imports would be held in total and by categories.

#### 5. *Wool.*

Secretary Hodges reviewed the discussion at the meeting with the President on August 21, at which it was decided that bilateral agreements with the United Kingdom, Italy and Japan would be attempted in October after the Long Term Arrangement has been signed by enough countries.

Under Secretary Ball raised the possibility of solving the wool import problem by other methods and suggested that the used wool products from Prato, Italy, were the most serious and that if these could be controlled it would largely solve the wool import problem. He further suggested tightening the labeling requirements or imposing sanitary restrictions, indicating that this line of inquiry had been suggested to him by the wool industry whom he used to represent. Mr. Feldman stated that there were no sanitary restrictions, and Secretary Hodges expressed the belief that tightening labeling requirements would not solve this problem.

Dr. Cochrane asked whether the higher fabric duty could be applied to unfinished garments through an escape clause action, and Mr. Moynihan pointed out that the tariff on apparel is considerably lower than that on fabric. Under Secretary Ball suggested a fast escape clause action on all apparel or on at least those items where imports were most serious. Mr. Feldman stated however that any fast action was impossible due to the workload of the Tariff Commission and that at least six months would be needed.

Dr. Cochrane read a paper prepared by the Department of Agriculture on steps for controlling wool imports—principally modernization of the wool industry and reduction by 5¢ per pound in the tariff on raw wool with a corresponding increase in compensation to the wool growers. He pointed out that the Department was recommending only 5¢ in order to avoid a revision of the Wool Act and was not going along with a 50% or 12.5¢ reduction proposed by State. Under Secretary Ball complimented Dr. Cochrane on this paper and endorsed it. Mr. Feldman commented that a reduction in the raw wool tariff would simply substitute one problem for another and would not be sufficient

to solve the problem. In addition, it was agreed that it would cost heavily on votes for the Trade Bill with Western Senators.

Assistant Secretary Price commented that all of the suggestions on other methods to solve the wool import problem were helpful but that the real question was how to meet the commitment of the President to keep imports at current levels. He further stated that none of these suggestions would be sufficient and that some sort of overall restriction would be needed to prevent imports from rising to 20% of domestic consumption by the end of the year. Dr. Cochrane stated that the Department of Agriculture agreed with the 20% projection. Secretary Hodges pressed for State's agreement to begin negotiations as promised in the President's meeting, and Under Secretary Ball said that the State Department would find a way to control the wool imports but that he would rather trade with the other countries on a tariff increase rather than a quota.

Secretary Hodges asked Mr. Love to explain the charts on the import projections which he did, pointing out that the biggest problem is in apparel imports where there is a very marked seasonal variation. Mr. Moynihan stated that apparel has a higher value than other imports and therefore on a value basis the problem was even greater. Under Secretary Ball requested a detailed analysis of wool imports in the apparel group with as much information on value as possible. It was agreed that this would be made available by Commerce by Thursday.

The question of what could be done to stop the imports of Italian fabric through the Virgin Islands was raised by Assistant Secretary Price, pointing out that the Treasury Department had advised that there was no administrative remedy. Assistant Secretary Reed, however, took issue with this, stating that an administrative remedy was possible through voluntary restraint. Mr. Feldman at that point suggested that this was a matter that should be settled later.

Mr. Feldman mentioned the possibility of an OEP action on wool only as one way to get fast tariff action. However, this course involves the usual objections to an OEP action.

Assistant Secretary Johnson advised that there was pressure from some countries to delay the meeting of the International Wool Study Group until January. It was agreed, however, that we should continue to push for the earliest possible date.

The various immediate actions to be taken were reviewed, and Secretary Hodges then adjourned the meeting.



**460. Letter from Hodges to Feldman, September 19<sup>1</sup>**

September 19, 1962

Dear Mike:

This refers to our telephone conversation yesterday regarding the cable on woolen textile discussions.

I had just finished talking to George Ball about the same matter. My concern was not with sending the cable to correct any impression that the U.S. Government had changed its mind or would not live up to its promises. (Even though it could have been bad judgment to have made the original promises.)

My concern was the same that I expressed quite strongly on wool, you may recall, at our last Cabinet Level Textile Committee Meeting, namely that, with the delays indicated at that meeting and in the cable, we were going to be in serious trouble again.

It was entirely my fault that I momentarily forgot about the promises given other nations regarding wool textiles when I very honestly answered a question as to how the President's promise to hold wool imports at "current levels" could be implemented.

But as I indicated to George, the cable intimated to other nations that we wouldn't discuss the woolen import situation until after the International Wool Meeting, which I understand has been postponed until December. This procedure, if made public as it surely will be, will make things embarrassing to all of us including the President because I am sure as I can be that the import situation will worsen as the weeks and months pass.

We were in rather serious trouble last spring on our short-term agreement because of delays and "international" arguments by State Department representatives. Although relations have since improved and all of us are becoming more realistic, I don't think we are out of the woods. Unless we are continually realistic, positive, firm and timely, we shall be in trouble with the long-term cotton textile arrangement.

And I reiterate that the wool textile situation is getting worse and unless, as George Ball said to me yesterday, "without necessarily waiting for the International Wool Meeting we are going to find ways and means to implement *the President's decision*"—(to hold imports at current levels which were around 17% at the time the President gave his promise to the Senators and even less than 17% when you wrote the Wool Manufacturers' Association).

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<sup>1</sup> Woolen import situation. No classification marking. 3 pp. Kennedy Library, Feldman Papers, Wool, Box 26.

So we still have before us the problem of what to do on wool but I am sure you agree with me that it must be solved. However, the textile situation is just a part of a larger problem we face in our relationships and our actions.

As much as I regret having to say it, I think I should point out, as a loyal member of the Administration and being interested in seeing that the President's promises are met, whatever the industry or the circumstances, that the image of the State Department in negotiation or carrying out trade negotiations is not good. This "image" is held by the members of both houses of Congress and by the public, especially the business community. This is not generally true in other trading nations as there is much closer cooperation between business and government especially in world trade, and they do not mix as we do our political and our commercial.

Rightly or wrongly our lawmakers and our business people feel that the State Department (they usually except the Secretary of State as an individual) looks after the interests of other nations and doesn't really try to protect the business interests of the U.S. This attitude, if true, might have been understandable 10-15 years ago when we were trying to help other nations get on their feet but not today when the USA is having real competition and continuing problems of trade and balance of payments.

I would fervently hope we can work much closer together in the various Departments especially at top levels for too many times we find the State Department making unilateral statements or "promises" rather than discussing with interested and affected agencies.

I would hope also that we will be able to more clearly define our U.S. policy regarding our negotiations with other countries on trade and commercial matters.

Sincerely yours,

**Luther H. Hodges**

October 1962

461. Letter from Rusk to U.S. Ambassadors, October 19<sup>1</sup>

October 19, 1962

Dear Mr. Ambassador:

I am gratified that, even though no specific reply was requested, a large number of our Chiefs of Mission have responded to Under Secretary Ball's letter of May 11, 1962. That letter renewed the call, in conjunction with the implementation of the State-Commerce Agreement on International Commercial Activities, for maximum support of the export drive.

I am also heartened that our Chiefs of Mission realize that the Export Expansion Program is not a bureaucratic device to export more work to our posts but a fundamental effort to increase our exports and thereby to improve our balance of payments. It is apparent to me, as I know it is to you, that there is a direct correlation between the level of our exports and our ability to accomplish many of our important foreign policy objectives.

The Executive, from the President on down, is vitally interested in expanding the volume of American exports. We know that in order to succeed we must have a direct and active participation in trade promotion by all of our Chiefs of Mission.

The role of our Chiefs of Mission is subject to change. What was traditional and helpful yesterday may be outmoded and inadequate today. I have come to the conclusion that this is the case as regards trade promotion. Mission Chiefs, their deputies, and indeed all top officials of the mission have many acquaintances in host government ministries and in business and other circles who can be sources of trade leads for our manufacturers and exporters. Not only commercial officers but the entire mission is obligated to be alert to these opportunities.

In today's competitive markets we can do no less than our competitors, short of participating in actual sales or giving unfair competitive advantage to one American company over another. In the absence of explicit restrictions in the regulations, it is left to the discretion of the Chief of Mission as to how far to go in assisting American businessmen establish trade connections.

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<sup>1</sup> Trade promotion efforts. No classification marking. 2 pp. Department of State, Central Files, 400.116/10-1962.

Admittedly, competitor nations historically have a larger dependence on export trade than we. The governments of those countries therefore have a deeply imbedded tradition of assistance to their traders which they continue to follow. But we have no mean tradition ourselves. In the early years of our Republic, our Ambassadors and Consuls had a primary mission of promoting our commerce and trade, and made a significant contribution to the success of the "clipper ship" era in world commerce. Perhaps we need to recapture some of the zeal of our forebears, for we are in the export business not just for today and tomorrow but for the long haul. Accordingly, I am requesting that you as well as your principal aides be alert to and seek out export opportunities for American business.

I should like to add a word about relations between the mission and the local American business community. Where such a community exists, the success of your trade promotion effort is heavily dependent upon the strength of these relations.

I therefore urge that you re-examine this situation as it concerns your mission as well as the Consular Officers under your supervision. Many Ambassadors have found it useful to meet regularly with the leaders of the American business community in order to brief them on foreign policy developments and to obtain from them whatever assistance they may have to offer in both foreign policy and trade promotion matters. I am confident that such cooperation cannot help but work to our mutual benefit.

Sincerely,

**Dean Rusk**

November 1962

**462. Memorandum of Conversation, November 27, between  
Herter and Schaetzel<sup>1</sup>**

November 27, 1962

SUBJECT

Trade Expansion Act

PARTICIPANTS

Governor Herter  
J. Robert Schaetzel

Mr. Herter said he was not quite sure why he had accepted the job and that in his discussion of the matter with the President he had made it quite clear that his willingness to take it on turned on a broad mandate. As this was the kind of task outlined by the President, Mr. Herter had asked if he would be prepared to give him a letter to this effect, which the President had done the following day. Mr. Herter also said that he had an understanding that he would take time off from the job as he was no longer as young as he once was. Mr. Herter indicated that David Bell and Mike Feldman had been in touch with him and they had promised to bring before him the draft Executive Order. He also showed me a memorandum from Mike Feldman which indicated again the broad concept of the position suggested earlier by the President. Mr. Herter said he expected to be sworn in on December 10 but that he would be going away on December 17 until early in January due to a previous commitment.

We discussed at some length the problems of staff, relationship to the White House and the State Department. Mr. Herter seemed to accept the merits of a simple Executive Order with no reference to intradepartmental committees other than the "Agency" set forth in the Act. He seemed intrigued by the manner in which the Department might support his efforts as I outlined it to him. I said that there were four parts of the Department which should be considered an extension of his own staff, the principal point being the Economic Bureau, then the Legal Adviser's office, my responsibility and, finally, the Public Affairs area. I suggested that one responsible officer in each of these bureaus should be designated as individuals on whom Governor Herter

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<sup>1</sup> "Trade Expansion Act." Confidential. 4 pp. Department of State, Central Files, 411.0041/11-2762.

and his staff had priority claim. In other words the work of Mr. Herter's office was their first order of business. I said that in addition there ought to be a more senior group willing to work with him and be of assistance at any juncture. In this connection I suggested Griff Johnson, Abe Chayes, Bob Manning and myself. (I had earlier had a chance to discuss this type of arrangement with Dave Bell who felt it was entirely sensible.)

As far as his own staff was concerned it was clear that Mr. Herter was almost overwhelmed by the volume of congratulations, inquiries and suggestions. He told me Gossett was about 95 per cent firm as his Deputy. He was impressed by the amount of White House support and McNamara's endorsement of the man. One reservation was Gossett's own ambition to be President of the Bar Association which seemed a likely prospect if he were to remain outside the Government. Mr. Herter took a telephone call while I was there and said subsequently that some people seem to be pulling back a bit from Gossett but he personally felt a commitment had been made and he wanted to move ahead with the appointment.

Mr. Herter said he had also had a discussion with Mike Rashish and that the latter was very sensitive about his status, the emoluments of the job and the "need" for a special position to carry on effective intradepartmental work. In this connection Mr. Herter said he did not like the idea of more than one Deputy. We discussed as well the dangers implicit in establishing several positions requiring Senatorial confirmation in that this would turn the Governor into a focal point for special interest group pressures. He said he had already had recommendations from the textile industry that Hickman Price should be a Deputy; there were also recommendations coming from the agriculture interests. Due to the limitations of the Act, the Governor thought it might be necessary to go back to the Congress for authority to hire a small staff. I said that in my view, if he were to start out with himself, Gossett and Mike Rashish he would have an ideal nucleus.

I discussed quite candidly with Mr. Herter the problem he would have to deal with in Mike Feldman. I said that I approached this subject not in any ad hominem fashion or indeed in terms of policy disagreements between the Department and Feldman but rather that the Governor and Feldman had different concepts about the objectives to be served by the Trade Expansion Act. The Governor agreed that it was his task to keep uppermost the broad national interest and particularly to mobilize those United States interests which would support Trade Expansion authority.

Mr. Herter's reservation about an early trip to Europe as well as involvement in such problems as the wool issue are due to his desire to brief himself. He emphasized his need to know more about the way

the legislation would work. Nonetheless, he said he would be willing to meet with Walter Hallstein if the latter happened to come to Washington on December 7 or 8 (subsequently ruled out by a telegram from Brussels).

Mr. Herter brought up the wool problem himself. He had discussed the matter with Mike Feldman, and quoted the latter as saying his letter was not a commitment to the textile industry. Governor Herter said he was somewhat at a loss to see how the language could be interpreted as other than a form of commitment. I took the occasion to outline the situation as we saw it following, but not referring to Mr. Ball's memorandum to Mr. Feldman. It is clear that Mr. Herter is not anxious to be drawn into the middle of this difficult problem. His feeling seems to be that either it should be kept in abeyance until he can look into it and have a major voice in the decision or that it should be settled by others and that he will then take over a finished piece of business.

In a considerable discussion of the agricultural question, Mr. Herter was appreciative of the European interest in expanding agricultural production, their extensive agricultural pressures, and a realistic awareness that Secretary Freeman and others in Washington are to some extent transferring domestic agricultural pressures onto the European scene. He also was aware of the danger that the Department of Agriculture might want to make excessive use of the Trade Expansion Program as a means of dealing with difficult internal political problems.

I outlined in some detail the evolving situation in Europe, the new difficulties in the UK-Six negotiations, the fact that one cannot assume automatic European interest in moving quickly and broadly on trade negotiations. I also outlined to him the problem on poultry and the reasons why we were laying such emphasis on this commodity. He showed a keen awareness of the economics of the poultry business and the extent to which Europeans are already and will increasingly in the future employ in Europe the advanced poultry production techniques developed in the United States.

Governor Herter asked me about the private organizations active in this field and how they should be used in the future. He particularly inquired into the Committee for a National Trade Policy. I said they certainly should be kept in being and should be encouraged to do two tasks: first, to generate support in Europe for a major reciprocal reduction of trade barriers and, second, to support him domestically against the special interest groups. For specific information I suggested that I have Mrs. Morgan get in touch with him, noting that she had done very effective work in this area for Howard Peterson. He welcomed this suggestion and I arranged for Mrs. Morgan to see him the following day.

We also discussed some of the demands he was already receiving from organizations asking him to speak or meet with them. He said he was turning all of these down. As he had mentioned Blough of the Business Advisory Council, I said Jean Monnet had been asked to meet with the same group in January. Mr. Herter felt it would be helpful if Monnet and he could meet with a key group such as Blough and his associates during January at the time of Monnet's visit.

Mr. Herter asked if it would be possible to get Ambassadors Tuthill and Leddy and Evans over to meet with him in January. I said this was an excellent idea and we would be glad to arrange it at his convenience.



March 1963

463. Paper on "The Wool Textile Import Problem," March 4<sup>1</sup>

March 4, 1963

THE WOOL TEXTILE IMPORT PROBLEM

A. Commitments to contain wool textile imports have been made repeatedly:

1961 *May 2*—The President's 7-Point Textile Program expressed a desire to achieve "a basis for trade that will avoid undue disruption of established industries."

*June 30*—The President to Congressman Vinson stated that the contemplated cotton textile negotiations are "one of a series of efforts . . . to get the best possible relief, not only for cotton, but for other fibers."

1962 *January*—Lawrence O'Brien to Senator Pastore and Congressman Vinson stated "after the conclusion of the permanent (cotton) textile agreement, the problems of the wool and man-made fiber industries will certainly be attacked."

*February 26*—The President to Congressman Vinson said he had "requested the Departments involved to implement my program for the wool, man-made fiber, and silk divisions of the industry."

*May 10*—Hickman Price, Jr. to the National Association of Wool Manufacturers said "The President's Cabinet Textile Committee last Monday appointed a three man ad hoc committee to consider and report upon, as rapidly as possible, the implementation of the President's 7-Point program relating to textile products manufactured from fibers other than cotton."

*August 7*—Myer Feldman to the National Association of Wool Manufacturers said "we intend . . . to prevent market disruption such as would result from an increase over current levels of imports."

*August 24*—The President to a group of Senators and Congressmen reaffirmed the intention to "hold imports of wool textiles to current levels."

*December 11*—Michael Blumenthal, Deputy Assistant Secretary of State, to the International Wool Study Group, stated "there is . . . a

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<sup>1</sup> Commitments enumerated and current status of problem. No classification marking. Attached tables reflect amounts of raw wool and all-fiber import totals for years 1957–1962. Official Use Only. 4 pp. Kennedy Library, National Security Files, Kaysen Series, Trade Policy, Trade Expansion, 10/62–3/15/63, Box 378.

commitment by the President to the Industry that . . . the Administration will not permit excessively large imports or rapidly rising imports, which have a disruptive effect, effectively to destroy the stability and the survival of all sectors of this industry."

1963 *January 18*—Senator Pastore told newsmen that "the President promised to propose within a month measures to limit (wool textile) imports."

B. *Import Level* has risen rapidly in the latter half of 1962, either on the previous (raw wool) method of calculating the ratio of imports to domestic consumption or on the new (all-fibers on the wool systems) method. By the previous method the ratio for 1962 is 20.2 (Exhibit 1), which is 36% higher than 1961 and 9% higher than 1960. By the new method the ratio for 1962 is 18.0 (Exhibit 2), and the increase is greater—40% over 1961 and 15% over 1960.

By either method imports have increased above those that members of the Congress and the industry understood would be maintained, and the prospect is for further substantial increases.

C. *Various solutions* have been studied, so far without finding an entirely acceptable one:

*Agreements* have been explored in indirect ways but not on a direct government to government approach. Some are reluctant to pursue this solution in view of possible international reactions.

*Tariffs* are high already, and preliminary investigations indicate that legal limits would prevent adequate increases to make this a meaningful solution. Experience on higher fabric tariffs has already shown this approach to be ineffective as exporters adjust to the higher rates. In addition, rates sufficient to deter lower wage countries would exclude EEC countries entirely.

*OEP* has been held out to interested members of Congress and the industry as a last resort solution.

D. *Recommended action*: While some think it unwise to make an all out effort on a direct government to government approach to achieve an international agreement, this remains the most feasible solution. The countries involved have been well prepared for such an approach but understandably are not going to take the initiative and are going to put up at least a show of resistance.



## Exhibit 2

UNITED STATES GENERAL IMPORTS OF WOOL TEXTILES  
(except carpets)

Millions of Pounds  
OF ALL FIBER EQUIVALENT

[illegible]

**464. Memorandum from Herter to President Kennedy, March 7<sup>1</sup>**

March 7, 1963

SUBJECT

Wool Textile Problem

In anticipation of your talk tomorrow with Senator Pastore, here are my views on the current wool textile situation:

In attempting to fulfill its commitment to the industry, the Administration has two possible courses of action:

We can seek an agreement with the exporting countries; or we can take unilateral action.

The effort of the Administration to secure an agreement has not been successful and in the present circumstances could not be successful without the use of coercive measures. Even if coercion were successful, its use would foredoom hopes of success in the Kennedy Round, and might jeopardize the cotton textile agreement.

There are manifold risks involved in taking unilateral action, whether taken under the national security provisions, the escape clause provision or pursuant to new legislation. United States trade policy is already under suspicion and attack in Europe. To take such action in the wake of the EEC rejection of the UK, and the current Japanese contortions in adjusting themselves to the restrictions under the cotton textile agreement would provide the basis for violent attacks upon the United States and would strengthen the French position that United States trade policy is essentially protectionist.

Any such development at this time would impair our negotiating position on the eve of the important Ministerial Conference of the GATT, which is to take place in May, and inevitably would seriously weaken our negotiating position in the Kennedy Round. The effect of unilateral action would be mitigated if it came after a finding of injury under the escape clause provisions of the Trade Expansion Act.

Any unilateral action to establish quotas at this time, regardless of how it was taken, would require under the GATT the payment of compensation to the exporting countries involved, in the form of decreased tariffs on other items. The payment of the large compensation required undoubtedly would have a substantial impact upon other

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<sup>1</sup> Background paper on wool textile problem for Kennedy's meeting with Senator Pastore. No classification marking. 2 pp. Kennedy Library, National Security Files, Kaysen Series, Trade Policy, Trade Expansion Act, 10/62–3/15/63, Box 378.

segments of the economy, including loss of employment. If the compensation offered were rejected, as it could be, the impact of retaliatory action would be even greater and more damaging because we could not control it.

The Kennedy Round of negotiations provides the best opportunity to work out a satisfactory arrangement for wool textiles. It could be a product of the broad give-and-take exchange of concessions that will occur there.

It must be emphasized, however, that we are not in a position to give any assurance that we will emerge from those negotiations with a package that is satisfactory to the wool textile industry.

**Christian A. Herter**  
*Special Representative  
for Trade Negotiations*

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**465. Paper Prepared in White House for President Kennedy,  
March 7<sup>1</sup>**

March 7, 1963

SUBJECT

Your Meeting with Senator Pastore on Wool Textiles

You are seeing Senator Pastore tomorrow at 10:00 A.M. As I think Mike Feldman has already reported to you, the group of some thirty industry people and three union leaders who met with Governor Herter went in expecting no satisfaction and got none. Herter talked to them about what had been done, and about problems of compensation and retaliation that a negotiation would raise. Mr. Blumenthal told them why past attempts at negotiation had failed. As agreed, Governor Herter did *not* promise them that he would try to do something for wool textiles as part of the general trade negotiations. The consensus of Governor Herter and Secretary Ball (see attached papers) on what you can safely say to Senator Pastore is:

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<sup>1</sup> Background information for meeting with Senator Pastore on wool textiles. 2 pp. No classification marking. Kennedy Library, National Security Files, Kaysen Series, Trade Policy, Trade Expansion Act, 10/62-3/15/63, Box 378.

1. The present situation in Europe is radically different from that in which your promise to him was made. The European countries, and especially the UK, are feeling edgy about their own trade problems, and any renewed attempt to negotiate an agreement will be even less likely to be successful now than previously. Although we have already made a substantial effort through Blumenthal and Wyndham White, their record of lack of success is clear. Accordingly, if we try to negotiate a wool textiles agreement now, it is our best judgment that it would fail. Further, the effort itself is likely to destroy the cotton textile agreement, because the Japanese are already complaining about our administration of it, and to poison the atmosphere in Europe for a general trade negotiation. The surplus in our trade with Europe is almost \$2 billion; this is a handy measure of the economic importance to us of expanding our trade through the success of the Kennedy round negotiation.

2. We can bring up the wool matter again in the course of the general negotiations next year. We cannot be certain that even then we will be successful, but the probability of success at that time is greater, because the problems of compensation can be dealt with in terms of the general deal that we make with the Europeans rather than separately. Further, since we will be making a general deal, the problem of retaliation will be avoided. If we do not avoid retaliation, we may find that the imposition of quotas on wool would lead to harm to industries in a much more sensitive and difficult position than the woolen manufacturers. The larger woolen manufacturers are prosperous, and the smaller ones who are not, are being affected by causes other than imports.

April 1963

**466. Letter from Herter to President Kennedy, April 17<sup>1</sup>**

April 17, 1963

Dear Mr. President:

I am enclosing a Memorandum which raises two points on which I hope I may have your decision or judgment within the reasonably near future.

In view of the fact that the second question in particular has political implications, I have taken the liberty of sending a copy of this Memorandum to each member of your Cabinet, and to Ted Sorensen and Larry O'Brien. I have also asked them to express any views in order that you might have the benefit of any comments they care to make. These should all be in hand within a week and if at that time you would wish me to discuss this matter with you, I shall be glad to do so.

Most sincerely yours,

**Christian A. Herter**  
*Special Representative  
for Trade Negotiations*

**Attachment**

There are two matters on which a determination by you in the near future will be essential in order that we can proceed with participations for the coming round of tariff and trade negotiations.

1. The Trade Expansion Act requires that you present to the Tariff Commission a public list of articles, consisting of five categories, on which both the Tariff Commission and this office would hold hearings and report to you within a period of not more than six months. The less important categories are those dealing with (1) tropical products, (2) certain agricultural products, (3) items subject to tariff duties of 5 per cent or less, (4) items on which 80 per cent of world trade is confined to the Common Market and the United States (probably only airplanes and some edible vegetable oils). The fifth category, and the most important one, covers products on which the United States can negotiate

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<sup>1</sup> Transmits April 17 memorandum requesting decisions on upcoming tariff and trade negotiation matters. Secret. 4 pp. Kennedy Library, Herter Papers, Memoranda to the President, USTR, Box 4.



tariff reductions up to 50 per cent spread over a period of not less than five years.

On this latter category, the law requires that the United States reserve from any negotiation all articles where escape clause action has been taken or where a finding has been made that articles (i.e. petroleum products) are subject to quota limitations for reasons of national security. Other reservations which the United States might make would come in that group of articles where affirmative escape clause action had been taken by the Tariff Commission but had not been approved by the Executive. These, at the request of the affected industry, would require re-study by the Tariff Commission in the light of present conditions. You would, of course, be free to exempt further articles after you had studied the summary of the hearings and received advice from the Tariff Commission, this office, and other government agencies.

The question to be decided deals with the all inclusiveness of the articles which are to be published and furnished to the Tariff Commission. It is my recommendation that all items subject to tariffs, with the exception of those noted above, should be presented by you to the Tariff Commission for the appropriate hearings and report to you by the Tariff Commission and this office.

This office has already received a number of requests from manufacturers that certain products be excepted from the list to be published and sent by you to the Tariff Commission. I feel that it would be a serious mistake if the Executive, whether through this office or on recommendation of any other interested agency of our Government, made an arbitrary determination that such items should be excluded from the list. To do so would involve a judgment on certain products without the benefit of the investigating and reporting procedure provided for in the Trade Expansion Act, and if granted in certain cases would subject you to the criticism of having played favorites based purely on Executive judgment and seriously impair our negotiating position. I therefore hope that you will approve publishing and sending to the Tariff Commission the full list with the exceptions required by law as recommended above.

2. While we cannot at this moment fix with precision the date at which we will have completed the procedures required by law in order to allow us to enter into the next round of negotiations, it nevertheless would appear that the 15th of April, 1964, would be the earliest practicable date. It is impossible to estimate how long these negotiations might last, but those familiar with this type of negotiation and the very large issues which are involved in it make an estimate of six months. Should such a timetable be accurate, this would mean a conclusion of the negotiations in the middle of October, 1964, a date which would precede

the Presidential elections by a brief span of time. We have had from some Europeans who will be directly involved in the negotiations, expressions of opinion that we would not want to complete negotiations until the Presidential election was over.

The question on which I should like your judgment is the question of timing. We could perhaps conclude the negotiations in (1) a three months period (which I doubt), (2) drag out the negotiations so that announcement of any agreement would not come until after the elections, or (3) indicate that we should prefer not to begin negotiations until perhaps June or July of 1964, thereby making certain that they would not have been concluded until late in the year of 1964.

My reason for raising this question at this time is that it is expected that at the May 16th Ministerial Meeting of GATT, a date for the beginning of negotiations will be definitely set. The Working Party now sitting in Geneva, which is preparing the agenda for that Ministerial meeting, will undoubtedly make a recommendation for a specific date, and therefore it would be desirable if we could express our views as soon as possible.

**Christian A. Herter**  
*Special Representative  
for Trade Negotiations*

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**467. Memorandum from Feldman to Herter, April 24<sup>1</sup>**

April 24, 1963

SUBJECT

Trade Negotiations

The President asked me to write you in response to the two questions you raise in your memorandum of April 17.

The President approves your recommendation that all items subject to tariffs, with the exception of those noted in your memorandum, should be presented to the Tariff Commission for appropriate hearings and report to you and to the President.

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<sup>1</sup> President's decisions on Herter's April 17 memorandum. Secret. 3 pp. Kennedy Library, Herter Papers, Memoranda to the President (10), Box 4. May 1963

Your second question is more complicated. The President shares your doubts concerning prompt consideration of the actual negotiations. They will probably be sufficiently complex to take a minimum of 6 months. Accordingly, even if they begin during the latter part of April 1964, it is unlikely that they can be concluded before November 1964.

Larry O'Brien shares your feeling that they should not be an issue in the campaign. Certainly, the worst thing that could happen would be to have the results of the negotiations announced just before the election. However, assuming that our estimate of the length of time they would take is accurate, we could begin the negotiations late in April, and they would just be coming to an end at the time of the election. There would be no publicity until sometime after the election.

On the other hand, if we deferred initiating the negotiations until June or July, there might be a serious risk that they would not be concluded until sometime in 1965, and we see no reason for holding them up that long. Therefore, assuming that it is still your feeling that the negotiations will continue beyond election day, the President feels they should be initiated toward the end of April.

**Myer Feldman**  
*Deputy Special Counsel  
to the President*

### **Attachment**

WMR

The decision on full use of TEA authority is to be found in the memo of April 24 '63 to the Governor from Feldman on behalf of the President. I attach the memo and the referenced document (see especially middle of page 2 of the letter).

(Copies should be returned to Mr. Sleiner or to Cady for files.)

**BN**

May 1963

**468. Memorandum of Conversation, May 1, between Ball and Luxembourg Foreign Minister Schaus<sup>1</sup>**

May 1, 1963

SUBJECT

EEC and Trade Negotiations

PARTICIPANTS

*For United States:*

Acting Secretary of State,  
Mr. George Ball  
Assistant Secretary of State,  
Mr. William Tyler  
Ambassador William R. Rivkin  
OIC, Luxembourg Affairs,  
Mr. George R. Andrews

*For Luxembourg:*

Foreign Minister Eugene  
Schaus  
Chief of Protocol,  
Luxembourg Foreign  
Office, Mr. Andre Phil

Mr. Ball said that he was glad to be able to continue the discussion with Mr. Schaus which they had had the previous day with the President. Mr. Ball continued that, as the President had made clear, the development of the EEC position on trade negotiations was a matter of real concern to us. We look forward to the negotiations resulting in real liberalization of trade. The US has definite positions on two matters, Mr. Ball stressed. Firstly, we felt that agricultural commodities should be included in the trade negotiations. Mr. Ball noted that the Foreign Minister, during his conversation with the President, had expressed agreement in principle to the inclusion of agriculture, despite the difficulties involved. Secondly, Mr. Ball emphasized the necessity for acceptance of the principle of linear tariff cuts across the board with only a limited exception list. We had been advised before drafting the Trade Expansion Act by some members of the EEC, including the French, that the principle of linear cuts was the only basis on which the EEC could negotiate, and that for structural reasons negotiations on a commodity by commodity basis would not be feasible for the EEC. Therefore, we had drafted the Trade Expansion Act to negotiate on a linear cut basis. Our experience during the Dillon Round a year ago confirmed the difficulty of negotiating on a commodity by commodity basis.

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<sup>1</sup> "EEC and Trade Negotiations." Confidential. 5 pp. Department of State, Secretary's Memoranda of Conversation: Lot 65 D 330.

Mr. Ball noted that the French had raised the *ecretement* problem. Most EEC tariffs fall within a narrow spectrum in the middle. On the other hand, Mr. Ball continued, while there are some high US tariffs, we have many low tariff items and there are, moreover, many on the free list. As an example of a US low tariff Mr. Ball cited the case of automobiles, in which the US duty is only 6%, as compared to the EEC tariff of 22%. Mr. Ball said he had had to explain to the US Congress that a reduction from 28% to 22% for the EEC was as important as a reduction from 8% to 6% for us. A cut of 50% in a high tariff would probably result in more trade than a 50% cut in a low tariff. Therefore, we feel that there is no real problem in certain US high tariffs, as the French do. We believe that a linear cut is far preferable to the French *ecretement* proposals and we can have discussions on individual adjustments for specific high tariff items after agreement on a linear cut. Mr. Ball stressed that we hope that the EEC Ministerial Meeting on May 7–9 and the subsequent GATT Ministerial Meeting will result in the EEC accepting the principle of linear cuts, without injection of the French *ecretement* proposals.

Mr. Schaus replied that he thought the Six would be prepared for a linear cut. His personal opinion was that this was the only method which could be adopted. He continued that while exceptions should be as rare as possible, there would definitely have to be exceptions. Mr. Schaus then said that he imagined that in many cases US tariffs would be higher than equivalent European tariffs. If a 60% US tariff were reduced by half to 30%, the US would still have 30% protection, while a comparable reduction of a lower European tariff from 20% to 10% would provide practically no protection. Mr. Ball indicated that we were prepared to examine the facts in such instances. Foreign Minister Schaus then raised the question of the US reaction, as expressed by Mr. Blumenthal in Geneva, to the recent EEC proposals based on the French *ecretement* formula. Mr. Schaus quoted from a message from EEC representatives at Geneva, saying that the US reaction to these proposals had been very negative. The US Representative (Mr. Blumenthal) was reported to have said that the US could not participate in the trade negotiations if they were based on the *ecretement* principle. Mr. Schaus remarked that he thought this was “too radical” (i.e., extreme) a position by the United States.

Mr. Ball replied that he felt that perhaps the problem has been overstated. We feel that this is really not a very large problem. Where high US tariffs exist, we are willing to examine individual cases. However, under the Trade Expansion Act, reciprocity in cuts is required, which is difficult to reconcile with the French *ecretement* formula. We also have much more on the free list than the EEC and have many low tariff products in addition.

Mr. Schaus asked whether he could speak frankly and proceeded to read the recommendation<sup>2</sup> from the EEC representatives at Geneva that he (Schaus) should stress to the US Government how important the question of US high tariffs is to the EEC. The message went on to say that the EEC had not yet taken a position on the US proposals for inclusion of agriculture in the negotiations but that it would be "difficult" for the EEC to accept the US proposals.

In reply Mr. Ball indicated he would also be frank. He noted that before drafting the Trade Expansion Act, we had discussed the question of linear cuts with the French, Germans, and others as well as with the EEC Commission. Nobody had mentioned the ecretement problem at that time. Therefore, the French, by raising it now, were interposing an objection after the fact. We do not know whether the motivation behind the French proposals is to create an obstacle to the negotiations or whether it is a question of principle. We do not think the ecretement problem is as serious as the EEC does, and believe that exceptions can be worked out in a spirit of good will later. We could perhaps also make a serious issue out of the fact that we have so many items on the free list. Mr. Schaus agreed that there might be a possibility that the French are using the ecretement issue as a pretext. On the other hand, if the French do have serious objections, it would be better for them to air them now than at the very end, as in the case of the UK/EEC negotiations. Mr. Schaus felt that basically the French were not opposed to negotiations and that they would not risk the isolation involved in opposing them. At the same time, Mr. Schaus remarked, the French were not alone in their position and there were other members of the Six who were "quite hard" ("assez durs"). Mr. Schaus mentioned Germany and Italy as supporting a liberal policy along with Luxembourg.

It would be helpful, Mr. Ball stated, if at the May 7-9 EEC Ministerial Meeting, the US view were fully understood. The US view, he reiterated, is that the principle of across-the-board cuts be accepted. Mr. Tyler added that the Europeans should understand that Congress authorized the President in the Trade Expansion Act to negotiate only on a basis of reciprocity.

Mr. Schaus remarked that the Trade Expansion Act was drafted on the assumption that Britain would be a member of the EEC. Since it appears certain that Britain will not be a member of the EEC for some time, the utility of the Act has perhaps been lessened. Mr. Ball replied that while it was true that the Act did provide for 100% reduction in tariffs for those items comprising 80% of our trade (as would

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<sup>2</sup> to him

have been the case if the UK were a member) this was secondary to the central element in the Act providing for 50% reduction regardless of the volume of trade. In fact, Mr. Ball continued, some Europeans had felt that 100% reduction in tariffs might even compromise the integrity of the Community by diluting the elements of cohesion in the Community.

In response to a question by Mr. Schaus, Mr. Ball said that we were reviewing the whole problem of anti-dumping and would be prepared to discuss it with the EEC. We are considering an international approach to the problem, although the US position has not yet been fully formulated. Mr. Ball indicated that we were also prepared to discuss other non-tariff problems and, in reply to Mr. Schaus, stated that we were prepared to discuss cereal prices on a global basis in the Cereals Committee in GATT.

Mr. Schaus emphasized that he was very glad to know US thinking on these important problems since he would be presiding over the May 7–9 EEC Council meeting. He would, he indicated, “do his best” at this meeting. The negotiations would have to succeed, he stated. They would be a test of the continuation of the EEC as well as of the EEC’s relations with the U.S. At the same time, Mr. Schaus insisted (“J’Insiste”) that the U.S. understand the problems of the EEC and be ready to make certain concessions. Mr. Tyler observed that much depends on our respective attitudes not being too rigid. Mr. Schaus stated that the climate in the EEC is “difficult” which makes it difficult to reach agreement.

Mr. Ball said it was important for Europe to understand that, although there was naturally disappointment in the US about the rupture of the UK/EEC negotiations, there had been no loss of faith in the EEC and in its ultimate success. Far from wishing to have the Five attempt to frustrate integration, we wish to have the Six keep up momentum toward integration.

Mr. Schaus asked whether he should understand that the US supports the continuing development of the EEC and does not wish it to regress. Mr. Ball agreed. Mr. Schaus continued that he had asked this because amongst the Six there are some elements that feel that no further forward steps should be taken until the UK is admitted as a member. Mr. Ball answered that he did not think the US could endorse that view. The EEC would have to continue to move forward to leave. Mr. Schaus said the UK view was similar to Mr. Ball’s and noted that he had reacted against tendencies within the EEC to “freeze” the situation. He continued that it seemed to him that the April 2 EEC Council meeting had resulted in the renewal of forward movement.

The Schroeder proposals for synchronization were useful, Mr. Ball felt, and it would be a mistake to have certain members of the EEC

setting preconditions. Mr. Schaus agreed fully and said that such preconditions would be impossible. Mr. Tyler noted that the German position on agriculture might be somewhat difficult. Mr. Schaus replied that he did not think that the Germans would adhere to their "hard" position on agriculture in the last analysis, since they were anxious for the success of the Kennedy Round.

In conclusion, Mr. Ball said that it had been a great pleasure to discuss these matters with the Foreign Minister and that we would look forward to the results of the forthcoming EEC Council meeting. He continued that Luxembourg had played an important role and would continue to. Mr. Schaus replied that the future of Luxembourg could only be assured in an integrated Europe in partnership with the United States. Mr. Tyler observed that we were fortunate that in Mr. Schaus we had a Chairman of the EEC Council who understood these basic truths. Mr. Tyler noted that Mr. Schaus had presided over the EEC Council during other crises, as in the discussions of a common agricultural policy last year. Mr. Schaus said that he had had to act as the spokesman of the Six at that time, with the result that he had to express the view of the least common denominator. He commented that much had been learned since then.

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#### 469. Telegram 259 to Luxembourg, May 2<sup>1</sup>

May 2, 1963

US Mission Geneva for GATT. Trade negotiations and EEC matters discussed in scheduled call today on Acting Secretary Ball by FonMin Schaus during State Visit Grand Duchess Charlotte.

Ball reiterated President's statement yesterday in separate meeting that development EEC position on trade negotiations matter great concern to us. We look forward real liberalization trade resulting from negotiations. US has definite positions on two matters: firstly, inclusion agriculture in trade negotiations. Ball recalled Schaus' statement yesterday to President that despite many difficulties, this acceptable in principle. Secondly, Ball stressed necessity acceptance principle linear tariff cuts with only limited exception list. After negotiation linear cuts, could be adjustment individual commodities, US hopes EEC Ministerial

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<sup>1</sup> Readout of Schaus' meeting with Ball on trade negotiations. Confidential. 3 pp. Department of State, Central Files, FT 7 GATT.



Meeting May 7 and GATT Ministerial later will result in EEC accepting principle linear tariff cuts without French *ecretement* proposals. Ball noted 50% cut in high tariff item could result in greater flow trade than 50% cut in low tariff item.

Schaus believed Six prepared for linear cuts. Although exceptions should be rare as possible, there would nevertheless have to be exceptions. Schaus commented EEC probably had more low-tariff items than US, and problem would be that 50% cut in high-tariff US items would still result in some protection, whereas 50% cut from European low tariff for example of 10% would leave only 5%, affording practically no protection. Ball replied we prepared look at facts and examine possible exceptions.

Speaking frankly, Schaus said he thought opinion expressed by Blumenthal in Geneva that US could not participate in negotiations based on *ecretement* principle was "too extreme". Schaus read message from EEC reps Geneva urging Schaus impress USG how important adjustment high US tariffs is to EEC. Message also said US proposal include agriculture in negotiations would be "difficult".

Ball said he would also speak frankly. Before drafting trade expansion legislation, we had discussed problem informally with French, Germans, and others, as well as with EEC Commission. On basis European desire linear cut principle, we drafted TEA for linear cuts. Nobody had mentioned *ecretement* problem at that time. French, in raising it now, interposing objection after fact and we wonder if motivation create obstacle successful negotiations. US does not believe this problem as serious as EEC does. Individual exceptions can be examined and worked out in good faith later. Ball also noted US had many items on free list as well as many low tariff products.

While agreeing possibility French raising *ecretement* as pretext, Schaus believed French would not oppose negotiations in view risk isolation. On other hand, better have possible French objections expressed early date than after lengthy negotiations as in UK/EEC negotiations. Ball indicated would be helpful if US view necessity principle across board negotiations fully understood at EEC Ministerial meeting May 7. Schaus replied it most important have benefit US thinking since he would chair meeting and said he would "do his best". Schaus stated he conscious importance success negotiations both sides, including future EEC itself. Negotiations test continuation EEC and success imperative. Schaus emphasized however US must understand EEC problems and make concessions. Climate in EEC was "difficult".

Schaus also raised anti-dumping question. Ball replied we reviewing whole problem and would be prepared discuss it. We considering international approach to problem although US position not yet fully

formulated. In reply question from Schaus Ball indicated we prepared discuss cereal prices on global basis in Cereals Committee in GATT.

On broad question future EEC, Ball said although we disappointed failure UK/EEC negotiations, we still had faith ultimate success EEC. Far from wishing Five attempt frustrate integration, we hope Six keep up momentum toward integration. Schaus said he pleased have this clarified because "some elements" within Six advocate no further progress toward integration until UK accepted as member. Schaus thought UK view was similar to US view and he had reacted against tendencies to "freeze" situation. He thought April 2 Ministerial meeting resulted in renewal forward movement. Ball remarked Schroeder proposals for synchronization were very useful. Schaus agreed and said would be impossible situation have some members Six insisting upon preconditions.

Ball

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#### **470. Memorandum of Conversation, May 3, among Herter and his EEC Counterparts<sup>1</sup>**

May 3, 1963, 10:30 a.m.

##### **SUBJECT**

Agricultural Problems in Forthcoming Trade Negotiations

##### **PARTICIPANTS**

Mr. Robert Marjolin, Vice President of the Commission, EEC  
Commissioner Jean Rey, Member of the Commission, EEC  
Mr. Louis Rabot, Director General for Agriculture, EEC Commission  
Mr. Pierre Millet, Director General for Internal Market, EEC Commission  
Mr. Theodorus Hijzen, Director of General Affairs and Relations with  
International Organizations, Directorate General for External Relations, EEC  
Commission  
Mr. Pierre Schloesser, in the Directorate General for External Relations  
(Specializing in GATT Affairs), EEC Commission  
Mr. Pierre Cabuy, Chef de Cabinet Adjoint, Commissioner Rey (Executive  
Assistant), EEC Commission

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<sup>1</sup> "Agricultural Problems in Forthcoming Trade Negotiations." Confidential. 5 pp. Kennedy Library, National Security Files, Kaysen Series, Trade Policy, Trade Expansion Act, 5/1/63-5/15/63, Box 379.

Mr. Robert Toulemon, Chef de Cabinet, Vice President Marjolin (Chief Executive Assistant) EEC Commission

Mr. Pierre-Emile Fay, Acting Director, Commercial Exchanges Directorate General for Overseas Development, EEC Commission

Honorable Christian A. Herter, Special Representative for Trade Negotiations  
Honorable William T. Gossett, Deputy Special Representative for Trade Negotiations

Mr. Irwin R. Hedges, Agricultural Economist, Office of the Special Representative for Trade Negotiations

Mr. Michael W. Moynihan, Public Affairs Adviser, Office of the Special Representative for Trade Negotiations

Mr. Bernard Norwood, Chairman of Trade Staff Committee, Office of the Special Representative for Trade Negotiations

Mr. Addison W. Parris, Executive Secretary, Trade Expansion Act Advisory Committee, Office of the Special Representative for Trade Negotiations

Mr. John Rehm, General Counsel to the Special Representative for Trade Negotiations

Mr. Kenneth Auchincloss, Executive Assistant to the Special Representative for Trade Negotiations

Mr. Lawrence B. Krause, Economic Consultant to the Special Representative for Trade Negotiations

Hon. Charles S. Murphy, Under Secretary of Agriculture

Hon. Roland R. Renne, Assistant Secretary for International Affairs, Department of Agriculture

Mr. Raymond Ioanes, Director, Foreign Agriculture Service, Department of Agriculture

Mr. A. Richard DeFelice, Acting Assistant Administrator for International Affairs, Department of Agriculture

Hon. Robert McNeill, Deputy Assistant Secretary for Trade Policy Department of Commerce

Mr. Lawrence Fox, Director, Office of Commercial and Financial Policy, Department of Commerce

Mr. Morton Pomeranz, International Activities Assistant, Resources Program Staff, Office of the Secretary, Department of the Interior

Hon. G. Griffith Johnson, Assistant Secretary for Economic Affairs, Department of State

Hon. Michael W. Blumenthal, Deputy Assistant Secretary for Economic Affairs, Department of State

Mr. Leonard Weiss, Director of Trade and Finance, Department of State

Mr. Hoyt Price, General Counsel, U.S. Mission to European Economic Communities, Brussels, Belgium

Mr. Ralph Hirschtritt, Special Assistant to the Assistant Secretary of Treasury, Treasury Department

Mr. Robert Schwenger, Chief, Division of Foreign Economic Policy, Office of International Organization Affairs, Department of Labor

The morning's conversation centered upon the possibility of arranging new Interim Agreements on agriculture to cover the period during which the Kennedy Round negotiations take place. There was also discussion of opening negotiations under the Standstill Agreements concluded during the Dillon Round.

The United States position, as presented by Undersecretary Murphy and Mr. Blumenthal, was that negotiations on agricultural products, particularly commodity agreements on cereals and wheat, are likely to be long and difficult. Since it will be so long before the agreements take shape, we feel that at the outset the parties to negotiations should make a simple statement to the effect that during the course of negotiations, they will make no change in regulations or policy that would adversely affect the access of agricultural imports into their markets.

The new Agreements need be no more complicated, Undersecretary Murphy maintained, than the Standstill Agreement on quality wheat. The principle would be the same as that reflected in the Standstill Agreements concluded in 1961. This principle is regarded by the United States as a test of how agricultural trade is to operate. Since the Dillon Round, Governor Herter said, U.S. experience has led us to fear that in the period while negotiations are in progress, we may be faced with a sudden change in the *status quo* of our agricultural access to the EEC which will require us to negotiate on a new basis.

Mr. Rey and Mr. Rabot then described the Commission's view as follows: the Cereals and Meat Groups, they agreed, should be set up to try to work out commodity agreements. It will be difficult enough, however, to obtain these agreements, and the problem would be further complicated and deliberations much delayed if the negotiating parties had to spend time arranging an Interim Agreement. Such an Agreement would create considerable problems among the Six and would probably be quite difficult to obtain. The EEC countries, said Mr. Rey, would not want to commit themselves on agriculture before the terms of the agreement on industrial goods were clear.

Mr. Rey reported that when he had last seen Mr. Mansholt, the latter had not been in favor of trying to obtain Interim Arrangements at the start of agricultural negotiations, though he was quite willing to try to do something about the poultry problem. Poultry, said Mr. Rey, is currently a subject for discussion in the Council, and he saw no difficulty standing in the way of the Commission's recommendation.

The Europeans repeatedly made it clear that while Interim Agreements would be very difficult, there would be no problem if the United States wished to open negotiations on the basis of the 1961 Standstill Agreements. Undersecretary Murphy felt that this might be a good idea; he envisaged the United States using its rights under the Standstill Agreements to negotiate new Interim Agreements. This point did not seem completely clear to the EEC delegation, and for a time conversation continued with the impression that a satisfactory basis for agreement had been found.

This impression was eventually shown to be quite weakly founded. Mr. Blumenthal reiterated the United States and other countries' con-

cern over EEC agricultural price levels. Suppose, he said, the EEC agrees on a wheat price near the German level—this would suddenly present wheat-exporting countries with a damaging *fait accompli*, possibly at a time when international negotiations on wheat were in progress.

At this point, Mr. Marjolin interjected his frank opinion that it would be impossible for the Commission, through an Interim Agreement, to agree to give non-member countries a voice in setting the EEC's internal price levels. There would be very great objections to the suggestion that the EEC must clear its price arrangements with the United States.

On the other hand, Mr. Marjolin did not believe that there were serious grounds for fear, on the part of the United States, that EEC agricultural prices would be set in the midst of the Kennedy Round. He was not optimistic on a speedy settlement of the differences between France and Germany on prices. And in any case, the United States had excellent representatives in Brussels who would know of pricing proposals well in advance of a decision and could present the U.S. case.

Governor Herter then put two specific questions to the EEC delegation:

1) How does the EEC justify the very high Netherlands tariff on imports of flour, much higher than the Netherlands flour tariff previously bound in international agreements? And how does it justify the apparently substantial subsidy to flour exports from Italy and other countries to the Middle East and elsewhere? Governor Herter pointed to the Netherlands flour tariff, which vitiated a long-standing U.S. agreement with the Netherlands providing for an allotment of duty-free imports, as a good example of the sort of unilateral action that worries the United States.

Mr. Rabot agreed that the Dutch protection for its millers was perhaps too high. He would look into this and the other points and reply to Governor Herter's questions before the Ministerial Meeting.

2) When can negotiations with the EEC on manufactured tobacco begin?

Mr. Rey replied that the EEC would be ready just after the Ministerial Meeting, in late May or early June. It was agreed that they would be held before July 1, probably in Brussels, though final agreement on the site would have to await clarification of Mr. Wyndham White's feelings and possible conflicts with other meetings.

At the end of the session, the question of the scope of commodity agreements was brought up. Governor Herter said that they should clearly be on a global basis. Mr. Hijzen agreed that work should begin on cereals and meat, and that a committee should be established to decide whether other commodities should be treated in the same way.

Mr. Rabot, in response to a query, concurred in the view that commodity agreements should certainly not be limited to the question of access, that prices should also be discussed.

Governor Herter closed the meeting with a request that certain agricultural points be raised again at the afternoon session, after the U.S. representatives had had a chance to discuss them among themselves.

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#### **471. Memorandum of Conversation, May 3, among Herter and his EEC Counterparts<sup>1</sup>**

May 3, 1963

##### **SUBJECT**

Forthcoming Trade Negotiations: Agriculture, Tropical Products, and Procedural Matters

##### **PARTICIPANTS**

Mr. Robert Marjolin, Vice President of the Commission, EEC  
Commissioner Jean Rey, Member of the Commission, EEC  
Mr. Louis Rabot, Director General for Agriculture, EEC Commission  
Mr. Pierre Millet, Director General for Internal Market, EEC Commission  
Mr. Theodorus Hijzen, Director of General Affairs and Relations with  
International Organizations, Directorate General for External Relations, EEC  
Commission  
Mr. Pierre Schloesser, in the Directorate General for External Relations  
(Specializing in GATT Affairs), EEC Commission  
Mr. Pierre Cabuy, Chef de Cabinet Adjoint, Commissioner Rey (Executive  
Assistant), EEC Commission  
Mr. Robert Toulemon, Chef de Cabinet, Vice President Marjolin (Chief Executive  
Assistant), EEC Commission  
Mr. Pierre-Emile Fay, Acting Director, Commercial Exchanges Directorate  
General for Overseas Development, EEC Commission  
Honorable Christian A. Herter, Special Representative for Trade Negotiations  
Honorable William T. Gossett, Deputy Special Representative for Trade  
Negotiations  
Mr. Irwin R. Hedges, Agricultural Economist, Office of the Special  
Representative for Trade Negotiations  
Mr. Michael W. Moynihan, Public Affairs Adviser, Office of the Special  
Representative for Trade Negotiations  
Mr. Bernard Norwood, Chairman of Trade Staff Committee, Office of the Special  
Representative for Trade Negotiations

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<sup>1</sup> Trade negotiation matters. Confidential. 10 pp. Kennedy Library, National Security Files, Kaysen Series, Trade Policy, Trade Expansion Act, 5/1/63-5/15/63, Box 379.

Mr. Addison Parris, Executive Secretary, Trade Expansion Act Advisory Committee, Office of the Special Representative for Trade Negotiations  
 Mr. John Rehm, General Counsel to the Special Representative for Trade Negotiations  
 Mr. Kenneth Auchincloss, Executive Assistant to the Special Representative for Trade Negotiations  
 Mr. Lawrence B. Krause, Economic Consultant to the Special Representative for Trade Negotiations  
 Hon. Charles S. Murphy, Under Secretary of Agriculture  
 Hon. Roland R. Renne, Assistant Secretary for International Affairs, Department of Agriculture  
 Mr. Raymond Ioanes, Director, Foreign Agriculture Service, Department of Agriculture  
 Mr. A. Richard DeFelice, Acting Assistant Administrator for International Affairs, Department of Agriculture  
 Hon. Franklin D. Roosevelt, Jr., Under Secretary of Commerce  
 Hon. Robert McNeill, Deputy Assistant Secretary for Trade Policy, Department of Commerce  
 Mr. Lawrence Fox, Director, Office of Commercial and Financial Policy, Department of Commerce  
 Mr. Morton Pomeranz, International Activities Assistant, Resources Program Staff, Office of the Secretary, Department of the Interior  
 Hon. Harry Weiss, Deputy Assistant Secretary, International Affairs, Department of Labor  
 Mr. Robert Schwenger, Chief, Division of Foreign Economic Policy, Office of International Organization Affairs, Department of Labor  
 Hon. G. Griffith Johnson, Assistant Secretary for Economic Affairs, Department of State  
 Hon. Michael Blumenthal, Deputy Assistant Secretary for Economic Affairs, Department of State  
 Mr. Leonard Weiss, Director of Trade and Finance, Department of State  
 Mr. John C. Renner, Deputy Director, Office of Atlantic Political-Economic Affairs, Department of State  
 Mr. Jacob J. Kaplan, Director, International Development Organizations Staff, Agency for International Development  
 Mr. Ralph Hirschtritt, Special Assistant to the Assistant Secretary of the Treasury, Treasury Department

The greater part of the afternoon's discussions was devoted to agriculture, since the other questions on the agenda raised hardly any difficulties between the United States and the EEC.

*Agriculture: I*

Governor Herter began with a strong statement of the United States view of recent EEC actions on agricultural trade. The implementation of the Common Agricultural Policy (CAP) on poultry, the Netherlands flour tariff, and possible similar actions that may be taken in the future are unilateral steps seriously affecting U.S. trade. The United States, he said, could make a good case to the effect that they are in violation

of GATT and that this country is therefore entitled to take retaliatory action. So far, we have held off from retaliation—the United States does not wish a trade war. But the EEC, Governor Herter noted, had not hesitated to retaliate when the United States had raised tariffs on carpets and glass under last year's escape clause actions.

The Trade Expansion Act, Governor Herter went on, directs the President to retaliate against countries which maintain unjustifiable restrictions contrary to trade agreements. The U.S. Government is under heavy political pressure to take such action, and from a political point of view, the time is almost over before retaliatory action must be resorted to.

The United States does not want, he stressed, to be faced with a situation in which it has to negotiate in the Kennedy Round on the basis of unilateral actions that impair past tariff concessions. Governor Herter made clear that the United States would not trade concessions on industrial products for bargains on agricultural tariffs unilaterally imposed by the EEC since the Trade Expansion Act went into effect.

Under Secretary Murphy added the point that negotiations under the Standstill Agreements do not offer a solution for the United States' current difficulties with all the products involved. This country may, he said, call for negotiations under those Agreements on a commodity-by-commodity basis, as seemed appropriate. On poultry, we would wait to see what action the EEC Ministers take on the Commission's recommendation before we decide whether to invoke our Standstill rights.

Negotiations under the Standstill Agreements, he pointed out, are a bilateral matter between the U.S. and the EEC. The need for a new Interim Agreement is of interest to a variety of countries and the Agreement must be worked out multilaterally.

Mr. Rey, in replying, seemed somewhat taken aback by the firmness of Governor Herter's remarks, and the tone of the discussions sharpened noticeably at this point. He restated the difficulties which the Commission foresaw concerning an Interim Agreement, and he repeated his recognition of the poultry problem and his intention to reply to Governor Herter's queries on flour prior to the Geneva meeting.

He was greatly surprised, he said, by two points in Governor Herter's statement:

- 1) The challenge to the legality of the implementation of the CAP, and the comparison of the CAP to the U.S. carpets and glass case. The agricultural tariffs of the Six had been unbound under Article XXIV:6, and their re-establishment under the CAP had been agreed to in principle by the GATT contracting parties.

- 2) He was quite concerned at the prospect of returning to the Council of Ministers meeting with reports of threats of retaliation by



the United States. This would certainly make more difficult the problem of obtaining the Ministers' agreement to a negotiating mandate. He would much prefer to discuss Governor Herter's remarks with Dr. Mansholt and then raise these points again with the U.S. delegation before the Geneva meeting.

Governor Herter said that he appreciated Mr. Rey's feelings, but that he felt it was only proper that the United States should state its concerns with complete candor and that they should be reported to the EEC Ministers.

There followed an interlude of intramural discussions on both sides of the table. Mr. Rey then reported that his colleagues shared his surprise at the U.S. attitude; they had thought on the basis of the morning's meeting that the United States would ask for negotiations under the Standstill Agreements and that this would settle the immediate U.S. concerns about agricultural negotiations. If now the EEC was being threatened with retaliation on poultry, there seemed little reason for negotiation under the Standstill Agreements. Besides, they could not see the legal basis for retaliation in view of Article XXIV:6.

The United States has not decided on retaliation, Governor Herter declared. But the Administration is under considerable pressure in this direction. He stressed the common objective of trade liberalization which the Commission and the U.S. shared, and he said that in this context each side should make its position completely clear to the other. Mr. Gossett urged that U.S. Standstill rights not be underestimated. They were based on the situation as of September 1, 1960, and would be so negotiated.

#### *Tropical Products*

Governor Herter at this point changed the subject to Tropical Products, which the EEC had indicated that it wanted to discuss. Mr. Rey told of the EEC's reduction by 40 percent of the margin of preference which it extends to the Overseas Associated Territories on coffee, cocoa, bananas, and vegetable oils. It also stood ready to go to zero on tropical woods and teak if the United Kingdom would also do so. The main beneficiaries of this liberalization would be the Latin Americans.

Mr. Marjolin expanded this point to say that given the extent of this EEC liberalization on tropical products, and given the EEC's obligation to uphold the interests of the OACs, it would be unrealistic to expect the EEC to make further reductions in their tropical products tariffs.

Mr. Blumenthal noted that the Report of the Special Committee on Tropical Products contained some disagreements. Some countries, including the United States, recommended consideration by the GATT Ministers of the Nigerian proposal on free entry of tropical products,

standstill agreements, and implementation of the coffee and cocoa agreements in the realm of tariffs. In particular, he urged, the Latin Americans had to be made to feel that the GATT holds some possibility of solution of their commodity problems. They had been often frustrated in this regard in the past.

Mr. Marjolin replied that the EEC's 40 percent reduction should not be taken for granted, and that the EEC would deal with the Latin Americans when the time came.

### *Agriculture: II*

The discussion then returned to agriculture. Governor Herter asked whether the EEC's variable levies would be construed as tariffs during negotiations.

In the course of their replies, Mr. Rey and Mr. Marjolin made clear that the Commission does not feel that agricultural products should be subject to the linear tariff reductions. The U.S. suggestion that agriculture be separated into three categories—those covered by tariffs, those covered by other restrictions, and those to be the subject of commodity agreements—could not be accepted. It does not make sense, Mr. Marjolin argued, to reduce a tariff automatically on one agricultural product while another very similar to it is not automatically liberalized because it is not bound by a tariff. To tie agriculture to a linear cut, Mr. Rey added, would make agreement on the linear cut much more difficult.

Mr. Rey felt that agriculture should be recognized as a special problem. In response to a question by Mr. Renne, the EEC representatives agreed that all agricultural products would be open to negotiation. But they could not specify what the type of negotiations or form of trade liberalization contemplated would be. These questions, they suggested, should be studied during the remainder of the year. They did not object to Governor Herter's suggestion that the points to be studied should include support prices, subsidies, and variable levies, among others.

Governor Herter and Mr. Blumenthal then underlined the importance which the United States lays upon the need for clarifying the negotiating processes and objectives for agriculture. This should take place before general preparations for overall negotiations have gone too far. Governor Herter reiterated the U.S. "terrible feeling of uncertainty" created by such EEC actions as maintaining its canned fruit restrictions long after the balance-of-payments justification had passed away. This is symbolic, he said, of the general U.S. worry on the score of nations making agreements and then not holding to them. We must be clear, he stressed, on what is negotiable and what is not. The United States cannot repeat its experience in the Dillon Round, when agriculture was ultimately laid aside.

Mr. Blumenthal asked when the EEC felt it could be more precise on the nature of the agricultural liberalization that it could contemplate and the degree of the linear cut.

Mr. Rey replied that he hoped agreement on the tariff reduction formula could be worked out before August. The autumn could then be devoted to studies of special problems.

Such a timetable assumed, Mr. Blumenthal noted, that the Ministerial Meeting would produce no more than a decision in principle to hold trade negotiations. This was a possibility, he admitted. But the United States was not sure, he said, that it could proceed with its domestic hearings and other prenegotiation processes on so vague a basis. We had hoped that the Ministerial Meeting could at least settle the outline of the tariff negotiating formula and the general extent of agricultural liberalization.

Mr. Rey expressed some surprise at this comment. He had thought that it was only *after* its domestic hearings, not before, that the United States would be in a position to know what bargain it could offer. One cannot settle all the problems of a trade negotiation in advance; they must be worked out while the negotiations are in progress. He said that he would frankly consider it a success if the Council simply gave the Commission a mandate to conduct a new round of negotiations. He expected that there could be considerable progress made on specific problems in the Trade Negotiating Committee during 1963 since there is a good deal of time.

Mr. Gossett quoted the draft Working Party Report concerning agricultural negotiations and asked what was the EEC attitude. Mr. Marjolin remarked that he was not optimistic about the possibility of an early clear answer from the EEC on this score. The internal EEC dispute on prices would delay things. The United States is bound by the Trade Expansion Act, he said, and the EEC by the Common Agricultural Policy. The problem, he suggested, is to find a common ground that would respect both these frameworks. On the side of the EEC, the variable factor which offers the basis for a solution to this problem is agricultural prices.

Mr. Rey at this point agreed with Governor Herter that a clarification of the nature and extent of agricultural negotiations ought to be possible by the end of 1963. If the basic issues are not clear by then, Governor Herter cautioned, the negotiations themselves may have to be postponed.

Mr. Marjolin raised the question of other European countries with other methods of agricultural trade protection, specifically the UK. If the EEC is to study liberalization of its agricultural trade policy, it is only fair, he asserted, that the UK make concessions on its part. Gover-

nor Herter agreed, adding that he expected that the UK was worried about its farm subsidy program.

The subject of agriculture was then left, with agreement that all delegations should work out a basis for negotiation by the end of the year.

#### *Other Business*

Governor Herter said that he was pleased to report that the Tariff Commission had issued its Sixth Supplementary Report, and that practically all the items of major concern to the EEC had been taken care of. In those cases where adjustments had not been possible, a full explanation was provided. The text would be delivered to Mr. Pringel.

Mr. Rey brought up the subject of Non-Tariff Barriers. Preliminary discussions in this field, he felt, could be held over until the autumn, and he suggested that the initiative for opening discussions should lie with the EEC. He recommended that the initial sessions, at least on "fair trade problems", should be bilateral between the U.S. and EEC. Governor Herter agreed to hold discussions in the autumn, provided that they were not held off until late November or December.

Governor Herter said that he was unclear on the distinction which the EEC seemed to draw between "non-tariff barriers" and "fair trade problems". Mr. Rey explained that the only distinction he could see lay between matters such as customs valuation and nomenclature, which are directly related to tariffs, and all other factors—subsidies, anti-trust laws, anti-dumping regulations, and the like—which do not pertain to tariffs.

At the close of the session, Mr. Rey expressed his delegation's appreciation and thanks for the opportunity to hold the discussions and the cordiality in which they had been conducted. He looked forward to their meeting in Geneva, and to future bilateral meetings, which he believed would be most useful. In view of the U.S. trip to Europe later that month, he said, it would be the Europeans' turn to come to Washington once more.

Governor Herter thanked Mr. Rey and his colleagues, expressing his own gratification at the frank and open discussions that had been held. The meeting ended with handshakes and good-byes.

**472. Circular Telegram 1903, May 7<sup>1</sup>**

May 7, 1963

Rey-Marjolin visit. Rey and Marjolin, while stating that ecretement proposal did not represent fixed EEC position, proceeded to discuss as if in fact it were and made stiff defense.

U.S. position on negotiating plan as presented by Blumenthal in Geneva was reiterated. Marjolin asked for U.S. recognition of high tariff problem and invited a substitute for ecretement. The U.S. rejecting ecretement as basis for discussion, held firmly to linear approach.

On agriculture, Rey and Marjolin made clear that inclusion of agriculture in negotiations was not in question. EEC prepared to discuss all agricultural products in negotiations, but would make no commitments now as to nature or extent of liberalization. They rejected U.S. proposal to treat agriculture in three categories—those covered by tariffs, those covered by other restraints, and those for which commodity agreements are to be negotiated. Linear cuts should not necessarily apply to agriculture, they maintained. Agriculture should be treated as a special problem.

EEC firmly resisted proposed interim arrangements on agriculture under which each contracting party shall pledge not to increase agricultural import restrictions while negotiations are in progress. U.S. reiterated its belief that such an agreement is necessary to dispel fears of unilateral EEC action doing further damage to U.S. agricultural trade.

Herter pressed for clarification of how agriculture would be treated in negotiations by the end of 1963 at the latest. He made clear that U.S. could not proceed with industrial products negotiations if prospects for significant liberalization of agricultural trade were not reasonably good. Rey agreed on end of 1963 as reasonable deadline.

On nontariff obstacles, EEC suggested preliminary discussions should begin this fall. Herter agreed, with proviso that these should not be long delayed. EEC wanted have initiative in this field.

In view of these discussions, probability is that GATT Ministerial will not resolve major problems on tariff reduction formula and agriculture, but Rey hopes that these will be settled before August and the end of the year, respectively.

Rey and Marjolin suggested that Ministerial meeting might result only decision that negotiations would take place along lines of agreed principles of Working Party report. Schedule and negotiating machin-

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<sup>1</sup> EEC Discussions: Rey-Marjolin visit. Limited Official Use. 3 pp. Department of State, Central Files, FT 7 GATT.

ery, such as establishment of Tariff Negotiations Committee, might also be agreed upon by Ministers.

Atmosphere was alternately tough and cordial, but posts should stress only cordiality of talks in discussion with host governments.

**Rusk**

## August 1963

### 473. Letter from Rusk to U.S. Ambassadors, August 2<sup>1</sup>

August 2, 1963

Dear Mr. Ambassador:

You will recall that in my letter of October 19, 1962, I emphasized the role which our Chiefs of Mission and their senior staff members would need to play in order for us to succeed in our joint efforts to expand adequately the volume of American exports.

I am sure you are aware that our balance-of-payments situation remains a very real and stubborn problem, even though our current export volume constitutes some improvement over the recent past. The facts are that imports in 1962 increased by \$1.7 billion while exports increased by \$800 million (from \$20.1 to \$20.9 billion). Hence our net surplus on merchandise trade declined. International payments of all types, which include military expenditures and foreign aid, of course, continued to exceed receipts and our balance of payments remained in the red by some \$2.2 billion.

As a companion piece to the export drive, the Administration is taking all actions which it believes are currently possible—consistent with our foreign policy objectives and position of leadership in the free world—to moderate the balance-of-payments impact of our governmental activities and programs abroad. Clearly these actions need to be kept within those bounds which will neither impair our national security and other foreign policy objectives nor circumscribe the latitude which our citizens enjoy in their trade and financial relationships abroad. If the United States can push its exports to a substantially higher plateau, many elements of our balance-of-payments problem will disappear without resort to actions which would be unpalatable both domestically and internationally. The rough road of restrictive retrogression is the last thing that we would wish to contemplate.

Since I wrote to Chiefs of Mission last fall on the importance of their personal participation in and support of export promotion, I have had many gratifying reports as to what they and their senior staff members have been doing to further this vital activity.

Because of the special emphasis which we in Washington attach to the Export Expansion Program for balance-of-payments reasons, I

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<sup>1</sup> Report summarizing Mission's export promotion activities requested. No classification marking. 3 pp. Department of State, Central Files, FT 4 US/TEA.

should appreciate it if your Embassy would prepare for my guidance and that of the Secretary of Commerce a summary of your Mission's recent activities in line with the concepts expressed in my earlier letter. I should like such a report to cover the specific ways in which the Embassy has found it possible to give support to this program. I would also like to know of the particular difficulties encountered in promoting United States exports, what the Embassy thinks needs to be done to solve these problems, as well as any suggestions for improving our export expansion work as a whole. Material already submitted need not be repeated but only brought up to date.

I look forward to receiving such a report and I am confident that it will reflect that degree of participation and support necessary to ensure the success of our export drive.

Sincerely,

**Dean Rusk**

### **Attachment**

#### **SUBJECT**

Signature of letters to Ambassadors regarding Export Promotion

Pursuant to your approval of July 30 there are attached for your signature draft letters to 102 Chiefs of Mission concerning continued emphasis on export promotion.

Because of the very favorable reaction by the American business community to the public release of your letter of October 19, 1962, to Chiefs of Mission on this subject and in view of the White House Conference on Export Expansion scheduled for September 17-18, a similar release of the present text is contemplated. If you approve, it will be released Friday, August 2.



**474. Telegram 1080 to London, August 15<sup>1</sup>**

August 15, 1963

For Ambassador from Ball. Deliver 9:00 a.m. August 16, 1963. At meeting last week with Senators interested in wool Textiles, the President was informed British Industry now unanimously supporting idea of international arrangement to regulate trade in wool textiles. According to US industry, the UK National Wool Textile Export Corporation has discussed matter with BOT and was encouraged by reaction of British officials. On basis of this meeting, British wool textile industry thinks HMG would consider favorably an approach by the US to an international wool textile arrangement.

I have been instructed by the President to have the Embassy discuss this matter with Alan Green of the BOT and to point out to him the interest of the US in initiating steps to work out an international arrangement covering wool textiles. The President has asked for a report on the conversation with Green as soon as possible.

**Rusk**

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<sup>1</sup> Approach to HMG on an international wool textile arrangement. Confidential. 1 p. Department of State, Central Files, INCO-WOOL UK.

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**475. Letter from Eleven Congressmen to President Kennedy, August 21<sup>1</sup>**

August 21, 1963

Dear Mr. President

This letter is a desperate appeal for action to save the domestic wool textile industry. There can be no doubt that the time for such action is long overdue.

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<sup>1</sup> Domestic wool textile industry deterioration. No classification marking. 4 pp. Kennedy Library, Herter Papers, Congressional Relations, Box 8.

As you know, the steady deterioration of the nation's wool textile industry has contributed substantially to the growing and unsolved problem of chronic unemployment. While there may be honest differences of opinion as to the efficacy of programs which purport to create new jobs, there can be no dispute as to the wisdom of guarding against the further loss of jobs in an industry already determined to be necessary to the nation's security.

The impact of the depression of the wool textile industry has already been felt in related domestic industries—from wool growing to apparel manufacture. The circle of uncertainty continues to widen.

It is with reluctance that we remind you of the direct and explicit promises that have been made by you, Mr. President, and officials high in your administration, that relief would be forthcoming. For example, on August 31, 1960, you wrote to Governor Hollings of South Carolina as follows:

"Clearly the problems of the Industry will not disappear by neglect nor can we wait for a large scale unemployment and shutdown of the Industry to inspire us to action. A comprehensive industry-wide remedy is necessary. . . .

"Imports of textile products, including apparel, should be within limits which will not endanger our own existing textile capacity and employment, and which will permit growth of the Industry in reasonable relationship to the expansion of our over-all economy. . . .

"The Office of the Presidency carries with it the authority and influence to explore and work out solutions within the framework of our foreign trade policies for the problems peculiar to our Textile and Apparel Industry. Because of the broad ramifications of any action and because of the necessity of approaching a solution in terms of total needs of the textile industry, this is a responsibility which only the President can adequately discharge."

On June 30, 1961, you wrote Congressman Carl Vinson as follows:

"It should be borne in mind that the contemplated (cotton textile) negotiations are designed as one of the series of efforts to assist the textile industry. Our objective is to assist the industry to overcome all of the handicaps which it faces. The State Department is being instructed to get the best possible relief, not only for cotton, but for other fibers."

In January 1962, your Special Assistant, Lawrence F. O'Brien, wrote Congressman Vinson and Senator Pastore, saying:

"After the conclusion of the permanent (cotton) textile agreement, the problems of the wool and man-made fiber industries will certainly be attacked."

On February 26, 1962, in a letter to Congressman Vinson, you stated:

"I have also requested the Departments involved to implement my program for the wool, man-made fiber and silk divisions of the industry. Almost all of the points in the program announced on May 2, 1961, apply equally to each of these."

On August 28, 1962, your Secretary of Commerce, Luther Hodges, in a letter to Congressman F. Bradford Morse, stated:

"We are determined that imports of wool textile products will not be permitted to exceed current levels and we will take all necessary steps to prevent this."

On January 18, 1963, a Washington press dispatch stated:

"A group of Senators from wool and wool textile states said they received assurances from President Kennedy today that 'something will be done' to restrict imports on wool products. Senator John O. Pastore (D-R.I.) told newsmen . . . that the President promised to propose within a month measures to limit such imports."

In spite of the foregoing promises and commitments, Mr. President, no action has been taken to stem the flood of woollen textile imports that threaten to destroy the industry.

1. Wool textile imports increased by 78 per cent between 1961 and 1962.

2. The record shows that wool textile imports in the first quarter of 1963 were 41 per cent above the comparable 1962 figure and are currently at an annual rate in excess of 160 million square yards.

3. In the year ending March 30, 1963, 85.4 million pounds of wool textiles were imported.

4. The ratio of imports to domestic production rose from 15.1 per cent in 1961 to 23.2 per cent in the year ending March 30, 1963.

5. 305 woollen textile mills have closed their doors in the past fifteen years displacing 105,000 workers.

It has been clear for some time that this situation is not going to improve unless prompt action is taken by your Administration. We cannot wait for the conclusion of an International Wool Agreement. As the Senate Special Subcommittee to Study the Textile Industry said on July 18, "We favor resolution of the problems by such means as an effective international agreement to limit imports of wool textile and apparel products. If this is not achieved, however, the United States must take unilateral action to insure that the defense-essential wool textile and apparel industries are not irreparably damaged by the unrestrained flood of imports."

Each of us has seen the personal hardship and despair of the people who suffer from the decline of the domestic wool textile industry. The remaining plants and mills are struggling to keep their place in the market and provide jobs for 60,000 textile workers.

But they cannot keep their heads above water for very long without executive action. Not long ago a plant, newly modernized, was forced

to shut down due to the competition of goods produced abroad by workers who are paid as little as 14 cents an hour.

It is too late to save the jobs and the investments in the mills already closed. But you can still preserve the livelihood and self-respect of the 60,000 remaining textile workers and their families; they deserve the relief that has been promised for so long.

We believe, Mr. President, that your first-hand knowledge of the problem faced by the people in our districts would make a meeting with you particularly productive. We respectfully request an opportunity to discuss this matter with you personally at your earliest convenience.

Sincerely yours,

**Joseph W. Martin**

*Mass.*

**William H. Bates**

*Mass.*

**James C. Cleveland**

*N.H.*

**Silvio O. Conte**

*Mass.*

**Hastings Keith**

*Mass.*

**Clifford G. McIntire**

*Maine*

**F. Bradford Morse**

*Mass.*

**Abner W. Sibal**

*Conn.*

**Robert T. Stafford**

*Vt.*

**Stanley C. Tupper**

*Maine*

**Louis C. Wyman**

*N.H.*

**476. Memorandum from Roth to Bundy, August 28<sup>1</sup>**

August 28, 1963

SUBJECT

Policy Issues Concerning the Trade Negotiations

I have tried to set out briefly below the major policy issues and considerations that confront us as we move closer towards the so-called “Kennedy Round”:

*1. Schedule of Negotiations*

When, in view of necessary preliminaries in the U.S. and the preparation which other countries want to perform, are the trade negotiations proper (as opposed to the preliminaries) likely to begin? And how long are they likely to last? May 4, 1964 was the date chosen by the GATT Ministers for the start of the negotiating conference, but it now seems unlikely that specific bargaining will take place before the fall of 1964. Experienced trade negotiators expect the conference to last at least a year. The negotiating period and its preliminaries will of course be a time of extra sensitivity for the foreign commercial policy of the U.S.

*2. Nature of the Tariff Cut*

Should, and can, the United States continue to press for a linear cut of 50 percent? Which of the industrialized countries should be allowed to vary from the formula adopted, and in what way? On the latter point, Canada, Australia, and Japan, among others, have claimed that the special structure of their economies prohibits them from making general and uniform tariff cuts.

*3. Exceptions*

What rule should be adopted prior to the negotiations to govern the exceptions which countries will inevitably wish to make to the general formula of tariff reduction? At present it seems likely that no rule will be devised more specific than the principle agreed upon by the GATT Ministers in May: that there will be “a bare minimum of exceptions which shall be subject to confrontation and justification.”

What items should the U.S. add to the list of exceptions made mandatory by the Trade Expansion Act? This decision must await completion of the public hearings, the Tariff Commission’s report to the President, and investigation by the various agencies. This issue can

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<sup>1</sup> Trade negotiations: policy issues and considerations. Limited Official Use. 7 pp. Kennedy Library, National Security Files, Subjects Series, Trade, General, 8/63, Box 309.

be expected to generate considerable domestic political pressure on the Administration.

Which products likely to be claimed as exceptions by other countries are of major trade interest to the U.S.? This will be the subject of analysis by "country teams" which will also assemble material to be used in the "confrontation and justification" process.

#### 4. *Disparities*

At the Ministerial Meeting in May, it was agreed that "in those cases where there are significant disparities in tariff levels, the tariff reductions will be based upon special rules of general and automatic application," with a view to reducing the disparities. This clause grew out of the EEC's insistence that disparities between certain high U.S. tariffs and the EEC's more moderate rates on the same items would create a major problem of reciprocity for them under a rule of linear cuts.

What sort of special rule for disparities should the U.S. agree to? To what extent should the U.S. insist that a disparity be proven "significant" (in trade terms) before submitting it to this special rule?

The Trade Negotiating Committee (TNC) of the GATT is to resume consideration of this issue at a subcommittee meeting October 23–November 1.

#### 5. *Agriculture*

The U.S. has made clear that the trade negotiations must include significant liberalization of agricultural as well as industrial trade. How is this to be achieved—particularly vis-à-vis the U.S.'s largest overseas agricultural market, the EEC—in view of the following problems:

a. Agricultural trade is of three types: that governed by fixed tariffs, that governed by non-tariff restrictions as well as or in place of tariffs, and that which the GATT Contracting Parties have agreed to try to regulate by means of Commodity Agreements. Different arrangements will probably have to be made for these various categories in the course of the trade negotiations. A subcommittee of the TNC is to consider this problem in a meeting October 2–9.

b. The products for which Commodity Agreements are to be explored are, so far, Cereals and Meats. What form of agreement should the U.S. favor for these commodities, and what are the political chances of Senate ratification of these agreements? The GATT Cereals Group will probably meet some time in October.

c. The Common Agricultural Policy (CAP) of the EEC is so designed that the level of levies on imports from non-members depends upon the target price agreed on for each product covered by the CAP. Due to the agony of formulating the CAP among the Six and to the continued

political sensitivity of farm prices, the EEC is strongly reluctant to negotiate internationally on the levels of its target prices either before or after these levels have been agreed on internally. As in the Dillon Round, the CAP and the sensitivity of the EEC member governments to agricultural problems is probably the major obstacle to significant negotiations on agricultural trade.

#### 6. *Non-Tariff Barriers*

The trade negotiations are to include discussions aimed at liberalizing trade restrictions other than tariffs. A TNC subcommittee will open talks on this subject at a meeting from October 21–November 1. The main targets of foreign criticism of the U.S. in this regard are likely to be:

a. *American Selling Price (ASP)*. On certain products, notably synthetic organic chemicals and rubber-soled footwear, the duty charged on imports into the U.S. is calculated not on the basis of the invoice price, as is normal, but on the basis of the U.S. market price of the equivalent product. To what extent should we be willing (or able—ASP was imposed on chemicals by legislation) to negotiate abolition of ASP in the course of the Kennedy Round?

b. *Anti-Dumping Legislation*. Foreign exporters and U.S. importers complain that they are harassed by the prolonged and complex procedures under which dumping cases are handled in the U.S. They are particularly critical of early “withholding of appraisement” by the Customs Bureau, which subjects their business to uncertainty lasting often several months. On the other hand, there is mounting pressure in industry and Congress to tighten rather than liberalize administration of dumping cases. Should the U.S. agree, in the course of the trade negotiations, to liberalize its anti-dumping procedures, and if so, should this be done on the basis of (i) administrative changes, (ii) attempted revision of the legislation, or (iii) conclusion of an international convention on dumping?

c. *Procurement Policies*. U.S. government procurement regulations under the Buy American Act will be criticized as overly restrictive. The U.S. must determine what modification in procedures regulations it might be willing to make in the course of negotiations. This decision, of course, will have to be made in the light of the current review and probable modification of procurement regulations.

#### 7. *Less Developed Countries*

At the Ministerial Meeting of the GATT and elsewhere, the LDC's have contended that they cannot make any concessions of their own in the course of trade negotiations. The U.S. position has been that the LDC's, while not expected to participate in the full linear cut, should consider the possibility of modifying some of their commercial policies

in such a way as both to benefit their own economies and to expand world trade. Up to now, the LDC's have reacted to this suggestion with coolness and some suspicion. On their part, they have proposed that the industrialized countries should extend preferential trade treatment to LDC's and should sanction preferential trading arrangements among the LDC's themselves.

The LDCs' attitude grows largely out of their long-standing resentment of GATT as essentially a rich man's club whose rules are designed for trade among developed countries and take no account of the special problems of the underdeveloped world. Their bargaining position is strengthened by the imminence of the U.N. Conference on Trade and Development, to be held in the spring of 1964, at which the LDC's and the Soviet bloc are expected to demand that the U.N. be given further responsibility in regulating world trade.

A GATT Working Group on Preferences is to meet from October 7-11. The U.S. must determine what reaction it should make to the LDC proposals on preferences, and, more broadly, to what extent the GATT itself should be modified in order to meet any legitimate complaints of the LDC's. An October 14-18 meeting of the GATT Committee on Legal and Institutional Framework is expected to deal with this problem.

#### *8. Delegations and Interagency Staff Work*

Members of this Office will head all U.S. delegations to GATT meetings preparatory to the trade negotiations. Selection of other agencies' representatives on these delegations may raise problems, in that very often agencies wish to be represented even on delegations in which they have no direct interest. We plan to keep delegations as small as possible.

In order to prepare for the negotiations proper, we plan to form "country teams" which would be devoted to research and analysis on the trade of the major countries that will participate in the negotiations. The staff of these teams will be drawn from the various agencies, and they will be chaired mainly by senior Foreign Service Officers of the State Department. We are now investigating whether it would be practical or advisable (a) to hire non-government people to chair or serve on these teams, or (b) to put officials of agencies other than State and this Office in the chair of any of the teams.

#### *9. Poultry*

The EEC appears currently to be scrambling to agree to some modification of their poultry levies before the U.S. withdrawals are proclaimed, but so far the only proposal of which we have heard is an 11 pfennig/kilo reduction which, we have informed the Germans,



would be insufficient to enable us to delay the withdrawal procedure. The proclamation of withdrawals will, however, be postponed at least until the EEC Council of Ministers has had a further meeting on the subject, expected September 24–25 at the latest.

The main issue is whether the U.S. should agree to submit to the GATT for adjudication the figure of \$46 million, which is our estimate of the U.S. trade affected by the poultry levies in 1960 as a base year. The EEC has repeatedly challenged this valuation as too high, and it seems clear that they would bring formal action in the GATT if and when we put our \$46 million of withdrawals into effect. Prior adjudication of the figure would forestall prolonged litigation in the GATT and remove the possibility of counter-retaliation.

It has been agreed by Governor Herter, Secretary Freeman, and Under Secretary Ball that the next move in the situation is up to the EEC. If they come to us with proposals for solving the poultry problem, we should then consider whether we should not suggest GATT adjudication of the trade figure.

**William M. Roth**

October 1963

**477. Memorandum from Feldman to President Kennedy,  
October 15<sup>1</sup>**

October 15, 1963

SUBJECT

Wool trade

I

I have just returned from a meeting of the National Association of Wool Manufacturers. While there, I met with Senators Pastore and Kennedy, Mr. Nicholas Schilling, who is the wool industry representative from the Common Market nations, Mr. Douglas Hood, who is the wool industry representative from EFTA, and industry leaders.

Mr. Schilling and Mr. Hood both told me, in confidence, that they felt that the wool industry of the nations they represent is very anxious to enter into a multilateral agreement like the cotton agreement. Mr. Schilling went farther. He said that the Common Market governments also supported the industry. If the Common Market did not succeed in negotiating a multilateral agreement with quantitative limitations on wool trade, they would probably take action themselves, unilaterally.

It seems to me that we should be prepared to meet with the Common Market and EFTA to develop a position on this question. In the meantime, the American industry would discuss these questions with their counterparts in Japan. Then, sometime toward the end of January 1964, we might have a meeting of all wool producing and consuming nations. This would be of benefit to every nation. The Common Market, which now excludes Japanese wool textiles, would be willing to take some. EFTA would also be willing to reduce its barriers to Japan in exchange for assurances from the United States of a portion of our market. Our wool industry would get the stability that it has sought. With wool textile imports approaching 25 percent of consumption, I believe this is a feasible proposal.

If we do not cooperate in some such procedure, wool textile trade will be a source of friction during the GATT negotiations next year.

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<sup>1</sup> Wool trade and a multilateral agreement. No classification marking. 3 pp. Kennedy Library, National Security Files, Subjects Series, Trade, General, 10/11/63-11/7/63, Box 309.

## II

There was considerable discussion at the meeting about the United Nations conference in March to discuss trade relationships. I believe someone should watch the planning for this very carefully. It has the following potentialities for trouble:

1. If the United Nations takes over some of the GATT responsibilities, we will have a less receptive organization. GATT has no Soviet veto and is less unwieldy.

2. The officials organizing the conference are predominantly from non-industrial nations. The Secretary General is from Argentina, one committee head is from Czechoslovakia, etc. It is not too early to make sure that the interests of industrial nations are protected.

3. If this is a Soviet Union initiative to give them a base from which they can discuss world trade, and an organization in which they can seek economic advantages, we should make certain we have some degree of control over it.

**Myer Feldman**

### **Attachment**

Attached is a copy of a memorandum I gave the President. Item I is very highly confidential. Everyone involved understands that this must not get into the public press. However, we should be prepared to meet with the Common Market and EFTA representatives at the appropriate time. I will mention this to George Ball, and I will continue to follow the progress of the proposal.

Item II has very serious implications. The President asked that a letter be prepared for his signature to Dean Rusk, asking that we develop a policy toward the proposed United Nations organization.

I discussed this with Grif Johnson and with Ken Hansen. We had agreed that the leadership should lie in the Department of State, and Grif Johnson informs me that they are already working on the many problems involved.

I assume, from our conversation, that you will undertake the responsibility for seeing that an appropriate letter to Dean Rusk from the President is sent.

**Myer Feldman**

November 1963

**478. Memorandum of Conversation, November 29, Ball and John Chadwick, British Embassy<sup>1</sup>**

Part II of II

November 29, 1963

SUBJECT

Kennedy Round

PARTICIPANTS

Mr. John E. Chadwick, British Embassy  
The Under Secretary  
Mr. Robert Anderson, U  
Mr. Deane R. Hinton, EUR/RPE

Mr. Chadwick said that in London's view the Kennedy Round was highly political and "all of a piece" of what went on in NATO. We were getting nowhere on disparities in Geneva and the French were stalling the EEC. The French were resisting any cut in tariffs below 5 percent. With respect to agriculture, while the French wanted to settle the outstanding CAP regulations they did not accept the German position that the CAP should be negotiable in GATT and they resisted the concept of comparable access. While the French argued that they needed to maintain negotiable levels of protection, the UK saw this as a political position. Agriculture posed difficulties for the UK. It was particularly concerned that the CAP should not make eventual UK entry into the Community more difficult. Moreover, as agriculture becomes an issue in the Kennedy Round, the UK would like to push in the right direction. The question was how. The UK was very conscious of the delicacy of these matters and the danger that if the wrong thing were said it would be counterproductive. He noted that the French appear to be prepared not to settle the cereal question now although Mansholt wanted to go ahead. In general, however, he believed the Mansholt plans were acceptable to the Six, although not to the U.S. and the UK.

Mr. Ball said there were two Mansholt plans, one regarding cereals and one regarding rules for agricultural negotiations. The second, as it now stood, was most unacceptable to the U.S.

With respect to the cereals proposal, Mr. Ball thought Chancellor Erhard would like to take bold incisive action. Erhard would like to

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<sup>1</sup> "Kennedy Round." Confidential. 3 pp. Department of State, Secretary's Memoranda of Conversation: Lot 65 D 330.

establish his authority by dealing with this troublesome problem well before the elections. He has said there would be need for assurances regarding the level of imports from third countries and had mentioned 10 million tons, although this figure did not seem to have been seriously thought through. The German price levels would have to be reduced sooner or later.

The French, Mr. Ball said, saw virtue in settling the common price but were concerned over the inflationary impact. Both Couve and Giscard appeared not to be in a hurry. The French still showed signs of interest in a comprehensive but ambiguous global arrangement. But they disliked access assurances. He thought there was some honest confusion in their thinking. They also appeared to be having second thoughts on disparities. They wanted to retain bargaining power and a reasonable CXT to delineate the EEC. This Gaullist logic was old in some respects. In any case, they were trying to limit tariff cuts in the Kennedy Round.

Mr. Ball commented that for the moment the U.S. was taking a long look at the situation and listening more than talking. We need a strategic plan for the negotiations. It looked like the French and Germans would be ready early in 1964 to proceed to serious negotiations.

Regarding agriculture, Mr. Ball said third country suppliers were important. Their interest must be recognized by full consultation before decisions are taken within the EEC. Moreover the CAP decisions should be negotiable including cereal price levels.

Mr. Ball thought perhaps we should ask the Community, "What do you want to accomplish in these negotiations?" We might be able to resolve some issues if we understood better what the Community objectives were. The U.S. wanted to use its negotiating powers to the full.

Mr. Chadwick said there was pessimistic talk in Geneva about ending up with a 30–35 per cent cut instead of 50 percent. Mr. Ball reiterated that we wished to use our authority to the full and would be unhappy with a 30 percent cut. We should stay with the 50 per cent formula and limit disparities to as few items as possible.

At this point Mr. Ball was called to the White House. The discussion continued briefly, but no further significant points of substance were developed, although Mr. Chadwick again warned of the dangers of exerting "pressure" on EEC member countries. Apparently he feared we might overplay our hand with the Germans. Finally, Mr. Chadwick said he had not yet received an analysis from London on the Mansholt proposals but hoped to have something in hand soon. Mr. Anderson hoped we could have a further exchange of views when an analysis had been received. Mr. Chadwick thought this desirable and useful and said he would telephone as soon as he heard from London.

December 1963

**479. Telegram 2046 from Bonn, December 7<sup>1</sup>**

Bonn, December 7, 1963

Brussels also for USEC; Paris also for USRO.

Poultry. State Secretary Lahr called in DCM (in absence Ambassador who at Berlin) to receive reaction to announcement suspension US tariff concessions.

Lahr said list of tariff concessions selected by US for withdrawal caused "very bad echo" in FRG. Germans could not understand why with only 40 percent of EEC exports to US they should bear 54 percent of burden withdrawals. In overall interests of Community, Federation Government had not sought special treatment from US re withdrawals. Instead had assumed burden would be allocated in proportion to each country's share of EEC exports to US. Lahr said Italians however had pleaded for special treatment and now had received their reward.

Lahr read from German Embassy's report of Washington meeting and said he found it "completely unbelievable" that from list of items totaling \$110 million US had not been able make more equitable selection. US statement that impossible devise list distributing burden in proportion exports to US was "completely unsatisfactory."

Lahr asked why Germans had been hit hardest. Such treatment was not deserved. FRG had been only country to open its market to imported poultry. French had told Germans they were stupid (schoen dumm) ever to have opened market and US action now confirmed that French had been right. At time, however, FRG had taken different view of matter, had opened market and trade had flourished as long as national German regime applied. Subsequently competence for policy in this field was taken over by EEC. FRG had not liked policies articulated in Common Market CAP but had accepted them in larger interests of Community. Now Germany, who deserved the least punishment, had received the worst.

Lahr then said matter also had to be considered in broader context. 1) FRG had been best cooperator with US on balance of payments problems. Its performance under offset arrangement had been good. It had met foreign exchange costs of troops who were defending not only Germany but also other European countries. French, British, Belgi-

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<sup>1</sup> Poultry: German reaction to U.S. suspension of tariff concessions. Confidential. 6 pp. Department of State, Central Files, INCO-POULTRY US.

ans and Italians were however not helping offset costs of US forces. 2) FRG had been and continues to be excellent trading partner. US had extremely favorable balance of trade and trend has continued improve. Thus for first nine months 1963 total FRG imports increased 5.2 percent, imports from rest of EEC 7.2 percent, and imports from US 17.6 percent. 3) FRG was best cooperator US had in Kennedy round. Federation Government was glad to cooperate and placed no price on its cooperation. Was cooperating in its own interest, and Lahr was glad US and German interests were in such harmony.

Lahr went on to say FRG would be under great strain in year-end EEC Council meetings at Brussels. FRG was best supporter of US viewpoint at these meetings. He was not asking that FRG be treated better than others, but only on equitable basis. He therefore had to reproach US bitterly for its action. Moreover, US action made FRG position (and Lahr's personal position) at Brussels look ridiculous. Lahr recounted how he had consistently taken position that chicken war should be given quiet burial, and that he had made clear he would prevent counter retaliation. He had taken considerable risk in following this line and now had been struck from behind. FRG and he personally were now in an impossible situation. "US action was a disaster."

Lahr said foregoing facts described new situation and problem now was to find way of removing FRG from its impossible position. When DCM referred to Herter statement stressing that concessions would be suspended, not withdrawn, and could be reinstated when agreement reached, Lahr reverted to question of 11 pfennig reduction. List of withdrawals selected by US greatly reduced chances of making such reduction, since Italians and Belgians, being safely off the hook, would have little interest in matter for which Germans would be paying price. Effort should be made to find better solution, however. If no more equitable settlement of matter were found, bad blood would continue for long time. In this connection, Lahr said though Berg (President German Industries Association) and Schneider (President German Chambers Commerce) made public statements in strong support Kennedy round, at level of individual industries there was distinct lack of enthusiasm for tariff cuts, and sour taste left by inequitable US withdrawals could have significant braking effect on Kennedy round.

Lahr concluded by saying he simply did not understand how US could have come to take such inequitable action, and again noted that Italy had been completely spared.

DCM responded along lines Circulars 1005 and 1017. Lahr completely unpersuaded that more equitable list could not have been worked out. DCM again pointed out US readiness to reverse withdrawal action if US poultry given reasonable access. Lahr's reply was that would be hard to do anything, since US action removed any incentive

Belgians or Italians had for constructive solution. Lahr terminated call by saying he had never thought US would take such action. Had hoped poultry war could be brought to quiet end, but this hope was obliterated by US action stirring up controversy.

In separate conversation, Krapf, head of Political Division II in Foreign Office, told DCM that Erhard during visit would probably raise inequitableness of US action with President.

Comment: Lahr's words, which we have reported without embellishment, need not comment. We wish stress following:

1. Forcefulness of Lahr's expression of dismay and disappointment was not diminished by calm and deliberate tone. He was deadly serious and obviously felt that he and FRG had been let down badly by US action. Symbolic aspect has obviously assumed importance far beyond any economic loss involved for FRG exporters.

2. It seems clear that hope suspension concessions would bring chicken war to quiet end has not been fulfilled.

3. In all matters relating to trade and agricultural policy, Lahr is German official in best position directly influence matters affecting US interests. His words about bad blood and Kennedy round should be given considerable weight.

4. At very least, we require clear demonstrations that no other selection of items would have imposed burden of suspensions more equitably among EEC countries. Request such material soonest.

5. More constructively, we consider US interest in matters in which we are relying importantly on German cooperation require careful re-examination of poultry question with view to possibility of reaching some better solution. Specifically, prospective approval of reduction levy for West Berlin by 28 pfennig, and 11 pfennig reduction in supplemental levy, could be examined as possibly offering basis for holding up suspensions. If this should prove be case, we would urge that at least for trial period we see whether 11 pfennig reduction would do our poultry trade some good, instead of standing on legal requirement that reduction be bound.

**McGhee**



**480. Draft Paper by Auchincloss, December 10<sup>1</sup>**

December 10, 1963

The Trade Negotiations

*The Tactical Situation*

The principal feature of the international preparatory work on the negotiations to date has been the EEC's unreadiness to enter into serious bargaining on any aspect of the negotiating plans. On disparities, even though it was the EEC that insisted on special language on this subject in the May resolution, it has not since then come forward with constructive proposals of specific disparities rules which it could support. On agriculture, it has marked time in the Cereals, Meat, and Dairy Groups, being unprepared to discuss these fields internationally until its own internal regulations are set.

This virtual paralysis on the EEC's part is a symptom of a critical divergence of interests within the Community itself and of the tactical positions adopted by members of the Six in response to this divergence. In France there appears to be considerable skepticism (and President de Gaulle seems to share it) as to whether a sizable EEC tariff cut is in her best interests, particularly since it would partially dismantle the common tariff wall that divides the EEC, economically and symbolically, from the Anglo-Saxons. The Germans, on the other hand, whose trade and political ties are with the U.S. are by far the greatest of all the Six, seem strongly in favor of a substantial liberalization of trade. In simple terms, the issue lies between the "inward-looking" and "outward-looking" conceptions of the Community. It was most recently brought to a head by France's veto of Great Britain's application for membership. The veto led to a crisis of confidence between France and the other five last winter, in which the five would make no concessions to France for fear that France would not reciprocate with future concessions to them.

Last spring Germany, recognizing that France was frustrated by the five's refusal to agree to further steps implementing the common arrangements of the EEC and the others (particularly Germany) were frustrated by France's refusal to move on the Kennedy Round, proposed that in the future measures in these two fields be synchronized in order to break the stalemate. This synchronization plan, which calls for a series of compromises but no action in between among EEC

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<sup>1</sup> Trade negotiation tactics. Confidential. 5 pp. Kennedy Library, Herter Papers, K. Auchincloss (5), Box 1.

members is obviously a ponderous procedure. By linking the EEC's decisions on the Kennedy Round to its own internal institutional steps, it means that the EEC will delay taking positions on crucial trade negotiations issues until an internal issue arises for the German faction to use as currency in buying the French's faction's agreement to a liberal stand on trade.

The EEC's indecisive behavior in Geneva, therefore, stems largely from this background. We have now reached a point, however, where internal and Kennedy Round issues have converged within the EEC so as to trigger a decision on both under the synchronization mechanism. The French are pressing strongly for settlement of the CAP regulations on rice, meats, and dairy products and for a price decision on grains. Germany, being a relatively high-priced area for grains especially, would be called upon to make the greatest concessions in these internal arrangements. The Germans therefore, if they agree to these agricultural measures, will have considerable leverage over the French in persuading them to agree to reasonable settlements of outstanding issues in the Kennedy Round.

The two main issues in the negotiations at the moment are disparities and agriculture. The U.S. objective is to secure a disparities rule that would not undermine the linear cut and to ensure that the implementation of the CAP agricultural arrangements, particularly on grains, does not take place in such a way that non-member countries' interests are not disregarded. Our tactics, therefore, should be to persuade the Germans to insist that the French agree to acceptable agreements on both these scores as a *quid pro quo* for German adherence to the EEC agricultural measures. Also, we should beware of the Germans making so definitive a concession on these agricultural measures at this time that they are left with little or no bargaining power within the EEC at later and equally critical stages of the Kennedy Round.

The time for this internal EEC bargain will be during the next six to eight weeks. If, during that time, the Germans are not successful in obtaining EEC agreement to a satisfactory negotiating plan, we shall have to review our own objectives in the Kennedy Round.

**481. Circular Telegram 1053 to Bonn, December 11<sup>1</sup>**

December 11, 1963

Brussels also for USEC—Paris also for USRO. REF a) BONN 2046, b) Circular 1005. From Herter.

*POULTRY*

1. We are concerned by Lahr's expression of indignation over suspension US tariff concessions. We would like to be able give him more satisfactory reply than cold comfort of reiterated assurances that result was governed by technical and not political considerations. But this is the fact, and we can only note sadly that much as EEC became honestly caught up in complexities of poultry CAP, so did we become caught up in complexities of suspension list.

2. Absolutely no substance to charge that Italians (or Belgians) requested and have now received special treatment.

3. We do appreciate helpful role of Germans in general and Lahr in particular on range of issues Lahr cites.

4. Difficult to provide requested QTE clear demonstration UNQTE that no other selection of items would have resulted in more equitable burden of suspensions among Six. We suspect Germans will not be satisfied by technical explanations however complete, and we are concerned that to open our decision to detailed review might plunge us deeper into controversy on a variety of points. Therefore we strongly advise against using following material.

5. Nevertheless, if essential in Embassy's view, you may review with Lahr original list from which items for suspension were to be withdrawn (CA-1506, Aug 6). German share of \$112 million total was \$29.4 million. Of this, \$12.9 million was trucks. Balance of \$16.5 million consisted of 19 items ranging in trade value from \$4 thousand to \$3.9 million. Any combination of these items that would total \$10.4 million (40% of \$26 million, which would be proportional to German share of total EEC exports to US) would have made package more out of proportion to total exports of other EEC countries to US than it is now, or would have greatly increased third country impact, or both.

6. For example, largest of 19 items was wine (\$3.9 million), but inclusion of wine on list would have serious impact on third countries and would make French share of burden even more out of proportion with normal trade patterns than German share is now. Second largest

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<sup>1</sup> Follow up to German reaction to tariff concession suspension. Confidential. 4 pp. Department of State, Central Files, INCO-POULTRY US.

of 19 items is silver halide papers (\$2.7 million), which would disproportionately hit Belgians and also third countries. Imports of third largest item—stainless steel cloth (\$2.1 million)—involve US Government procurement, requirements for US defense purposes, some manufacture by US interests abroad and third country interests. Of remaining 16 items affecting Germany, none amounts to as much as \$2 million in trade, and inclusion of any number of them to reach \$10.4 million total would have multiplied problems outlined above.

7. Thus, once original \$1.2 million list established and hearings held, technical considerations led to conclusion that Germany's trade should be included in package in form of trucks. Prior to GATT determination, when we were planning \$46 million package, German share would have been almost exactly proportional (42%) to share of total EEC exports to US. Within limitations of \$26 million package, however, German share inevitably had to be larger. We regret this result, but we are sure FRG happier with 54% of \$26 million package than with 42% of \$46 million package.

8. Re Lahr's suggestion that way must be found to settle matter and your para 5 reffel A, following points can be made:

a. We continue to prefer to avoid suspensions and would gladly consider any significant offer that the EEC makes to reduce its poultry levies. To be significant, reductions would have to be substantially more than 11 pfennig cuts called for in any case under CAP regulations. We do not see that West Berlin reduction or 11 pfennig would offer grounds for delay, although they would if combined with adequate guaranteed global access assurances.

b. Alternatively, under GATT rules, EEC may offer compensation on other products. We would consider any such offer, but of course it would be far easier to gain acceptance for it within US government, which will be difficult in any case, if compensation items include significant agricultural product or products. FYI We would be tempted by Hartogh suggestion to have EEC withdraw tariff increases on chemical items made in retaliation against US. (See Hague's 935 to Dept.) END FYI

c. In any case, timing of suspensions (now scheduled for January 7) cannot practicably be altered, and if suspensions are to be prevented, settlement must be made before that date.

9. If suspensions put into effect, we sincerely hope that all concerned will realize package is best that could be done in unfortunate situation and will accept losses with best possible grace. Thereafter, as promptly as possible, we should move on to less vexed subjects than poultry concentrating on larger issues in Kennedy Round.

10. FYI Fritz Berg has informed Gov Herter that suspension list would be acceptable at least to him if Volkswagen microbuses excluded. See separate telegram to follow for Herter reply. END FYI

**482. Memorandum from Read to Bundy, December 20<sup>1</sup>**

December 20, 1963

SUBJECT

Wool Textiles

The attached memorandum provides information concerning United States imports of wool textiles and quantitative limitations imposed by Italy and the United Kingdom on wool textiles exported by Japan. This information was requested in a letter to the Under Secretary from Mr. Feldman dated November 20, 1963.

**Benjamin H. Read**  
*Executive Secretary*

**Enclosure**

*1. United States Imports of Wool Textiles*

The information in the New England senators' letter to President Kennedy on imports of wool textiles is generally consistent with data for the first eight months of 1963 contained in the October 1963 issue of the "Wool Situation" published by the Department of Agriculture. The "Wool Situation" reports imports in pounds of raw wool equivalent.

According to this publication, the percentage increases in imports of wool tops and apparel over the first eight months of 1962 are exactly as given in the letter from the New England senators, i.e., 23 percent and 47 percent, respectively. The increase in total imports of wool textiles is one point higher (14 percent) and that for wool yarn is one point lower (10 percent) than in the letter. Also, the "Wool Situation" does not break out "apparel cloth" from woven wool fabrics. The letter to President Kennedy states that "Woven wool apparel cloth imports are up 9% while American production is down 8%." However, imports of woven fabrics, including apparel cloth, were up 5 percent, according to the "Wool Situation." Production of woven wool fabrics, which is reported in this publication on a quarterly, rather than a monthly, basis

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<sup>1</sup> Transmits undated memorandum on U.S. wool textile imports and restrictions on Japanese wool textiles exported to Italy and UK. Also attached is a November 14 letter from 12 Senators to Kennedy expressing concern over wool textile and apparel imports. No classification marking on Read memorandum. Attachments are unclassified. 7 pp. Department of State, Central Files, INCO-WOOL 17 US-JAPAN.

was running only 2 percent less than a year ago as of June 30, 1963. The marked drop in output of apparel fabric was partially offset by a 74 percent increase in production of blanketing.

## 2. Quantitative Restrictions by Italy and the United Kingdom

Both Italy and the United Kingdom have bilateral trade arrangements with Japan which include highly restrictive quantitative limitations on some types of wool manufactures. In point of fact, since World War II most industrialized countries have restricted low-cost imports from Japan, not only of textiles but of many other commodities as well. However, the trend in recent years has been toward liberalization of such trade rather than the reverse, and the United States has taken the lead in encouraging such liberalization. For example, under the Anglo-Japanese Commercial Treaty concluded in November 1962, the United Kingdom lifted all restrictions on Japanese wool tops and yarn, and with effect from April 1963, withdrew its invocation of Article XXXV of the GATT, which permitted unilateral discrimination against Japanese exports. Under this agreement Japan exercises voluntary control over exports of the following items to the United Kingdom, *inter alia*:

<u>Description</u>	<u>Unit</u>	<u>Quotas for</u>		
		<u>1963</u>	<u>1964</u>	<u>1965</u>
Woven wool fabrics	Syds.	400,000	500,000	600,000
Knitted fabrics and apparel of cotton, wool or man-made fibers	[illegible in the original]	500,000	600,000	700,000
Gloves and mittens, wholly or mainly of cotton, wool or man-made fibers	[illegible in the original]	125,000	140,000	160,000

Specific information on Italy's current import quotas for Japanese wool textiles is not immediately available. The Embassy in Rome has been asked to report.

Since 1957 Japan has voluntarily controlled exports to the United States of "low quality" wool fabrics and types of wool apparel. The annual quota for fabrics is currently 5.25 million square yards, but this has not served to prevent a substantial rise in overall exports of wool fabrics to this country, with high-quality goods accounting for the entire increase.

**Attachment**

SUBJECT

Wool Textiles

The attached memorandum has been prepared in response to Mr. Feldman's letter to the Under Secretary (Tab B) on imports of wool textiles.

As indicated in our reply, the import figures cited in the letter from New England Senators to the President are accurate. As a further check, we obtained from Commerce (Office of Textiles) the following figures on total U.S. imports of wool textiles calculated in accordance with the formula approved by the Cabinet Textile Advisory Committee earlier this year, which also show a continuing rise:

*Wool Textile Products: Imports, Exports, Domestic Consumption and Rate of Imports to Apparent Domestic Market (in millions of pounds of clean fiber equivalent)*

	<u>1960</u>	<u>1962</u>	<u>January–August</u>	
			<u>1962</u>	<u>1963</u>
1. Imports (including Virgin Islands)	62.9	79.6	52.2	59.3
2. Exports	3.2	2.6	1.6	1.9
3. Domestic Production	333.1	365.6	250.0	243.4
4. Apparent Domestic Market	392.8	442.6	300.5	300.8
5. Ratio 1:4	16.0%	18.0%	17.4%	19.7%

Mr. Feldman's letter asks that we comment only upon two points of fact, and we have prepared our reply accordingly.

**Attachment**

Dear Mr. Ball:

The President will see these members of Congress in the near future. I would appreciate it if you would furnish me with a memorandum commenting upon:

1. The second paragraph of the letter and the accuracy of the statistics
2. The statement that quantitative limitations against Japanese textile products imposed by Italy and the United Kingdom.

Senator Pastore told me on the telephone that this was the information that concerned him the most. He said that if Italy and the UK

were already imposing quantitative limitations objections by them to similar limitations would come with poor grace.

I will be back from Japan on Wednesday. The meeting will probably be arranged for shortly after that time.

Sincerely,

**Myer Feldman**  
*Deputy Special Counsel  
to the President*

### **Attachment**

Dear Mr. President:

Our concern as members of Congress over wool textiles and apparel imports expressed in our letter to you of August 20, 1963, has now reached a point of alarm.

For the first eight months of this year such imports exceed by 13% those for the same period in 1962. Woven wool apparel cloth imports are up 9% while American production is down 8%. Wool top imports are up 23%; wool yarn imports up 11%; imports of wool apparel are up 47%. Inevitably imports for the consumption of wool textiles and apparel in 1963 will exceed the all-time 68,200,000 pound record established in 1962.

Nations which resist restrictions advanced by the United States are themselves limiting imports to their countries. We refer specifically to the quantitative limitations against Japanese textile products imposed by Italy and the United Kingdom.

What "principle" can possibly baffle our State Department in equally and equitably protecting the interests of the United States textile industry?

We believe that our State Department with proper persistence and insistence can achieve an international arrangement limiting wool textile and apparel imports into the United States.

If efforts fail to resolve this problem by voluntary agreement then we assert our firm support of the recommendation contained in the most recent Report of the Special Senate Textile Subcommittee—that in such an event it is imperative that the United States act unilaterally to prevent the utter extinction of the wool and apparel industry with its investment and employment so vital to the New England economy.

In behalf of management and employees who are our constituents, we respectfully ask that you direct the proper agencies to take firm and summary action to avert this mortal threat.

Respectfully,