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2. Military

a. The policy assigned to Task Force C is designed to develop more vigorous and aggressive courses of action accepting the possibility that they may involve a substantial risk of general war. Accordingly, we believe that the United States and its Allies should, as a preliminary step, strengthen their military posture, both offensively and defensively, to carry out the military operations contemplated under the policy and, at the same time, be prepared to meet any risks of general war generated by those actions. This will involve the mobilization of additional ready forces and taking other actions designed to improve our over-all military readiness. Among some of the more important actions required in this regard are as follows:

- (1) Organize, train and equip the additional ready forces required.
- (2) Develop mobilization plans for reinforcing units to be brought up to date and capable of being promptly carried out.
- (3) Deploy additional forces to sensitive areas to meet our commitments (as in the case of NATO) and our D-day requirements in those areas.
- (4) Take immediate action to improve and attain at the earliest practicable date an air defense of the continental United States that will provide a reasonable defense against atomic attacks (delivered by aircraft or by missiles launched from submarines) thus assuring the security and availability of this industrial and mobilization base which

TOP SECRET
UNCLASSIFIED
SECURITY INFORMATION

TOP SECRET
UNCLASSIFIED
SECURITY INFORMATION



is vital to the free world waging and winning a general war. Every improvement in our defense reduces the amount of damage the Soviets can inflict at any time and decreases the risk of war. Improving our continental defenses will sharpen our awareness of danger and help the United States face the greater risks involved in the application of the policy assigned to Task Force C. In addition, improving our continental defense will have an important impact on the Soviet mind and create doubts as to their ability to deliver a decisive atomic attack on the United States, thereby lessening the likelihood of their launching such an attack. Steps to be taken include:

(a) Develop an improved early warning capability and more effective means of utilizing early warning data to establish positive recognition and interception of hostile flights.

(b) Accelerate development and implementation of a coordinated plan for the air defense of the United States. This plan should be thoroughly coordinated with Canadian plans for air defense.

(c) Expedite research, development and early production of new and more effective equipment and weapons required for air defense, particularly in the early warning field.

(d) Augment our present interceptor and anti-aircraft forces to improve the "kill" potential of our air defense system.

(e) Develop a sound civil defense program that concentrates on areas most likely to be attacked and avoids the needless expenditures of funds and effort on areas that do not contain important military, industrial or population targets.

TOP SECRET
UNCLASSIFIED
SECURITY INFORMATION

TOP SECRET
UNCLASSIFIED
SECURITY INFORMATION



(5) Atomic weapons

(a) Insure that our counter-air-strike capability can be mounted without any delay whatsoever. This will require that all forces, equipment and weapons required, at least for the initial effort, be located in the areas from which the strikes are to be launched and the weapons required readily available to the forces scheduled to deliver those strikes. In this connection, we should immediately clear up with the U.K. and other nations in which strike bases are located, any restrictions that may be imposed on our utilizing those bases for atomic strikes. The present situation of consulting the governments concerned before launching atomic strikes is likely to cause delays which could be disastrous to the effectiveness of our entire plan.

(b) Develop rapidly a U.S. potential for the tactical employment of atomic weapons by air and ground forces against the massive Soviet land-air threat in Central Europe and other areas. This is of the greatest importance. However, before our present growing atomic power can be fully realized in this regard, several major actions are required. The first relates to policy decisions and agreements necessary to enable these weapons to be employed promptly. Early agreement to this effect should be reached with our Allies. We should avoid making commitments to our Allies which would enable them either to veto or delay employment of these weapons in support, at least, of U.S. forces and preferably in support of all Allied forces. The second action required is the development of a logistical capability to provide a flow of these weapons to the

TOP SECRET
UNCLASSIFIED
SECURITY INFORMATION

TOP SECRET
SECURITY INFORMATION



points where and when needed to include storage, maintenance, local security and timely delivery to tactical units. The third action required is the development of operational procedures and organization for the effective employment of these weapons by air forces against airfields and interdiction targets and by air and ground forces in close support missions, particularly against fleeting ground targets.

(6) Prompt build-up of our equipment and supply reserve to meet our combat requirements until such time as our production can fully support those requirements. Adequate stockpiles should be established overseas to meet requirements during periods of initial transportation deficiencies.

(7) The build-up and readiness of the armed forces of our Allies depends in large measure on availability of equipment furnished under the Mutual Defense Assistance Program. The unprogrammed demands of the Korean War have seriously affected delivery plans which, in many instances, are as much as a year or more behind schedule. Prompt and vigorous action will be required to accelerate deliveries of this equipment so as to liquidate all unfilled past commitments and improve future delivery schedules.

(8) In view of the manpower resources available to the enemy, our relative military posture and state of readiness requires that we maintain, through a vigorous research and development program, our technological lead over the Soviet Bloc in the weapon field--indeed, we

TOP SECRET
SECURITY INFORMATION

TOP SECRET
SECURITY INFORMATION



regard it as the key to the survival of the free world,

(9) While we should mobilize the forces required to meet effectively every aggression in peripheral areas, we do not, however, regard that it is essential that we always react where the enemy acts. We should reserve freedom of action in this regard to taking action when, where, and in the strength that best contributes to attainment of our over-all objectives.

(10) We recommend that the United States minimize its participation in disarmament discussions in the United Nations and announce that henceforth we shall employ any weapon in our arsenal, when we consider it in our interests to do so.

(11) We recommend the adoption by the United States of a basic system of universal training and service that provides a more permanent, stable and equitable system of military service than we now have. It will be more effective and economical and would have a profound effect on our friends and enemy alike.

TOP SECRET
SECURITY INFORMATION

~~TOP SECRET~~
SECURITY INFORMATION



3. Economic

a. General. This evaluation will concern itself with three main areas of consideration; the United States as the staunch economic bulwark of the free world, Allies of the United States, and enemies of the United States. A fourth category of nations, those in neither the controlled nor the free world orbit, will be borne in mind but will not be considered separately.

b. United States

(1) The first requisite of a positive, aggressive policy on the part of the United States is a strong, expanding economy based on the private enterprise system. This requisite immediately raises the question as to the proportion of the national effort that can be channeled into the field of national security without jeopardizing economic progress. There is no true measure of the proportion of the effort that can be devoted to the security of the nation. This proportion is inextricably interwoven with that intangible and indefinable "temper of the American people". There is general agreement both among the political leadership and among the general populace that an external threat exists. However, there is no agreement upon the degree of threat or the whole nature of the threat. This Task Force is convinced that the threat is designed to engulf the free world, that it is working to that end now, and that all measures including recourse to war, if that be necessary, must be taken to destroy the foundations of power of that threat. This Task Force does not advocate total mobilization, nor yet a degree of mobilization that would require the

-111-

~~TOP SECRET~~
SECURITY INFORMATION

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~~TOP SECRET~~
SECURITY INFORMATION



imposition of severe controls over our economy. It does advocate the allocation of sufficient resources to the security effort to ensure the safety of the United States. This Task Force feels that a considerably greater portion of our resources can be devoted to our security effort without endangering our economy. We concur in the conclusions of Task Force A whose analysis is enclosed to add to the completeness of this report. (Enclosure 2).

(2) The people of the United States, with a high level of living, tend toward overemphasizing economic measures as a weapon. Our people tend to believe that an unhealthy economy with a low level of living breeds Communism. There is a strong tendency on the part of our people to believe that economic measures can cure political ills. A first step in the pursuit of an aggressive policy is the re-evaluation of the relationship of economic measures to military and political measures in the prosecution of a cold war in which there is a minimum expenditure of the usual munitions of war. To this end policies relating to mutual aid, customs procedures, domestic tariffs, inter-orbit trade, and domestic economic self-sufficiency require examination.

(3) We view the present conflict as basically political warfare. Therefore, economic and military actions will be measured with respect to the accomplishment of political objectives. With the present enemy, political actions have little meaning unless backed up by a suitable military strength. We are convinced that our nation has the necessary economic and domestic political capability to perform that function.

~~TOP SECRET~~
SECURITY INFORMATION

~~TOP SECRET~~
SECURITY INFORMATION



(4) There is ample evidence available as the result of the study of the Paley Commission that this nation is dependent upon resources beyond our shores for the development of an expanding economy. We do not have a domestic economic self-sufficiency. At the same time, our deficiencies are not so great that we are at the complete mercy of any single outside source of supply. Thus, there is no material limitation on this country's conduct of economic affairs, other than domestic political factors.

(5) In a number of vital ways, world trade is essential to the economic well-being of the United States. At the present time there is an imbalance between the United States and the rest of the nations of the free world, created in large measure because of the intensive effort to strengthen free world defense. To the extent that the defense of our Allies contributes to the defense of the United States it is in our interest to contribute to the economic well-being of those Allies, either through loans or through other devices such as off-shore procurement, technical assistance and the other programs now in effect. These programs have important by-products, as well, including the reduction of drain on United States natural resources and reduction of industrial effort required for military end-items which makes available a considerable capacity for the production of consumer goods. There is a persistent demand to reduce this aid. Yet it must be pointed out that a complete elimination is not desirable in any period under consideration by **this** Task Force. The imbalance can be corrected to a degree through increasing our imports or reducing our exports. Since an expanding economy makes the greatest

~~TOP SECRET~~
SECURITY INFORMATION

TOP SECRET
SECURITY INFORMATION



SOI-TF/C-1
SEC. VII

progress through increased imports and exports, the preferred course of action is to expand our trade connections without aiding our enemies.

(6) One method of accomplishing this end is to adjust tariff barriers. This adjustment should be made on a selective basis, especially favoring those countries that are making the greatest contribution to the common defense. At the same time we cannot ignore the essentially neutralist elements of the world, for our purpose in those areas is to prevent any movement toward the Soviet orbit. In conjunction with a reduction of tariff barriers, but pursued separately, must come a program for simplifying customs procedures so that our friends may have ready access to the markets of the United States. Furthermore, this program should be developed without strict provisos requiring concessions from our Allies for each concession that we make. Where such reciprocal arrangements might militate against an important industry of our Allies, we must be cautious in demanding concessions. Within our own framework, the only exceptions where protection might prevail should be in the field of industry essential to defense, and in this field direct subsidy on the part of our own government might be better than restrictive tariffs against the products of our Allies. Other fields of endeavor must survive the struggles implicit in a free enterprise economy.

(7) While this Task Force is aware of and concurs in the desirability of reducing mutual aid funds, we face up to the fact that certain areas of the free world will require assistance as long as armed forces are required in the current political struggle. There is a particular need for this aid in those cases where complex items of equipment are

TOP SECRET
SECURITY INFORMATION

~~TOP SECRET~~
SECURITY INFORMATION



provided to arm forces in a country where there will never be a complete capability to provide the necessary maintenance parts. This is true in the areas of jet engines and tanks. There is no prospect of self-sufficiency in either Turkey or Greece. We believe that any force raised in the Middle East will require material support for as long as we can project our course into the future. To a lesser degree Italy will require support, as well as Southeast Asia. It is our aim to make Japan the principal support of the countries of the Far East, but the interim gap must be filled by the United States. Thus we can envisage a diminishing amount of aid, but never a complete cessation, until the Soviet menace has been destroyed.

(8) At the same time as we take positive measures to strengthen our position for prosecution of the cold war, we must take steps to improve the economic aspects of our security structure. These steps include the continuation of stock-piling of critical materials, exploration and development of natural resources coupled with suitable conservation and substitution where feasible. Specific measures employed should be the subject of further study. In the area of facilities and controls, there should be continued study of the requirements for reserve plants and tools, bearing in mind that extensive damage from enemy action is a likelihood. Requirements for educational orders to ensure the immediate capability of expansion to meet the war effort must be reviewed continuously. This Task Force urges the enactment of legislation, on a stand-by basis, to provide an orderly transition from peacetime conditions to wartime controls so that the economy of the nation will suffer the minimum disturbance.

~~TOP SECRET~~
SECURITY INFORMATION

~~TOP SECRET~~
SECURITY INFORMATION



c. Allies of the United States.

(1) An immediate requisite in economic relations with our Allies is recognition that we stand to suffer grave political and propaganda set-backs from an unwarranted use of economic measures as a weapon against our friends. We can expect general support for our world-wide aims and objectives in return for our aid, but it is too much to expect support for those measures that are considered unfavorable to the national interest of the nation concerned. Our primary concern should be the political stability and economic strength of our Allies, coupled with the necessary military strength to provide an adequate defense against aggression, either alone in some cases, or in conjunction with others where the threat is so great that it is beyond the capability of an individual nation to deal with it.

(2) A pattern of mutual aid has been established. The ability of the several countries to absorb military aid from the U.S. and Canada to build up forces in the security interest of all has been established. Continuing study should be made as to determination of the minimum aid that will maintain in various countries an acceptable posture of strength and reliability.

d. Soviet Bloc.

(1) In our struggle with the Soviet world, we are seeking weapons to employ in bringing about the desired reduction of power. To date, the economic measures have been employed with little skill. Through the adoption of rigid economic policies, we have lost all freedom of action. In addition, we have adopted rigid policies that are not capable of enforce-

~~TOP SECRET~~
SECURITY INFORMATION

~~TOP SECRET~~
SECURITY INFORMATION



ment without increasing materially our strength in being and endangering our relationships with our Allies. The foremost weapon employed today is the embargo on trade to the Soviet Bloc. This weapon has proved to be weak in that agreement with our Allies has not been reached on what constitutes strategic materials. In addition, we are not consistent in pursuit of the policy of embargo. Of 83 lend-lease vessels in the hands of the Soviet Union, 72 constitute the backbone of the Soviet long-haul fleet. Beyond infrequent gestures, we have made no concerted effort to regain control of this shipping. 1,500,000 gross registered tons of free world shipping are engaged in transport for the Soviet Bloc, either in trade between the two worlds or between Soviet Bloc ports. During 1952, 61 Soviet Bloc ships underwent 30 or more days of repair each in free world yards, while the evidence indicates that Soviet yards are engaged in building toward the expansion of the Soviet Fleet. There is also a serious question as to the degree of injury we are inflicting on the Soviet economic capability through maintenance of the embargo.

(2) NIE 59 states, "Severance (of East-West trade) could not have a significant effect upon the general level of economic activity of either the Bloc or the West." While numbers have no real meaning without examination of separate items of trade, about 1% of the gross national product of each side is involved in the issue. Of all of the international trade of the free world only 2.5% reaches the Soviet Bloc. In addition, if all trade relations were severed and enforced, it is estimated that the Soviet Bloc could be self-sufficient in items of present deficiency within

~~TOP SECRET~~
SECURITY INFORMATION



4 years with the exception of electronic tubes and natural rubber.

(3) On the other side of the question of embargo is the impact on the Soviet Bloc economic system of a policy of denial. A deficiency exists in the fields of:

Electronic tubes and components

Certain chemicals

Certain types of machinery and equipment with spare parts

Tin

Natural Rubber

Copper

Zinc

Cork

Current estimates indicate that while complete denial of these items would create bottlenecks, they would exist for only a limited period of time.

Furthermore, it is believed that the greatest adjustment to denial will fall on the several Satellites, with a consequent lesser impact on the Soviet Union economy. Since this adjustment falls on the Satellites, it will be profitable to examine the Satellite contribution to the Bloc economy.

(4) About 20% of the Soviet Bloc gross national product is contributed by the Satellites. Of this percentage certain critical items far surpass the over-all average:

Uranium 63% (40% from East Germany)

Heavy industrial products 20 to 40% depending upon the items

Petroleum 20%

~~TOP SECRET~~
SECURITY INFORMATION



Steel	20%	Synthetic Fuel	80%
Zinc	49%	Lead	35%
Rayon	75%	Bauxite	66%

In addition there is a high level of technical skill in some of the Satellites, notably East Germany and Czechoslovakia, that adds an indeterminate quantity to the benefits that accrue to the Soviet Union proper.

(5) In the light of an extensive contribution to the Soviet economy, the Satellites appear as the best target for economic measures. In the light of recent disturbances in the Satellites, attributed in large part to lower levels of living, these prospective targets take on more significance. While an analysis of trade might indicate that resumption of trade on a large scale would have little impact on the total economy of the Satellites and China, there are positive indications that denials and repressions of the people of these countries has aroused a high degree of resentment that has flared into open rebellion in some cases. In China famine is currently taking a heavy toll. While playing on the hardships and miseries of peoples is repugnant to the American sense of fair play, it is imperative that we use firm tactics where substantial gains tend to accrue to the side of the free world. To this end, we require an examination of our current trade policy. With regard to China there can be no doubt. As long as it is engaged in hostilities with us, we must treat it as an enemy country. Every effort must be made to tighten the blockade through pressure applied on our shipping industry, through pressure on our Allies, and by assisting the Chinese Nationalists in developing the capability of establishing and

~~TOP SECRET~~
SECURITY INFORMATION

~~TOP SECRET~~
SECURITY INFORMATION



maintaining a close blockade. Indirect actions as well as direct must be adopted. We must prevent the provision of services to Soviet Bloc shipping. This will throw an additional burden on yards that are inadequate already. With regard to the Satellites we must get agreement on what constitutes strategic materials. Then any relaxing of non-strategic material trading must be accompanied by concessions to the free world that make the end result of the transaction favorable to the free world. This course may expand our opportunities to penetrate the Iron Curtain. It should slow the drive toward self-sufficiency. Most important of all, it should afford a positive example of the benefits to be gained from alignment with the free world.

(6) The Soviet Bloc suffers from transportation deficiencies. This deficiency results in a mal-distribution of manufactured products and food-stuffs and in difficulties in moving raw materials to processing sites. For example, there is a petroleum deficiency in the Soviet Far East, with only a limited capability of moving crude or finished stocks over the Trans-Siberian railroad. The Soviet Bloc also suffers a tanker deficiency. Suitable action to limit participation of the free world in inter-orbit or intra-orbit shipping, particularly with regard to tankers, will have a marked effect. Similar areas of deficiency or weakness are subject to tactical attack and should be so exploited. These several areas should be the subject of special studies.

(7) Preclusive Buying. Generally speaking, preclusive buying can prove to be an expensive weapon, particularly under conditions of cold war. However, resort to preclusive buying on a spot basis and in selected

~~TOP SECRET~~
SECURITY INFORMATION

~~TOP SECRET~~
SECURITY INFORMATION



areas can be a telling weapon where such buying will not materially disturb the world price balance. For example, in conjunction with Soviet oil deficiencies indicated previously, measures could be adopted on a temporary basis to buy up oil convenient to the Soviet Far East, resulting in forcing the Soviet Union to undertake long hauls in limited shipping to meet their requirements. The same selective buying could be undertaken in special cases where it would suit propaganda purposes or where commercial cover might be required for covert operations.

(8) At the time that any relaxations are adopted, the propaganda aspects must be developed to demonstrate the willingness of the free world to enter into trade relationships with the Soviet orbit. At the same time, Soviet intransigence should be played up.

(9) We emphasize that only those items in which the net result is favorable to the free world will be relaxed.

e. Conclusions. In the last analysis we want to employ economic measures as a real weapon of political warfare. Methods that are profitable in a general war when there are extensive expenditures of munitions do not have the same application in political warfare. In the tempo of the current conflict the following courses of action are recommended specifically:

(1) Provide for selective expansion of free world-Soviet Orbit trade under conditions that favor the free world.

(2) Regain control of shipping lend-leased to the Soviet Union, through legal seizure where feasible.

(3) Revise tariffs on a selective basis and simplify customs procedures.

~~TOP SECRET~~
SECURITY INFORMATION

TOP SECRET
SECURITY INFORMATION



The following studies are suggested:

- (1) Analysis of Baruch proposals for industrial mobilization readiness.
- (2) Preclusive buying in conjunction with selective trading.
- (3) Determination of minimum aid requirements for adequate strength among our Allies, with particular reference to maintenance requirements over the twelve-year period considered by this Task Force as essential to the success of Alternative C.

4. Propaganda and Education

a. Propaganda is a tool of over-all national policy, and is therefore a tactical weapon as the execution of policy unfolds. In other words, it explains to the outside world actions or decisions already taken by the U.S. Government.

b. Propaganda is a cover for actions about to be taken, so that a minimum of explanation may be necessary when they are taken. It was an important cover in the past when only the vaguest policy for the future was planned; it will be more important in this respect as policy for the future becomes more definite and precise.

c. Propaganda gives an assurance to foreign peoples of the permanence and stability of the United States. As such, its continuing message must be carefully planned and simply stated, designed to permit a variety of interpretations of the general, enduring theme, which never changes.

d. Under these latter two purposes propaganda is strategic as well as tactical.

TOP SECRET
SECURITY INFORMATION

~~TOP SECRET~~
SECURITY INFORMATION



e. These guiding purposes indicate both what good propaganda is not, and what it should be.

f. Good propaganda is not merely a selling job for America; it should be an interpretation of America to people abroad who must know America better if the best interests of the United States are to be served and if friendly foreign elements are to help fight America's battles.

g. Good propaganda is not a bludgeoning of real and potential friends in a frenzied effort to make them do what is considered to be required of them; it should be an explanation, in simple, direct terms, by the U.S. as the leading power in kindred forces promoting mutual progress and enduring security.

h. Good propaganda is not a mere denial of Soviet accusations; it should be a hard-hitting presentation of facts which refute false Soviet accusations forcefully, because these facts are directed at something beyond refutation as part of an over-all program with positive goals.

i. Worthwhile propaganda is the overt expression of the national spirit, the national will, the national aspiration, presented to peoples abroad for the furtherance of national objectives.

j. Outside this framework "propaganda" is meaningless, or wasteful, or dangerous.

(1) Requisites for a Meaningful Propaganda for the U.S.

(a) U.S. propaganda must attain a stature commensurate with its subject. This country can no longer afford an amateur operation in a field so important to its welfare. Experimentation has been necessary, and

~~TOP SECRET~~
SECURITY INFORMATION

TOP SECRET
SECURITY INFORMATION



often profitable, in the past; but we have now had a dozen years of experimentation, and the program from here on must demonstrate lessons learned. It must be a mature, studied performance.

(b) To bring this about, the following needs are basic:

i. Education of the American people on what is being attempted through official propaganda, what it can be expected to do and what one need not expect it to do. Employees actively engaged in propaganda ought to be encouraged to appear more often before the American public, with full explanations of the program's purpose and accomplishments. By no other means can adequate public support of the program be obtained.

ii. Sharp delineation of the field of propaganda operation, as distinct from covert activity. Overt propaganda is not a cloak-and-dagger operation. It does of course coordinate with the covert program and the two must be mutually complementary.

iii. An organizational formula that will be maintained long enough for the program to attain consistency and continuity. The almost incredible series of reorganizations in the propaganda field since the founding of OWI has represented the greatest single handicap to the program's success.

iv. Development of a propaganda technique tailored to the area where impact is desired. A general criterion might be: "If they don't repeat it, it's no good." Thus far, we have not met that criterion often enough.

v. Solid training of personnel, with specific schooling

TOP SECRET
SECURITY INFORMATION



in Americana, propaganda technique, residence abroad. Armchair propagandists are as irresponsible to the country as armchair military strategists. They must not longer be given responsibility for the program or its execution.

vi. Serious recruitment of personnel at the formative level, with solid career inducements. Best results in this field can be obtained only through use of exceptionally good individuals.

vii. Patient study by experienced personnel of possibilities for allied cooperation in propaganda. This does not mean that we relinquish desirable independence in the execution of our own propaganda. It does mean that we use, beyond any point thus far seriously tried, opportunities for "cross propaganda" through combinations of friendly foreign propaganda systems and facilities.

viii. A stabilized budget permitting realization of programs launched, without constant interruption of pace and change of magnitude. The ups and downs of budgetary level of recent years has harmfully affected the program's success.

ix. Evaluation of the program on a basis broader than U.S. statistics or narrow, short-term U.S. interests. Organization, no matter how good, can do no more than solve the superficial problems in propaganda. Only deep evaluation can guide a program of long-range worth.

(2) Modifications Necessary for a Worthwhile Propaganda Program

(a) In order to measure up to the task, the U.S. propaganda program needs drastic modification in three aspects:

i. The "umbrella" theme. We need an over-all theme

TOP SECRET
SECURITY INFORMATION



expressing our spirit and philosophy as a people, that will encourage our friends and allies, entice the fence-sitters to positive action for our side, and confound the "revolt-of-the masses" theme of the enemy. Such a theme must be presented in simple, direct terms to which any temporary treatment of current events or American tactics can be tied. It must come out of the American articles of faith -- the Declaration of Independence, the Preamble to the Constitution, the United Nations Charter -- so that it has solid foundation in the past as well as in the present; and it must point the way of hope and optimism to the future. Our entire cultural and educational program should be enlisted in translating it as the very core of American belief. Suggested theme: the dignity and worth of the individual, free in a free world. It must be played in every realm of human progress, under the four freedoms, in nationalist aspirations whenever they coincide with U.S. best interests, in whatever context gives best results for any given region. The catch phrase should be, "You are important!" and it should be addressed to those who have forgotten that fact as well as to those who are just beginning to learn it. It must be repeated over and over, until those hearing it in one part of the world come to feel some real link to others hearing it elsewhere and to Americans who believe it with such conviction and such faith that they keep on expressing it. For this simple "umbrella" theme is the basic explanation of the only end to the cold war acceptable to the American people - a free world with self-determination for all peoples.

(b) Pointed output. Too much of our tactical propaganda is still shovelled out on a world-wide basis. It lacks pointed meaning for

TOP SECRET
SECURITY INFORMATION

~~TOP SECRET~~
SECURITY INFORMATION



individual peoples. Even the phrases of President Eisenhower need different propaganda handling, depending upon whether they are being transmitted to sophisticated Western Europeans or interpreted to puzzled and less perceptive South Asians. In the past, we have said that we could not afford such tailored propaganda if we were to keep up the necessary volume of output. It may have been proper to get before the world such material as we then had at our disposal. But in the future, quantity without quality is sure to be dangerous. Three remedies need immediate attention:

i. Closer working arrangements, in much more serious vein, with local or indigenous propaganda services and private groups. We cooperate in the military realm, why not in the propaganda realm? No other single effort could keep us more nearly on the right psychological path in dealing with foreign audiences.

ii. Better chosen and better trained personnel in the field, in terms of knowledge and understanding of the region in which they are assigned. They must know languages and they must know people; if they don't we must not appoint them until they do. Training will certainly take time but experience has proven that it is preferable to wait for trained personnel than to send unqualified people to represent America abroad.

iii. Personnel in Washington that are more knowledgeable. Too many directives, too many pamphlets and movies and books, go out because they are meaningful for Americans, without any psychological or cultural tie to the people for whom they are intended and with no consideration for what foreigners are curious to learn or eager to have guidance on.

~~TOP SECRET~~
SECURITY INFORMATION

TOP SECRET
SECURITY INFORMATION



Almost by definition, propaganda tailored properly to Americans is tailored improperly to foreigners; but only personnel with sound foreign experience can be aware of the concrete meaning of this fact. The importance of this point is heightened in the case of material, oral (i.e., by radio) or printed, intended for areas in the world to which we are not permitted to send propaganda personnel and in which the inhabitants have almost no means of evaluating current news. In this respect, we must in reality conduct two foreign propaganda programs -- one for the free world, with its relative freedom of information, and one for the totalitarian world, with its restrictions and distortions. Mistakes in the former are bad, but can be mitigated somewhat by the other free world information available to the listener or reader; mistakes in the latter are well-nigh irreparable, and therefore must not be made in the first place.

(c) A more virile handling of tactical propaganda, particularly as concerns the current world struggle. Being constantly on the defensive in the propaganda war, as we have been, affects opinion, not only in the free world but in its reactions on the anonymous masses behind the Iron Curtain. We are missing propaganda opportunities every day. Recently there have been several cases where front page headlines cited Communist allegations and charges at the top and denials by U.S. Government spokesmen beneath in small captions. Each case was a fertile field for truthful condemnation on our part -- prompt reprobation based on truth which would not only have informed and influenced Western peoples, but would have seeped through the Curtain to the wretched inhabitants on the other side. An aggressive

TOP SECRET
SECURITY INFORMATION

TOP SECRET
SECURITY INFORMATION



propaganda drive would gradually let the depressed people behind the Curtain know that their problem is being appreciated. Rioters in Eastern Germany and Czechoslovakia would gain encouragement; peoples in other Satellites would consider the possibilities of revolt. Instead of denying that we encouraged riots in Eastern Germany we should have widely and vigorously condemned the regime that is exploiting people beyond human endurance and linked the riots to the need for freedom from the Soviet yoke. Our condemnation of the reprisal executions in Eastern Germany have been feeble and uncertain. In the chaos of the prisoner release in Korea, we assumed an apologetic attitude toward the Communists, but no one made any significant statement concerning the Communists' disposition of our prisoners or, indeed, of their failure to release hundreds of thousands of prisoners still in their hands from World War II. We missed a great opportunity following Stalin's death. When the edict was issued by the Kremlin following this dramatic event, announcing the new governmental line-up, it was prefaced in unmistakably clear type on the front page of Pravda by the words, " ... In order to prevent panic ... ". This was a clear sign that revealed the lack of confidence with which the current leadership has faced its task. We can and should strike, strike and keep striking with ideas and information that may have a profound effect. We should reject any thought that lack of appropriations prevents such action.

(d) A virile propaganda program must not wait for enemy initiative to be guided in its output. It must ask Soviet Russia all the questions, wait for none of the answers, repeat the questions even as the

TOP SECRET
SECURITY INFORMATION



defensive answers are coming back, until all the audience-world is asking the same questions:

"Why don't you

- let outsiders see your Russia, if it's the paradise you say it is?"
- let your young men visit the outside world, if you are sure of their loyalty?"
- let your people see movies of the free world?"
- get out of Austria?"
- give East Germany free elections, as you have promised?"
- give East Germany something to eat -- or are you trying to keep them too weak to revolt again?"
- free wartime prisoners -- or are they all dead, starved, and broken in your slave labor camps?"

"Why do you

- prove your "love" for labor by shooting workers in the streets and by your thousands of labor camps with their millions of prisoners?"
- stifle art and literature and music?"
- kill off your most experienced leaders?"
- jam the radio-voice of truth -- unless you are afraid of your own people armed with the facts?"
- restrict the travel of foreigners -- are you ashamed of your country? frightened? or just unsure?"
- drive out, wherever you penetrate, all hope and all future and all

~~TOP SECRET~~
SECURITY INFORMATION



human kindness?"

- promote totalitarianism instead of justice, force instead of law, guns instead of butter, labor camps instead of freedom, a mystique instead of a religion, greed instead of devotion, war instead of peace?"

Our virile tactical propaganda must drop the sacrosanct tone, the defensive waiting for developments, the long, reasoned arguments in answer to those made against us outside of all reason or respect for truth. We must stop taking ourselves so seriously that no one cares any more to listen. It must now be our turn to point the finger in a real propaganda offensive, with all the ridicule and sarcasm and hard-hitting facts we can muster.

5. Covert Operations

a. Approach. In this section we attempt, by analysis of the background of past covert operations and of the political, military, economic and propaganda sections of this report, to evolve recommendations for a world-wide course of action or Program for Covert Operations which will support Alternative C and which will avoid the errors of the past.

b. Background.

(1) Definition. For the purposes of this exercise the term "covert operations" is meant to include all those political, military (or "para-military"), economic, propaganda and other actions designed to advance U.S. interests and defeat the Kremlin conspiracy, which must be conducted in such a manner as to mask the official hand of the United States. Thus, covert operations are only the "black" or unrevealed side of all other functions in

~~TOP SECRET~~
SECURITY INFORMATION

~~TOP SECRET~~
SECURITY INFORMATION



the undeclared war.

(2) The Covert Program must be an integral part of a total national strategy - not a separate "Covert or Psychological Strategy."

The success or failure of a covert program depends on the skill with which the totality of functions and weapons available to us are integrated and directed against the heart of the Kremlin conspiracy. It not only cannot win alone, it cannot even exist alone. For example, it is not possible successfully to wage decisive covert economic warfare in the absence of an approved national objective, concept, policy, plan and course of action for national economic warfare. While it is possible for covert tactics to diverge from national tactics -- indeed this is one of the greatest advantages of the covert technique -- it is not possible for covert strategy to diverge from national strategy for long without damaging the national interest.

(3) Lack of a National Strategy to end the Cold War by winning it has so far frustrated attempts at Covert Warfare. Since 1948 (NSC 10/2, 68 etc.) we have had an aggressive covert policy -- couched in much the same language as the Panel Directive on Alternative C of this Project Solarium. Many covert operations have been conducted under this policy. Some have been successful -- others failures. There never has been a cohesive national strategy (governing the national diplomatic, military, economic and propaganda program) sufficiently aggressive to embrace an aggressive covert strategic program. Attempts to design a strategy for covert warfare apart from such a national strategy have failed precisely for this reason (See:

~~TOP SECRET~~
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PSB-D-31. 26 Nov. 1952).

(4) Lack of Strategy has especially impeded creation of an adequate Covert Apparatus. As a result of tactical failures and the absence of a national strategy realistically geared to the covert objective (i.e., overthrow of the Kremlin world-wide conspiracy) CIA has not so far been able successfully to build a covert apparatus capable of accomplishing its staggering objective. The national policy has consistently demanded the development (see NSC 68 and 10/5) of such an apparatus but the absence of a national strategy contemplating its actual employment has caused successive Directors of CIA to move with caution in building up an organization of the magnitude required, when the question of its ultimate usefulness remained so in doubt. The PSB (in D-31, 26 Nov. 1952) took the position that the physical apparatus should nevertheless be built with the utmost dispatch (consistent with technical requirements of security and training) despite the absence of a long-range strategy and despite the difficulties now confronting CIA in physical penetrations of the Iron Curtain. CIA was also urged to increase the scope, pace and magnitude of its research program to overcome these technical difficulties. The uncertainties introduced by a change in administration and waiting for the report of the President's Committee on International Information Activities (Jackson Committee) have delayed implementation of these recommendations even further.

(5) Provision for Building Covert Apparatus. Firm determination is needed to build up a truly professional covert apparatus with a scope, pace and magnitude commensurate with its task and with the full support and



participation of the political, military, economic and propaganda arms of the government under an approved and positive Long-Range National Strategy and program of action. Only on the platform of such a strategy could CIA reasonably be expected to undertake the 5 to 10 years program required to train the technical experts, lay on the necessary long-term deep non-governmental "cover" and develop the logistical and technical support mechanisms which are the very sinews of covert warfare.

(6) The Error of Failing to Build a Stand-by Apparatus even while not capable of Full Penetration is Fully Demonstrated by our Inability Fully to Exploit the East German Uprising.

(a) Prudence requires that a stand-by apparatus be built to support the military in the event of war and to exploit unrest in the absence of war even if we are not presently capable of building U.S. controlled underground resistance movements in the Satellites.

(b) Under our terms of reference, a war, if it comes, will not come on our initiative. In any such war the need of the military for covert support will be immediately obvious. The joint plans of CIA and JCS recognize this need and make planning provision for the requisite apparatus. But there is a seriously wide gap between these blueprints and actual performance. The various ceilings and cut-backs on the personnel and materiel programs in support of this stand-by apparatus are resulting in a steady widening of this gap between requirement and performance. When it is fully understood that the stand-by apparatus which the military will require on D-Day is the same apparatus required to exploit targets of opportunity such

~~TOP SECRET~~
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as the recent uprisings in East Germany, the tragic consequences of this gap become readily apparent.

(7) Reasons and Excuses for Lack of an Adequate Apparatus are Considered Invalid. We realize the magnitude and difficulty of the task involved in building an adequate apparatus. We appreciate the difficulties of penetrating an orbit defended by the world's most efficient Security-Police and Counterespionage Service. We sympathize with the concern of clandestine intelligence professionals over the dangers inherent to the espionage system in aggressive covert operations. We are aware that it takes years to train professional covert personnel and to develop the long-range, non-governmental cover mechanisms required to be prepared. We know that the lead-times for the research, development, procurement and distribution of special material on a covert basis is even longer than the unconscionable lead-time required for even overt logistical development. But all of these hazards and obstacles to the development of an adequate covert apparatus are the most compelling reasons in the world for getting on with the job of overcoming them with the utmost dispatch.

(8) Our Covert Operations in the Past have tended to Attempt too Much, too Soon where our capabilities were weakest, especially vs. the European Satellites and China, while tending, relatively, to neglect the attainment of necessary objectives within our power. Specifically, the recruitment and training of personnel on a scope required by our eventual task is within our power to do. The initiation and development of long-range non-governmental cover is within our power. The rapid development of a truly

~~TOP SECRET~~
SECURITY INFORMATION

TOP SECRET
SECURITY INFORMATION



comprehensive and aggressive research program into covert techniques and materiel is within our power. The development of a stand-by apparatus, even though most of its assets must be outside the Iron and Bamboo Curtains, is within our power. The wrecking of Kremlin-controlled Communist apparatus outside the Curtain is within our power. But unfortunately, although a start has been made on most of these things, they are not as advanced over the past five years as they could and should have been, had they been aggressively initiated and prosecuted. Instead, "overriding priorities" to attain at once targets beyond our grasp in Korea, China and the European Satellites, delayed and delayed again efforts to get on with the programs outlined above, which are absolutely essential to the attainment of our ultimate objectives. Then, as these premature efforts aborted -- as they were bound to do -- an unhealthy reaction of defeatism set in which tended further to delay initiation of vigorous prosecution of these basic essentials to ultimate success.

(9) So much for Lessons from the Past. If we turn to the future we find that covert operations should be designed to support the political, military, economic and propaganda strategy to end the cold war by winning it as set out in the rest of Section VII. A. of this report.

c. Basic Covert Strategy.

(1) General. The basic world-wide covert strategy over the next decade should supplement the National Strategy by building up rapidly for a showdown in the Soviet Orbit where our covert resources are now meager and our enemy's strength greatest. This means that, for the next five years, we would only be on a limited tactical covert offensive **outside the Soviet Orbit**

TOP SECRET
SECURITY INFORMATION

TOP SECRET
SECURITY INFORMATION



while maintaining the strategic defensive in that area. While in South America (our own backyard), in Africa south of the Sahara and in Neutralist Asia, we should adopt a vigorous short-term strategic and tactical offensive against the Kremlin conspiracy so that these areas will have the maximum possible anti-Kremlin orientation before we shift to the final offensive against the Soviet Orbit. During this period we would continue, as we have in the past, to strengthen and assist our friends and allies in Western Europe and in the Far East.

(2) Africa and Latin America. The Kremlin is only beginning to make a really strong effort in these under-developed areas. As it goes on the defensive in Europe, it is stepping up these efforts sharply. Riding the waves of racism and nationalism the conspiracy proposes to make showy gains in these two non-white continents with a minimum effort and with maximum blows to our prestige in the eyes of neutralist Asiatics. Therefore, if we are to produce a climate of victory, if we are to attract friends and enhance our leadership by successes, we must look soon and sharply to these two huge continents of the Southern Hemisphere. Then, as we focus on the defeat of the Kremlin in its own orbit we can feel sure in our own rear and on our southern flank. This can and should be done rapidly and comparatively cheaply, if we face up to the dilemmas presented by the adverse colonial policies of our Western Allies and the adverse policies of our own private commercial enterprises in these areas. The situations of Communist strength in Guatemala and British Guiana and a Communist African GHQ in Addis Ababa should receive particular attention.

TOP SECRET
SECURITY INFORMATION

TOP SECRET
SECURITY INFORMATION



(3) Neutralist Asia. The basic covert strategy for this "prize area" in the cold war, dictated by the basic national strategy proposed, is to seek to restore the power equilibrium unbalanced by Red China. This can best be done by spilling the Communists off the surfboard on which they are here also riding the waves of racism, nationalism and economic depression. It is a field in which anti-Westernism (or anti-white-ism) is such a basic, atavistic and probably uncorrectable adverse factor that the hand of the U.S. must be most carefully hidden in this effort. Thus it is a field peculiarly demanding covert operations. We must develop Asiatics as the principal tools of Covert Warfare. Japanese, South Koreans, Filipinos, Nationalist and "Third Force" Chinese, Thais and Pakistani offer the best possibilities -- especially the Japanese. Here again (as in Africa) we must face up to the problem presented by the remnants of "colonial imperialism" and "white supremacy" influencing our Western Allies, especially the French in Indo-China. We must represent ourselves to these people as champions of self-government.

(4) With regard to Red China proper, the covert strategy supports the basic strategy of fomenting discord between Peiping and Moscow by harassment and divisionism looking toward an ultimate splitting off of Mao from the Kremlin with a possible defection of Eastern Soviet Republics to the Mao camp. Throughout the Mohammedan, Hindu and Buddhist world we must, through indigenous leaders and subtle covert operations, make clear the antithetical nature of Kremlin Communism to the point of causing disgust and revulsion against Communist aims.

TOP SECRET
SECURITY INFORMATION

TOP SECRET
SECURITY INFORMATION



(5) In Europe We Propose to Step Up the Tactical Covert Offensive While Maintaining the Strategic Covert Defensive Until a Covert Apparatus is Built Capable of Causing Significant Defections of Satellites and Significant Penetrations of the U.S.S.R. Proper. The presence of large Communist minorities in Western Europe (especially in France and Italy), growing "neutralism," and recent demonstrations of widespread disaffection in East Germany and the European Satellites all require a short-term stepping up of covert activities on both sides of the Curtain in Europe. Furthermore, the possibility of general war at any time (not of our own choosing) requires that at least a "crash program" of covert operations, to support the military, be converted rapidly from the paper planning stage to a stand-by covert apparatus in being commensurate with the magnitude of this task. Above all the possibility of a rising en masse of the captive peoples of Europe requires the existence in being of such a stand-by apparatus.

(6) Orbit. With regard to the long-term build-up of an apparatus capable of significant physical penetrations and the build-up of anti-Kremlin resistance organizations behind the Curtain, all experts agree on the physical political and technical difficulties involved. But, as previously stated, we reject the view that a task should be given a low priority because it is difficult. If it is not commenced and pushed with highest priority it will never be accomplished in time to be effective in any program to end the cold war.

(7) As our capacity to penetrate the Orbit and build up resistance, conduct subtle sabotage and cause defections and divisions increases

TOP SECRET
SECURITY INFORMATION

TOP SECRET
SECURITY INFORMATION



(or as spontaneous eruptions within the Orbit present opportunities), we will be ready on an ever-increasing scale to go over to the strategic covert offensive in Eastern Europe and eventually be in a position to cause or nourish major upheavals within the U.S.S.R.

d. Over-all Covert Missions Dictated by National Strategy Are:

(1) To destroy the secret apparatus of the Kremlin conspiracy throughout the free world, with particular attention to elimination of all Kremlin-dominated Communist Parties both overt and covert. (Phase I.)

(In this regard we would suggest that the cynical divorce-ment of the Communist World Conspiracy (secret parties) from the Official Government of the U.S.S.R. should be turned against the Kremlin so that our attack on this apparatus is overt as well as covert. The clandestine nature of the apparatus will require covert treatment of certain aspects in all countries. We should assume the attitude that attacks on secret apparatus, seeking the overthrow of free governments, is not an attack on the U.S.S.R., in violation of any diplomatic or moral standards of ethics of conduct between nations.)

(2) To impair the U.S.S.R. capability to wage hot war. (All Phases.)

(3) To build as rapidly as possible a stand-by apparatus capable of supporting the military in hot war or of exploiting promising unplanned uprisings in the Satellites. (Phase I.)

(4) To assist in the liberation of the European Satellites and in driving a wedge between Peiping and Moscow. (Build in Phase I, exploit in Phase II.)

(5) To cause the maximum disruption within the borders of the U.S.S.R. (Build in Phase I, develop in Phase II, exploit in Phase III.)

TOP SECRET
SECURITY INFORMATION

TOP SECRET
SECURITY INFORMATION



(6) To assist in assuring continuing orientation toward the free world in territories from which the U.S.S.R. withdraws or is expelled. (All phases in which appropriate.)

(7) Ultimately, to assist in confining the U.S.S.R. to its own boundaries and rendering it internationally harmless. (Phase III, et seq.)

e. Specific Courses of Action for Covert Operations.

(1) Support through vigorous covert operations the comprehensive national strategy and course of action proposed by Alternative C to defeat the Kremlin World-Wide Conspiracy.

(2) Create a "Command Post" for the prosecution of this strategy such as the Operations Committee of the NSC (recommended by the Jackson Committee) to insure coordination of covert efforts with the political, military, economic and propaganda efforts in support of this same strategy.

(3) Provide for a twelve year build-up of a long-range covert apparatus in CIA through increased efforts of personnel procurement, technical training, technical research, logistical preparation and preparation of long-term non-governmental cover mechanisms directed toward a showdown with and within the Soviet Orbit in the period 1958-1965 and following.

(4) Insure that this build-up is not interrupted by arbitrary ceilings and cut-backs of personnel and budgets as official sentiment blows hot or cold on the immediate short-term prospects of startling successes or failures in current covert warfare efforts.

(5) Create a center of Soviet intelligence where all information is pooled. (Situation Room for Cold War.)

TOP SECRET
SECURITY INFORMATION

TOP SECRET
SECURITY INFORMATION



(6) Insure that the Intelligence Technicians, in their proper zeal to build a secure long-term information gathering apparatus, do not block swift progress toward a covert stand-by activist apparatus capable of:

- (a) Supporting the military through sabotage, resistance, etc., in the event of overt war at any time, not of our own choosing.
- (b) Supporting promising spontaneous uprisings in the Satellites at any time, not of our own choosing.

(7) Provide for:

(a) Insuring that the Congress does not "blow" the U.S. covert war to our friends and enemies.

(b) Conditioning the U.S. public to the facts of life of the true ruthless nature of the threat to their existence by the Kremlin conspiracy and the ruthless measures which must be taken to stamp out this threat, so that, as our covert actions become overt, through design or accident, they will not be shocked to the point of non-support.

(8) In the First Phase concentrate covert efforts on:

(a) Insuring against further Communist encroachments in the free world by strengthening present efforts in Western Europe and the Middle East-Mediterranean area and initiating priority efforts in Latin America, Sub-Equatorial Africa and Neutralist Asia (including preparation for an early coup d'etat in Guatemala).

(b) Limited tactical penetrations of the Orbit for intelligence purposes and for preparation of later activist activities except for East Germany, Soviet Austria, Albania and Bulgaria where specific

~~TOP SECRET~~
SECURITY INFORMATION



operations should be planned in support of the proposed national strategy for those areas including plans for the withdrawal of Soviet forces from the first two and for the defection of the last two.

(c) Build on present strengths in the Far East and S.E. Asia, particularly Japan, Formosa, the Philippines and Thailand and initiate build-up of a strong point in Pakistan. Covertly support planned CHINAT seizure of Hainan and other islands and prepare for possible later mainland beachhead. Initiate moves to split Peking-Moscow.

(9) In the Second Phase

(a) Hold gains in Latin America, Sub-Equatorial Africa and Neutralist Asia.

(b) Exploit strengths built up in Western Europe, Near East Far East and S.E. Asia by moving in on European Satellites seeking to break them off from the Kremlin Bloc and driving a wedge between Peiping-Moscow.

(c) Continue and expand penetrations of the U.S.S.R. proper and step up operations to overload and harass the bureaucracy and exploit the other vulnerabilities identified in the CENIS reports.

(10) In the Third Phase -- Assist in operations directed to ultimate objectives.

~~TOP SECRET~~
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