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17 November 1953

MEMORANDUM FOR THE INSPECTOR GENERAL

SUBJECT: "Allegations" Concerning NIS 14-65

1. The following is in response to your oral request for the judgment of this office with respect to certain allegations concerning the draft of NIE 14-65. The allegations in question were in writing and have formed the basis for our examination of the document.

2. A member of the Board of National Estimates, most expert in the field of the document, as well as some of our area specialists have examined the document with great care.

3. Our conclusions concerning the document and the allegations are as follows:

A. The draft does contain what in our view are errors of emphasis, judgment, and presentation.

B. We do not believe that these errors are of a kind or a degree to warrant the conclusion that the draft contains willful distortions.

C. We believe therefore that the implications in the "Allegations" memorandum concerning the authors of the draft cannot be substantiated on the basis of any evidence contained in the draft itself.

4. Our detailed comment is as follows:

A. The most substantial and generalized charges of distortion fall under two headings: a) lack of emphasis on territorial changes "instigated since (World War II) by the USSR"; and their major effect on Polish foreign trade and international finance; and (b) failure to show that Poland's foreign trade policy is an instrument for furthering the purposes of the USSR. These criticisms are not completely

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unwarranted, and the balance of the paper would be improved by corrections on these points. However, as evidence of intentional distortion they suffer for the following reasons:

1. Territorial Changes

- a) No two people are likely to agree completely as to the degree of "emphasis" required to give an "objective" picture. Moreover, contrary to the "Allegations" that territorial changes are virtually ignored, NIS 14-65 mentions the impact of territorial changes on Polish trade at least six times (pp. 2, 122, 123, 142, 143, 147).
- b) On balance Poland has benefited economically from the territorial changes occasioned by World War II. Despite understandable Polish discontent over losses in the east, this is probably overshadowed by Polish desire to obtain continued Soviet support for territorial acquisitions in the west. Thus it might logically be reasoned that too much emphasis on postwar territorial changes and the resultant economic benefits to Poland would be a distortion, for this might seem to some to stress the gains that Poland has made under Communist rule.

2. "Independence" of Polish Economic Policy

- a) There is no clear-cut agreement as to the degree of Soviet control of Polish affairs, economic and political. It is possible that the over-all impression left by NIS 14-65, in view of present intelligence estimates on Soviet-Satellite relations, is that it fails to give sufficient emphasis to Kremlin domination of Polish affairs. On the other hand, contrary to claims in the "Allegations", NIS 14-65 clearly states (p. 154) that Polish trade is recognized as basically an "arm of Soviet policy." It also states in the introduction (pp. 1-2) that by 1952 "internal and external trade, as well as practically all economic activities, were under governmental control as the result of a political revolution engineered by the Polish Communists with Soviet help." Moreover, throughout the paper the stringent nature of Polish internal economic and political controls and their growing similarity with Soviet forms are made entirely clear.

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- b) Poland does appear to enjoy a special status as compared with other satellites, and the precise degree and detail with which Soviet control is exercised is very difficult to define. For example, present information suggests that revision of Polish economic plans will be of lesser magnitude than in the other Satellites. This could be accounted for by the strategic importance of Poland and the fear on the part of the Kremlin, and local Communist leaders, that any marked release of "steam" would merely stimulate increased pressure from the basically anti-Soviet population. However, it is also possible that the potential of Polish opposition led to more cautious economic planning, compared with other Satellites, and thus a lesser need for revision of economic plans. Economic indications of such Soviet caution can be found in the relatively slower rate of collectivization, the large Soviet credits to Poland (\$550,000,000) on favorable terms, and the relatively higher rates of labor productivity increase. By implication it may also indicate that Polish Communist economists (e.g., Hilary Minc, head of the Polish economic planning since 1945 and Western trained) have had relatively greater say, than other Satellite leaders, in the determination of national economic policy.

B. In the "Allegations" NIS M-65 is criticized for using official Polish statements, relative percentage figures in showing trends of defense allocations, and "eloty" instead of actual dollar figures in the budget. These criticisms and others also merit attention if the final product is to be the best possible. However, the use of such "techniques" does not seem to be disproportionate when compared with other NIS publications, or general intelligence estimates. The use of such techniques, and the possible inaccuracy and distortion which may arise, probably reflect more the need for better intelligence and/or agreed methods of intelligence presentation, rather than any deliberate effort on the part of the writers to distort the Polish picture.

C. It should also be noted that the NIS M-65 is part of a series. Some of its shortcomings may thus stem from a legitimate assumption on the part of the writers that many major questions, including such questions as territorial revisions and Soviet-Polish relations, are covered in other sections.

D. It may also be observed that an attempt to distort this publication would seem to be a most improbable field of activity for

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subversive-minded persons. The NIS series constitutes a reference document which has limited influence in determining the judgments which go into action papers produced by the intelligence community. In addition, NIS 14-65 constitutes only one of a long series of monographs on Poland prepared by many other persons than those involved in NIS 14-65, so that the distortion of the Polish situation which could be achieved through this volume would be extremely limited in range. Finally, in the process of preparation the NIS studies undergo an exhaustive process of review which makes it virtually certain that any serious distortions would be discovered and eliminated. In short, the NIS publications would seem to be a most unprofitable field for persons contemplating subversive activity.

SHERMAN KENT  
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