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ADDRESS AT ARMY WAR COLLEGE

NATIONAL STRATEGY SEMINAR

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Proposed scope of my address:

A brief survey of the state of the world in 1956, highlighting major problem areas and the relative positions of the two power blocs with respect to these areas; an analysis of the significance of the neutral nations and the relatively undeveloped areas to the power of balance; an estimate of Soviet capabilities and limitations for the next 10 - 15 years.

(Disclaim idea of dealing with Soviet capabilities and limitations

over next 10 - 15 year period.)

a Policy

I. With Stalin's death, March 1953, Soviet tactics have taken a new turn and blueprint of their policies now appearing. Propose discuss briefly the reason for the change, the nature of the new policy, and the power position as we see it for the immediate future.

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II. When Stalin died, world situation tense, Korean war still on,

Indo-China war developing, ChiCom's belligerent in off-shore island situation, etc., etc., here expand. Looking back few years before Stalin's death, Soviet policy had not had for them satisfactory results in their international relations with the sole exception of the ChiCom situation.

Examples:

- (a) Failed in attempted Greek take-over;
- (b) Failed in Berlin Blockade.
- (c) Alienated Yugoslavs and drove Communist-ruled country out of Bloc;
- (d) Attempt to infiltrate Iran failed;
- (e) Marshall Plan successfully carried out despite Stalin's attempts to block it;
- (f) And worst of all for Moscow, Soviet policy had let to USA rearmament, NATO build-up, and cleared way for German rearmament.

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Neither balance sheet nor trend pleasing to Kremlin. An adventurous policy had seemingly led Soviet Bloc to verge of war at a time when not ready. ~~(Here interpolate why Moscow does not want war now.)~~ *Structure of this.] Comes in late.*

III. Also when Stalin died, internal situation USSR presented grave problems for Stalin's successors though at that time we did not fully realize extent of their problems. Now they beginning to tell us.

Refer de-Stalinization program, Khrushchev speech, etc.

While revolutionary moves unlikely in Moscow-type dictatorship as long as army remains loyal, hard to obtain cooperation of a sullen, thwarted and unhappy people.

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IV. Believing that Stalin policies had reached point of diminishing return externally and internally, Soviet ^{new leaders} has been effecting important tactical changes in its foreign policy, internal policy, economic policy, and military policy.

(a) Foreign policy

- (1) Pressured China to end Korean war (Armistice 27 July 1953).
- (2) Malenkov started peace offensive - "No questions unsolvable by peaceful means on basis of mutual agreement."
- (3) Reversed policy towards Yugoslavia beginning April 1953 by exchanging diplomatic reps, concluding barter agreement in 1954, and concluding with K, B and Mik visit Belgrade May '55.
- (4) Set up East Germany with pseudo independence and established diplomatic relations with West Germany.
- (5) Renounced post-war claims against Turkey.

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- (6) Joined UNESCO and agreed to admission of 16 of 18

new UN applicants.
- (7) Reversed policy towards Austria and signed the Austrian

Treaty.
- (8) Returned Porkkala Naval Base to Finland, and held

out further concessions.
- (9) Opened negotiations for a peace treaty and restoration of

diplomatic relations with Japan. (Then stalled - Adenauer

formula)
- (10) Activated new Middle East policy and espoused Arab cause.

(Looking for our vulnerable spots)
- (11) Summit Conference
- (12) Started series of good-will trips -- China, India, Burma,

Afghanistan and England
- (13) Encouraged visitors to Soviet Union and sought reciprocity.

(Twining) (Discuss problems here)

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(14) Probably responsible for Hungarian gesture in starting

to take down the frontier barbed wire -- symbol if not

the substance of the Iron Curtain. (is move real?)

(15) Appeal to neutrality - good + not so good
Swiss - Swedes

(b) Internal policy (Civil Rights, etc.)

(1) Beria and several other MGB leaders liquidated.

(2) Broad amnesties accorded -- labor camps reformed and

many prisoners released.

(3) Criminal code modified and thorough revision undertaken.

Laws establishing exceptional methods for investigation

and trial in secret apparently abolished. (But used on Beria)

Moscow Ministry of Justice abolished; Decentralized
(4) Scientists, writers, etc., given new freedoms and

science largely purged of Marxism. (Lysenko).

Khrushchev calls upon scientists to exercise critical

approach and "learn the best from the West."

(5) Educational opportunities broadened. (Refer general

effect of education on Sov system.

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(c) Economic policy (Domestic)

(1) Consumer goods prices cut.

(2) Working hours reduced.

(3) New incentives for individual farmers (though
collectivization continues).

(4) But did not change paramount stress on heavy industry
and capital investment.

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(d) Foreign economic policy.

- (1) Trade and barter agreements negotiated with large number of countries.
- (2) Acquiring food stuffs -- butter from Holland, meat from Australia, Argentina. Wheat from Canada cheaper than rail - shipping from Ukraine to Siberia saves two major trains a day.
- (3) 75 million dollar barter agreement with Argentina and many other countries.
- (4) \$100,000,000 to Afghanistan.
- (5) \$20,000,000 goods exchange agreement with Yugoslavia.
+ \$50,000,000 long-term low interest loan and other capital assistance. *Where Y.S. going. -*
- (6) Agreement to provide 1,000,000 ton steel ingot plant to India.
- (7) \$200,000,000+ of arms to Egypt plus a nuclear physics laboratory.

(continued)

(8) Offer of arms to several other Middle East countries, etc.

(9) Massive economic and military assistance to China.

(e) Military Policy

(1) Zhukov appointed Defense Minister and Alternate Member of Politburo.

(2) Revising military establishment for nuclear warfare.

(3) Disarmament - Last month announced reduction of

1.2 million, allegedly in addition to 640,000 announced

last August. Motivation: Desire bolster Soviet position

on disarmament. Reflects belief early war unlikely and

reassessment to meet conditions of modern nuclear

warfare. Will they carry out promised reductions?

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(4) Military preparations stress air power and long-range

bombers -- nuclear weapons -- guided missiles.

(Exhibited new jet airliner, TU 104, in connection

with London visit Soviet leaders.)

(5) Navy renovated and submarine fleet increased to about

400, half are long-range type, and adds up to more submarines

than in all other navies of world.

V. Why have they changed their techniques?

(1) Old policy not productive -- as already stated.

(2) Gain time. As world passes into era of nuclear "enoughness,"

guided missiles, inter-continental bomber -- Wish for

immediate future to avoid war at all costs because still

behind in nuclear power and effective means of delivery

over USA. They hope to modify this in three to four years.

I don't predict that Sov will inevitably or even probably
risk global war when the period of enoughness or stalemate
reached.

Believe their protestations that they realize folly of
global nuclear war.

Also believe they will take new look at their overall policies when they feel that they have reached certain goals in nuclear, missile and air power fields. (This one reason why do not wish predict their long range policies -- also because certain evolutionary changes taking place in their Soviet ultimate effect of which not now predictable).

- (3) Internal pressures probably induced some of these changes.

Industrialization, education, and greater maturity forced leaders to abandon hard Stalinist line, give more liberty, etc.

- (4) Considered new policies best calculated to weaken our Alliances, threaten our position in Middle East plus SEA -- and endanger overseas bases.

(5) Also believe they can gain the uncommitted neutrals and

enlarge the number of neutrals by creating impression

Soviet wants co-existence not war; that it is the champion of

freedom for all colonial areas (except their own Satellites).

(6) Have confidence in their subversive policies; i. e. , popular

front, subvert parliaments, etc.

VI. How long will new policies continue?

They are committed for several years at least and will stt no reason to change it as long as it proves successful. Hitler was in a hurry. He had to accomplish everything in his lifetime. Soviet talk of historical eras. At one time they counted on the failure of our economic system, depressions, etc., to give them early victory. Probably have abandoned any such hope and may have adopted long-term program.

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VII. Can they carry out their policy?

Undoubtedly could continue the economic, technical and military aid phase of it for a considerable period without seriously affecting internal economy. *(Total Poland to go to them)* Very possibly impact of their aid programs will have somewhat diminishing political and economic impact on recipient countries just as has been the case with our own programs of far greater magnitude.

VIII. Are Soviets likely win fresh adherents by their new policies?

More subtly dangerous than hard Stalin line.

Unwise to discount influence of Communist appeal in undeveloped areas. They see Soviet as second great world power militarily and industrially -- starting from nowhere some 30 years ago (expand).

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Countries far distant -- Afghans, Laos, Iran, close to Communist power threat. Some countries, Egypt, possibly naive as to ability embrace Soviet and not get caught in embrace.

Issue now joined in various areas, especially in soft underbelly of the Sino Soviet Bloc -- Middle East, South and Southeast Asia.

IX. What is the answer to the Soviet policies?

Obviously our policy cannot be purely defensive. Must exploit Communist weaknesses and develop elements of our own strength.

(Discussion of affirmative policies falls in area of Department of State --

Mr. Murphy -- but appropriate have an intelligence officer to analyze

the points of weakness of the potential enemy).

(1) Still behind us in industrial potential. Less than 2/5ths of

our own and will take years before they can hope to close

the gap.

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(2) Living standards here should make us, not Soviet Union, the model for nations desiring to improve their own standards.

Viz: West Berlin -- East Berlin, West Germany -- East Germany, Austria -- East and West, et cetera, et cetera.

(3) Soviet agricultural system, if facts known, would not appeal to agricultural countries Soviet trying to woo.

(4) De-Stalinization program has been shock to Communist parties outside of the Soviet Bloc and a revelation to the free countries. Implications on Soviet will be lasting. Must change history and admitted crimes and shortcomings of Stalinist regime will stick forever to present leaders who participated. Will tend create a people of cynics who will never know what they can believe.

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- (4) Soviet leaders faced with a difficult dilemma -- committed to expanding educational opportunities, training of scientists, technicians, engineers, etc., and opening country to outsiders, technical, scientific and cultural delegations, tourists, etc.

Difficult do this without starting serious questioning.

- (5) Khrushchev recently queried on subject of permitting establishment of an opposition party in the USSR. Here is what he had to say privately:

"We will never create an opposition party but must change terms we use. We have called you lackeys of capitalism but you have used some pretty energetic terms about us. Time has come for both of us to revise our dictionary, to take an historic attitude and to get rid of obsolete ideas. It was natural that we did some stupid things, but basically our

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attitude was right. We fought a civil war, beat everyone, built for ourselves. Today we are second greatest world power. We have technical personnel superior to that of bourgeois countries. In ten years half the workers will be graduating from secondary schools. We have made all of this out of a Russia that was totally illiterate. And now you want us to set up a second party! Establishing an opposition party would be like putting a louse under our shirt."

(6) Will atheistic Marxist-Leninist doctrine endure in face of resurgence of religion?

(7) Can Soviet give larger freedoms to their own people and deny them to Poles, Hungarians, etc. ?

This raises whole question of maintaining their "colonial" empire and Satellites.

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XII. Conclusions.

Not easy for Soviet to hide all of these problems and weaknesses from those countries whom they are now trying to lure into their orbit or at least detach from the free world and turn into neutrals that lean on Moscow. (Obviously plenty of place in the world for those neutrals -- Swiss, Swedes, et cetera, et cetera, who vigorously defend their own free way of life but choose not to join in any alliances).

Anyone making a balance sheet of the spiritual and material assets of the free world and the Communist Bloc will realize our real and lasting advantage. We have the resources, the ingenuity and, I am sure, the courage to meet the challenge of any policies Moscow and Peiping can devise.