F: Institute For American Strategy

Approved For Release 2005/01/11 : CIA-RD 88-01315F000300160036-6 Executive Segistry

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28 January 1960

MEMORANDUM FOR THE DIRECTOR

- This memorandum recommends action in Paragraph 4.
- 2. Brig. Gen. Armstrong, USA (Ret.), of the "Institute For American Strategy," asks if the DCI will open their 1960 meeting in Chicago on 25 April at 11:15 AM. They would like to have the Director talk on Soviet production "along the lines of his New Orleans speech to the Edison Electric Institute on 8 April 1959."
- 3. I am attaching herewith a report dated 27 November 1959 that I made covering their plans for next year telling who will be asked to talk and what subjects they will cover.
- 4. This is a group of outstanding American citizens, namely industrialists, who are considered to be very conservative; however, while they, like all large large groups, represent different political parties, I would recommend that the DCI not make this April address.

STANLEÝ J. GROGAN Assistant to the Director

cc:DDCI w/o attach.

- Carrier

De/ full is levily committed. Maybe some use.

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- Assistant to the Director 2/2/60
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U. S. GOVERNMENT PRINTING OFFICE: 1955 -0-342531

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MEMORANDUM FOR THE DIRECTOR

- 1. This memorandum is for information only.
- 2. I attended the luncheon meeting at the Cosmos Club of the Washington
 Committee of the "Institute For American Strategy," as you suggested, on
 Wednesday, 25 November 1959. Brigadier General Donald Armstrong was in charge.
 Others present included Lt. General E. C. Itschner, Chief of Army Engineers;
 Lt. General Arthur Trudeau, Army OCRD; Mr. James R. Wilson, Jr. of the American
 Legion; Rear Admiral H. Karo, Director of Coast and Geological Survey; Mr. Stanley,
 Department of Commerce, who accompanied Karo; Charles Holle, retired General, USA;
 Joseph Powell, Office of the Secretary of Defense; a Lt. Colonel Rightley,
 a reserve officer on two weeks' active duty with the Industrial College of the
 Armed Forces; and Mr. Emmons (?), an officer of ARAMCO.
- 3. General Armstrong explained that he had a memo from the Headquarters of the Institute in Chicago, asking for comments and recommendations for speakers for their 1960 National Military Industrial Conference to be conducted by the Institute for American Strategy on April 25, 26, 27, 1960. He said the over-all theme of the Conference will be "US Economy In A Competitive World." The first talk scheduled for the first morning meeting on the opening day is "Outline of Soviet Strength--The Use of Surplus By the USSR--USSR Aid To Countries To Upset The US Economy." The consensus was that the following should be invited to give the talk on the Soviet status: Allen W. Dulles, Director of CIA; Gen. C. P. Cabell, Deputy Director of CIA (his name was introduced by Mr. Wilson of the American Legion, who praised his talk in Minneapolis); and Harry Schwartz of the NEW YORK TIMES.
- 4. The second subject is "Economic, Political, and Psychological Means of Soviet Efficiency." It was recommended that Stanley Allen, National Cash Register,

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· Frank Marie

be invited to give this talk on the subject. Second choice was Congressman Bolling, Chairman of the Congressional Joint Economic Statistical Subcommittee. Mr. Emmons recommended Allen, whom he said is a Director of ARAMCO. There was discussion regarding inviting Tom Coulter or a Mr. Greenwalt, but both names were stricken.

- 5. For the luncheon talk the subject will be "Soviet Military Capabilities." The names of Generals Taylor, Medaris, and Trudeau were presented and it was decided to recommend General Trudeau. He said he would be available.
- 6. The subject "Building Free Enterprise in the World Without Hurting Our Friends" was discussed. They wanted three speakers: one to discuss Western European Economy; another, Japanese economy; and the third, Latin American economy.

 (Now in London)

 Colonel Rightley recommended that Edward Martin/discuss Western European economy; formerly this was agreed to. I recommended that Walter Robertson/with State be asked to discuss Japanese economy; this was agreed to. No name was concurred in to discuss Latin American countries.
- 7. For the second day's meeting, the opening subject is scheduled to be "Investments Abroad--How To Live With Free Competitors." It was agreed that Robert Purcell, International Bank, would be invited with a Mr. Berkenstein of Corning Glass and Eugene Black also to be considered.
- 8. Another subject was "Governmental Problems," meaning the US Government. It was planned to ask Under-Secretary Dillon, Robert Murphy, and Secretary Anderson to form a round table for discussion.
- 9. On the third day it was planned to have a discussion on the "Moral and Ethical Responsibilities of Labor and Management in a Competitive World." The names of Arthur Goldberg, John L. Lewis were presented. I suggested George Meany.

Colonel Rightley suggested Walter Reuther.

- 10. Another subject to be discussed is "Facts Of Economic Competition." The name of Colin Clark was submitted.
- 11. For the final banquet it was suggested that the President, Secretary Herter, Secretary McElroy, Lester B. Pearson of Canada and MacMillan of Great Britain be invited. Karo said that his Chief, Frederick H. Mueller, Secretary of Commerce, certainly should be included on some phase of the US situation.
- 12. Trudeau raised the point that a three-day conference is too long and wasteful in time for busy executives. The meeting, however, is to last three days. General Armstrong announced that he had some slight criticism to the effect that the National Strategy Seminar held at the National War College in July 1959 was "too much to the right" and was conducted as is the Institute, practically by people who are members of the Republican Party. On the other side he was criticized for inviting Senator Douglas to talk. He said, "Of course we are to the right, but perhaps the association of General Wood makes some people think they are right of right."
- 13. I noticed in their literature that they list the various Government agencies and departments that are cooperating with them in their conferences, and I gain the impression that they are very anxious to include the Central Intelligence Agency in that status.
- 14. Herewith is a booklet giving all the details of the organization, its membership, the firms that donate funds, its plea for further funds, etc.

STANLEY J. GROCAN
Assistant to the Director

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cc: DDCI (w/o attach)

Introducing a new voice in National Strategy

A non-profit, tax-exempt comporation demonsted to increasing American public understanding of the strategic problems of the Cold War.

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The Institute for American Strategy has been organized to widen and to intensify public awareness of the strategic problems of the United States in an increasingly competitive world, particularly in the face of the Soviet-Communist challenge. It is the task of the Institute to foster the development of realistic solutions in the free American way.

Soviet Premier Khrushchev has clearly demonstrated the ominous nature of the Soviet-Communist challenge. Whether or not through military means, he believes that Communism will triumph. His explanation that he really means to bury capitalism instead of capitalists is less than comforting!

The American economic, political, and social system is now threatened as never before. And we must not underestimate Mr. Khrushchev's astuteness and inflexible determination to outwork us, *outsacrifice us*, outthink us, outproduce us, outsell us, and even to out-consecrate us. To meet this total competition will require far more, not less, effort.

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Dr. **MARTIN BLANK** Member

West German Bundestag

SIr JOHN SLESSOR Marshai, Royal Air Force

Maj. General **JOHN** B. **MEDARIS** Commander Army Ballistic Missile Agency

SAMUEL D. STURGIS, Jr. Lt. Gen., U. S. Army, Retired Former Chief of Engineers

FELIX B. STUMP Admiral, U. S. Navy, Retired Chief Executive Officer Freedoms Foundation (Former U. S. Commander-In-Chief, Pacific)

Hon. FREDERICK H. MUELLER Secretary of Commerce

ANTHONY C. "NUTS" McAULIFFE Gen., U. S. Army, Retired Vice President American Cyanamid Company "What Can Germany
Do to Help the
Free World Survive?"

"A British View of Allied Global Strategy"

"The Influence of Missile Strategy on Geopolitics"

"The Engineer's Contribution to Atomic Survival"

"A United America Versus Communist Propaganda"

"Russian Roulette"

"Chemical Warfare— Economic Style"

Other typical speakers and discussion participants: Dr. John R. Dunning, Dean of Engineering, Columbia University; Maj. Gen. Lewis B. Hershey, Director of Selective Service; Henry M. Jackson, United States Senate; Walter L. Judd, House of Representatives; Willard F. Libby, Atomic Energy Commission; Harry Mallinson, President, Eli Lilly International Corp.; Theodore S. Repplier, President, Advertising Council; Gen. Maxwell D. Taylor, U. S. Army, Retired, Former Chief of Staff; Abbott Washburn, Deputy Director, U. S. Information Agency; Fatin Rustu Zorlu, Foreign Minister of Turkey.

WHAT ORGANIZATIONS HAVE

COOPERATED WITH THE CONFERENCES?

Among the many private and governmental organizations which have cooperated with the Conterences are these:

Aircraft Industries Association of America, Inc.

American Security Council

American Society of Industrial Security American University of Beirut, Lebanon Armed Forces Chemical Association (Midwest Chapter)

Armed Forces Communications and Electronics Association

Armour Research Foundation of Illinois Institute of Technology

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Associated General Contractors of America, inc.

Association of the U.S. Army

Chicago Association of Commerce and industry

Chicago Civil Defense Corps

Defense Orientation Conference Association

Engineers Joint Council

Executive Office of the President, Office of Civil and Defense Mobilization U.S. Department of Defense

Foreign Policy Research Institute, University of Pennsylvania

Freedoms Foundation at Valley Forge

Illinois institute of Technology

Illinois Manufacturers' Association

Illinois State Chamber of Commerce

National Defense Transportation Association

National Industrial Advertisers' Association

National Safety Council

Onio State University

Scientific Manpower Commission

Stanford University. The Hoover Institute

State of Illinois Civil Defense Agency

The American Legion

The Research Institute of America, Inc.

The Society of American Military Engineers

U. S. Department of Commerce

Chemical Corps, U. S. Army Corps of Engineers, U. S. Army

Industrial College of the Armed Forces Offices of Assistant Secretary

of Defense

(Manpower, Personnel and Reserve)

(Supply and Logistics)

Office of Naval Research, U. S. Navy

U. S. Air Force (installations)

U. S. Department of Labor

U. S. Coast Guard

University of Notre Dame

Veterans of Foreign Wars of the U. S.

Reserve Officers Association of the U.S. Western Society of Engineers

The Conferences have also had the support of numerous leading American foundations and industrial organizations. Copies of the Conference proceedings have been printed and distributed to many colleges, universities, military and industrial groups, and other interested organizations throughout the nation.

WHAT ELSE HAS THE INSTITUTE DONE?

The Institute served as co-sponsor, along with the Reserve Officers Association, of the National Strategy Seminar, held at the National War College in Washington during the last two weeks of July, 1959. At this Seminar 200 carefully-selected reserve officers, from all of the services, participated in a comprehensive analysis of the current world situation, concentrating particularly on the program of "Protracted Conflict" being waged by the Soviet-Communist bloc against the Free

World. The reserve officer students included two state governors, three congressmen, college presidents, newspaper editors and publishers, judges, state legislators, radio and TV station managers, businessmen and representatives of many other walks of life.

WHAT DOES THE INSTITUTE PLAN TO DO NOW?

The Institute plans to expand its educational programs and publishing projects for the years ahead. More conferences and seminars will be held in various parts of the country. The Institute also plans to act as an information center and clearing house for educational material dealing with the various aspects of America's world situation.

The United States Economy in a Competitive World will be the subject of the 1960 National Military-Industrial Conference.

The prosperity of the United States may suffer severely between the anvil of domestic inflation and the hammer of increasing economic competition from the Soviet-Communist bloc and our Allies.

- What will be the effects of rising competitive imports on U. S. industrial capabilities and our total strategic position?
- What are the competitive implications of U. S. private investments abroad?
- How can we keep productivity abreast of wages and prices?
- What is the nature and progress of Soviet-Communist economic penetration of the Free World?
- Is it time for Western Europe to contribute a larger share of the aid required by Afro-Asian lands?
- How can Free Enterprise meet the challenge of foreign cartels and state-owned monopolies?

These are some of the questions on the agenda of the 1960 National Military-Industrial Conference to be conducted by the Institute for American Strategy in Chicago on April 25, 26 and 27.

THE FOLLOWING IMPORTANT COMPANIES AND ORGANIZATIONS ARE AMONG THOSE WHICH HAVE CONTRIBUTED FUNDS TO THE MILITARY-INDUSTRIAL CONFERENCES OF 1955, 1956, 1957, 1958 AND 1959:

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HOW CAN AMERICANS HELP THE INSTITUTE?

FIRST: The Institute should be immediately supplied with the money necessary to carry out its current projects and to prepare its program for the year ahead. Contributions are urgently needed. Checks should be made payable to The Institute for American Strategy and sent to the Institute at 140 South Dearborn Street, Chicago 3, Illinois.

Contributions to the Institute may be deducted on your Federal Income Tax returns. Corporations may deduct up to 5% of taxable income; individuals may deduct up to 20% of their adjusted gross income. These tax advantages frequently permit support for the Institute at nominal cost to the donor. A copy of the Internal Revenue exemption will be furnished on request.

SECOND: The Institute needs the support of all Americans in order to carry out its tasks successfully. Many will be asked to participate in seminars and conferences; others will be asked to help distribute publications of the Institute; all can help by understanding the seriousness of the new world competition and the Soviet-Communist threat and by helping the Institute in its program for educating the American public in this struggle for the very survival of our free society.

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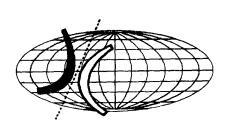
WHAT ARE THE PURPOSES OF THE INSTITUTE AS STATED IN THE ARTICLES OF INCORPORATION?

The Purpose or purposes for which the corporation is organized, are:

- "A. (1) This corporation is organized and shall be operated exclusively for educational purposes, within the intendment of Section 501 (c) (3) of the Internal Revenue Code of 1954 as hereafter amended, and for no other purposes.
- "(2) This corporation is organized and shall be operated not for profit. In no event shall the net income of the corporation inure in whole or in part to the benefit of private shareholders or individuals. To the extent permitted by law, upon voluntary or involuntary dissolution of the corporation, its net assets shall be distributed only to such organizations which may at that time qualify for exemption from taxation under the terms of Section 501 (c) (3) of the Internal Revenue Code of 1954 as hereafter amended.
- "(3) No part of the activities of this corporation shall be the carrying on of propaganda or otherwise attempting to influence legislation. This corporation shall not participate in or intervene in (including the publishing or distributing of statements) any political campaign on behalf of any candidate for public office.
- "B. The Corporation shall accomplish its purposes of education by methods such as:
- "(1) Conducting and promoting forums, lectures, conferences and adult education courses for the education and enlightenment of individuals and the general public.
- "(2) Promoting and sponsoring conferences and seminars, and disseminating the ideas, analyses and concepts developed in and through said conferences and seminars; provided, however, that the purposes and the program of said conferences and seminars shall be based on principles of impartial analysis and that said purposes and program shall be consistent with the purposes of this corporation.
- "(3) Conducting studies, encouraging such studies by commerce, industry and labor, as well as universities and professional societies, and disseminating the findings of such studies to educators, organizations and the general public.

- "(4) Cooperating with organizations such as church, youth and women's groups and veterans' associations in the furtherance of educating and informing the general public, and making freely available to the general public the type of information described herein.
- "(5) Gathering, digesting, disseminating and generally making available information and existing studies which might not otherwise be readily accessible to individuals and the general public.
- "C. The corporation shall educate individuals and the general public, in the manner described above, in topics and problems such as:
- "(1) The meaning and the importance of the development by America and the rest of the free world of a "strategy" in the struggle between democracy and dictatorship.
- "(2) An examination of the ideological, economic and military factors involved in such a struggle.
- "(3) The considerations and problems of national survival in an era of nuclear weapons, economic relationship of overseas markets and materials, massive propaganda, technical revolutions, and competition in science, industry and education.
- "(4) The relations of military power and science to moral philosophy, politics and economic theory.

"In pursuing the public examination of these and similar problems the corporation at all times shall promote and encourage the collection and consideration of all pertinent facts and points of view so as to accomplish, in an objective and a non-partisan manner, its purposes of education."



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