

CENTRAL INTELLIGENCE AGENCY  
OFFICE OF NATIONAL ESTIMATES

25 March 1955

STAFF MEMORANDUM NO. 13-55

SUBJECT: Princeton Consultants Meetings of 17-18 March 1955

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I. Soviet Reaction to Ratification of the Paris Accords

1. This question was discussed at the first morning's meeting, when Mr. SMITH asked for consultant reactions to one alternative covered in NIE 11-55, namely, the possibility of the Soviets settling for a reunified but neutralized Germany. MOSELY felt that the possibility was worth examining, but that its probability was extremely low. In his view the Soviets would regard it as much too complicated an arrangement, and one over which they would not have full control. He pointed out that the question of control vs. non-control is extremely strong in their thinking; they would be very reluctant to

\* 17 March and morning 18 March.

\*\* 17 March only.

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see their present police control over East Germany replaced by a re-unified Germany in which anti-Soviet feeling would probably increase. They would also recognize that the Oder-Neisse question would almost certainly be raised by a unified Germany, which would join with the western powers in order to increase its bargaining power over the border question. LANGER concurred that Soviet agreement to unify Germany was highly unlikely because of a basic distrust of the West, and because by so doing they would be giving up a controlled area (East Germany) for a unified Germany which they did not have the capability to subvert. KNORR agreed, adding that the Soviets had no real reason to be alarmed at the Paris Accords since they would make no basic difference in the world strategic position. However, LANGER considered that the Soviets were concerned over the Paris Accords, particularly the twelve German divisions, which the Soviets probably visualized as multiplying to considerably more.

2. LINDER suggested that the possible appeal of a disarmed, if unified, Germany to the Soviets should not be overlooked; that they might view it as an alternative which would pose very serious difficulties for the US, particularly the re-allocation of the troops which the US would have to remove from West Germany.

3. MILLIKAN urged that, in considering alternatives open to the USSR, more attention should be given to whether such alternatives were ones which some people in the Soviet hierarchy would seriously consider, since differences in viewpoints now seem to be possible under the new collegial system. He was not sure which groups would find the German unity alternative appealing but suggested it might appeal to the younger bureaucrats (the Mikoyan type), as well as the newly appointed marshals, or the new Party leaders. He used as an example the fact that Malenkov had adopted a view which involved certain risks, but had displayed a willingness to try something new. MILLIKAN urged that more attention should be given to similar possibilities. Although he concurred with MOSELY's position, he felt that such alternatives should be considered.

4. MILLIKAN added an economic reason for Soviet reluctance to allow reunification -- the fact that the technically-minded bureaucrats in the USSR would oppose it because it would add the economic capability of East Germany to the West and because of the affinity of East Germany for economic relations with the West rather than with the USSR. LINDER replied that the economic advantage of East Germany to the West is over-emphasized, that the West is not starving for East German goods, to which MOSELY commented that the Bloc is starving for

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East German goods. LINDER then asked if the Soviets could not get these goods through trade, which Germany wants, and MOSELY replied that this would be an erroneous view of Soviet trade policy, which is politically motivated.

5. KNORR advanced the possibility that the Soviets could conceivably make a firm reunification proposal, but only for tactical and propaganda purposes; they would then insist upon impossible terms to prevent its actual accomplishment. LINCOLN found this eventuality unlikely because: (a) the Paris Accords are vulnerable to Soviet mischief; (b) neutralization is a meaningless term in the current international scene; (c) a united Germany would be a great hazard to the USSR in the long run; and (d) the Kremlin is conservative, and doesn't take chances with what it has - only with what it hasn't got. The final consensus was that the arguments against a genuine unification proposal are most convincing, though the Soviets may use it as a tactical proposal to upset the West (KNORR, STRAYER); but that it is a point worthy of being considered.

## II. Critique of NIE 11-4-54

6. The consultants were asked to comment on the organization and coverage of 11-4-54 as guidance for our new Soviet estimate. They were asked to bear in mind: (a) that it was being written for the NSC as background for the US budget discussions, and that for this purpose perhaps a shorter paper would suffice, but that (b) it was also being written for those who briefed men at the NSC level, and for this purpose perhaps 11-4-54 was not unduly long. There was general agreement with reference to retaining the present length of 11-4-54. However, STRAYER felt that on certain issues 11-4-54 represented a primary source, while on others merely a summary of other primary sources; this made for unevenness of treatment. He asked if it could not be made wholly a summary of other papers, which could also be read by those interested. MILLIKAN replied that the other papers would not be read, that 11-4-54 was too important to be shortened, and that the present length is eminently desirable. LANGER agreed, but added that since people at the highest level would not read it through, a 10-12 page essay might be useful -- with more lengthy special economic or military studies included as annexes. LINCOLN felt that even 10-12 pages would not be read by policymakers, and that the present four page Conclusions is probably all they would get to. However, he pointed out that the next lower level of planners and strategic thinkers would read it thoroughly in its present length. MOSELY also felt that 11-4-54 could

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not be substantially cut, and that if it were reduced to a series of blanket assertions its firmness would be much impaired.

7. There was also a general feeling that, if possible, NIE's should be made more literary and readable productions, in spite of the coordination procedure. LANGER cited [redacted] as an example of this type of writing, and MILLIKAN commented that we ought to push tolerance on length as far as possible by adding this quality of readability. LINDER agreed that this type of "Foreign Affairs" writing did not have sufficient impact, and felt that, if possible, the "Fortune" type of writing ought to be used. KNORR found the question of readability was not so significant providing the NIE was well organized (which he thought 11-4-54 was).

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8. Numerous other comments were made on format and organization, including suggestions for use of larger, more easily read type; more use of subheads, maps, charts, and perhaps even pictures; a table of contents indicating varying degrees of importance of information; inclusion of a section emphasizing what is new or different from the preceding estimate, in order to focus attention; inclusion of a bibliographical note; elimination of double-column format; and finally, less frequent use of the phrase "we believe". LANGER found the double column page hard going and suggested hiring a consultant on readability to check the format.

9. On the substance of 11-4-54, LANGER and LINCOLN favored a much fuller discussion of Sino-Soviet relations, even if it were covered in other papers. MILLIKAN suggested that the economic section be shortened and that major problems or courses open to the USSR in special areas be treated rather than giving a general descriptive survey. He urged that the section on Soviet agriculture be expanded since it is their major economic problem. KNORR felt that the economic section might be more usefully organized in terms of Soviet capabilities for doing such things as sustaining a war; sustaining the civilian population during a war; sustaining rapid economic growth; and carrying out foreign aid programs. KNORR, LINCOLN, and REITZEL all criticized the sections on military capabilities, calling for a more sophisticated analysis rather than an "inventory approach". There seemed to be little agreement, however, as to how this sophistication should be introduced. KNORR thought that perhaps military capabilities could be related to certain types of war, but was not certain this could be done short of war-gaming. He suggested that a reduction in the size of Chapters XIII-XVI, and

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an expansion of Chapter XVII might partially accomplish what he had in mind and make a more hard-hitting document. LINCOLN felt that an analysis of the use of armed forces to support cold war policies ought to be included, and REITZEL concluded that the intermediate reasoning between the inventory of planned military strengths and ultimate military intentions should be included.

### III. Soviet Internal Political Developments

10. The consensus seemed to be that some elements of collegiality existed in the present leadership, that although Khrushchev appears to be dominant he has not developed a Stalin type control, and that this uncertain situation does not seriously impair government operations. MOSELY found it extremely difficult to arrive at any firm conclusions or to figure who is coming out ahead. He emphasized that the recent struggle has been more a struggle of persons than of policies, and that the policy differences should not be exaggerated since it is hardly possible to judge who is responsible for what policy. He was convinced that Malenkov has been the scapegoat in a personal struggle for power, and that he (MOSELY) has misjudged the situation by assuming that the placement of Khrushchev in the Party Secretariat had meant Presidium control over the Secretariat. He now feels that Khrushchev may have achieved real dominance through his position as First Secretary. He added that the facts parallel the '25 - '29 period when Stalin kept a collegial facade.

11. LANGER on the other hand felt that there was nothing in the new situation to mark Khrushchev as the real power, as a "new Stalin", and MILLIKAN warned not to underplay the influence of the military. He commented that Zhukov may now have considerably more range of action than any military figure under Stalin and that, as a matter of fact, military considerations may have influenced the decisions on agriculture since military and heavy agricultural machine production are interchangeable. MOSELY answered that the assumption that Zhukov has anything other than a strictly Party aim needs much more proof than has been evidenced. In his opinion Zhukov always has been, and is still a loyal Party man, and the Party has complete control over the military. The army is not a source of policy initiative, and could not, for example, arrest a prominent political figure.

12. In LANGER's view there seemed to be a lack of promptness and drive in Soviet policy decisions at present, particularly by comparison with Peiping. MOSELY denied this lack of drive, and felt rather that the Soviets have been moving fast and intelligently since

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Stalin's death. MILLIKAN emphasized that in the present Soviet set-up, even though basic doctrinal lines may be agreed upon, the opportunities for "bureaucratic dispute" are tremendous and there is apparently a considerable amount of it going on. MOSELY agreed, but added that in the USSR a dispute can easily be turned to the doctrinal or treason level, and this is what makes it so difficult to determine the validity of so-called policy conflicts. In his opinion, Malenkov would probably disappear from view shortly. LANGER felt that the fundamental question to be answered in the political field is whether the collective leadership is there because the top people want it, or because they are forced to accept it temporarily. STRAYER commented that sooner or later, under this system, some one individual has to take over and give it direction. KNORR supported MILLIKAN's position that the military will limit the chances of one man's taking power, even if the military doesn't openly take over itself, and MOSELY countered by re-emphasizing the point that it is the Party Presidium which makes the decisions. He admitted that, looking at the problem in this way, the system could run without a one-man head, that the Party Presidium was the "distributor-cap" of the whole Soviet system. The Presidium of the Council of Ministers is merely a fiction and its members derive their status from being chairmen of committees of the Party Presidium. However, the role of the Party Presidium and its Committees is the subject about which we know least. MOSELY could not define Khrushchev's position within the Presidium of the Party. In attempting to square his feeling of Khrushchev's dominance by virtue of his position on the Secretariat with these statements on the Presidium's role, he admitted that it could not be ascertained whether Khrushchev was arguing in the Presidium or merely listening to arguments and then making unilateral decisions like Stalin.

#### IV. General Soviet Bloc Strategy

13. At the final session devoted to Soviet problems the consultants considered whether there was any evidence of a shift in Soviet general strategy because of internal political developments, the offshore islands problem, etc. Would they still avoid courses of action involving substantial risk of general war? The consultants generally seemed to agree that the Soviets will attempt to avoid risky courses of action, and LANGER commented that they seem to be attempting to tide over the period in which they will lack parity in capabilities for nuclear delivery. LINCOLN felt that during this tiding-over period they would slowly cultivate positions for future advance and that this should be carefully watched. LANGER, however, emphasized

the necessity for taking the long-range historical view of Soviet development; he felt the time would come when they would tire of constant struggle and tension and would begin to ease off. REITZEL agreed, pointing out that there is always an evolutionary tendency in international affairs. There was general agreement that if an easing off did occur it would take a very long time (certainly beyond the period of the new Soviet estimate), and STRAYER commented that if it came it would be first evidenced internally. LANGER cited the following as possible indicators of a change in Soviet policy: (a) the future disposition of Malenkov; (b) developments when the Montreux Convention comes up for consideration again in 1956; (c) Soviet contributions to peaceful use of atomic energy; and, (d) the Soviet attitude toward Finland. He emphasized that it would have to be an accumulation of many things, but that they must be looked for, and ventured that if the Soviets became nice people at the present time we'd not be in a position to recognize it.

14. The consensus on Soviet strategy was that the Soviets are not going to take any undue risks, that their strategy would remain flexible, that we should expect nothing spectacular, and that there very likely would be an emphasis upon political activity, subversion, and foreign aid programs rather than upon military action.

#### V. Taiwan and the Offshore Islands

15. Impact of US policy statements. The discussion turned repeatedly on the difficulties and dangers presented by widespread uncertainty abroad as to US policy with respect to the offshore islands. The Consultants generally agreed that the non-Communist world does not view the offshore islands as an outpost of Western civilization, and would therefore be extremely critical of US participation in their defense. LANGER stressed that the "guessing game" aspects of US policy cut both ways and that, if the Chinese Communists attacked the islands, the burden of proof would be on us to convince the rest of the world that Taiwan was the actual target. STRAYER felt that NIE 100-4-55 should have discussed such US difficulties in the event the Chinese attacked, claiming "these islands are all we want and are all we're taking."

16. No agreement was reached as to the effect of the most recent US policy statements on the Chinese Communists' estimate as to the risks involved in attacking the offshore islands. KNORR felt that the Communists would interpret the latest US statements as reducing such risks, believing that the US was saying "we won't commit our forces if you make it clear that you're just taking the islands and are not going near Taiwan." LINCOLN, MILLIKAN, REITZEL, DUNHAM, and LANGER generally felt that there is no change and that the Chinese Communists probably continue to believe that not too great risks are involved. LANGER added that the Chinese probably feel

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that we're bluffing again and are really telling them that they can have the offshore islands if they'll just behave. LINDER, in contrast, considered that our last statements had had a big impact and that the Chinese probably now felt that we were prepared, as we were not in Korea and Indochina, to use nuclear weapons.

17. The Soviet view of the Offshore Islands-Taiwan problem. LANGER thought the USSR looks with little favor upon its ally's policies in the Taiwan area. He felt that the USSR found it "highly inconvenient" to have Peiping champing at the bit. In his view the USSR had been trying since Geneva to put a damper on an assertive ally who has been marching from victory to victory. The Soviets do not want the Chinese to embroil them in general war with the US at a time when US nuclear superiority is so high. This applied particularly to the offshore islands, for if the USSR wanted general war, it would start it itself on its own terms. Thus the Soviets are willing to let the Taiwan area question simmer away, but don't want it to get out of hand. In a sense, the situation is like that of Germany and its more impatient Austra-Hungarian ally in 1914. STRAYER agreed that it was not in the Soviet interest to keep the US stirred up over the Far East, thus continuing to pass our military budgets; rather, it would be wiser for the USSR to lull us to sleep. In LINCOLN's view, the USSR was patiently allowing its ally considerable latitude; it "looked with equanimity upon the offshore island brawl" but drew the line at Taiwan and it felt confident it could restrain China if necessary through its control of China's logistics. DUNHAM's position was the furthest from LANGER, holding that the USSR has nothing to lose by continued war-by-proxy and thus would be happy to see the US bogged down in the "morass of China."

18. There was no agreement as to whether the USSR is likely to believe that a US-Chinese war could be kept limited. LANGER felt that the USSR was extremely cautious, fearing that the tempo of such a US-Chinese war would mean that "the ball is rolling now" and that US attacks might not be confined to China. KNORR disagreed, feeling that the USSR would doubt that the US would attack it via China, and would judge that both itself and the US would have the opportunity to keep hostilities within bounds. LINCOLN took a mid-position: the Soviets would estimate that hostilities arising out of the offshore islands could be kept in bounds, but that this might not be so in the case of Taiwan.

19. There was likewise no agreement as to whether the USSR in the last analysis would risk general war to save the Peiping regime from destruction. LANGER, KNORR, and LINCOLN inclined to the view

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that the USSR would back down in such a pinch, LINCOLN adding that it might not be altogether displeased to see the Peiping regime go down the drain. STRAYER took the opposite view, that the USSR would risk general war. REITZEL felt that the USSR's decision would hinge on whether it thought it could, by intervening, get a favorable decision within the Far East theater: that the USSR would thus enter the war if its estimate was "yes," but not otherwise. MOSELY ended the discussion by pointing out that it was difficult to envisage how "the destruction of the Peiping regime" could be accomplished, even with nuclear weapons. All consultants agreed that this hypothetical question was an "absurd" one, and that the USSR would never let itself be placed in this position.

20. There was substantial agreement that the USSR was probably concerned over the long-term problem created by its Chinese ally. LANGER stated, that, since there is no one left in Moscow who compares with Mao Tse-tung as a theoretician, the world Communist ideological center had in a sense already shifted to Peiping. LINCOLN stressed the demographic factor, i.e. the Soviets probably aren't happy about the fact that there will be close to 1 billion Chinese in a few years who will be looking for nearby areas into which to migrate. LANGER, LINCOLN, and REITZEL agreed, with LINDER dissenting, that the Soviets may also be concerned that China will, as its strength grows and out of its leadership's ignorance concerning the West, in time act recklessly against US forces.

21. Chicom intentions re the Offshore Islands. No agreed view was reached as to Chinese Communist intentions toward the islands. STRAYER felt that the advantages accruing to the Chinese would be greatest from a continuance of the present general policy, that of keeping the US in a stew with its allies, yet not risking US military counteraction. MILLIKAN, LINCOLN, and LANGER leaned toward the G-2 position in NIE 100-4-55 that the Communists were bent on taking the islands despite US protestations of intent. LANGER added that the China that took its chances and intervened in Korea in 1950 will do so again in 1955 with respect to Quemoy and Matsu. Further, that the tone of the 12(?) March text of NIE 100-4-55 errs in that it says that all we have to do is yell at the Chinese Communists and they'll pull back, or that, if hostilities begin, all we have to do is poke them one and they'll yell uncle.

22. LINCOLN thought that the Chicoms might even attack in order to trigger the US into using nuclear weapons in retaliation, in the hope that by subsequently playing dead they could reap incalculable

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political advantage from world opinion outraged at the US action. LANGER, MILLIKAN, and REITZEL agreed that this possibility deserved estimative consideration. Remembering Peiping's success with its germ warfare campaign, REITZEL though such a gambit would be a natural.

23. LINCOLN also thought there would be advantage to the Chinese Communists in attempting to take the Matsus and Quemoy's simultaneously. For if they took only one of these groups, this would push the US into a new situation in which it would be forced to state, without equivocation, that it would defend the remaining group and with nuclear weapons. Hence, much depended on our estimate as to whether the Chicom's are capable of taking both island groups at the same time. In the Consultants' view, the importance of the offshore islands was not primarily military but psychological. Since their importance had been blown up out of all proportion, the US would suffer greater prestige loss from a Tachen-type evacuation of these islands now than it would have a few weeks ago; but this loss of prestige would be confined to Asia, with little or no loss in Europe.

24. Various views were expressed as to whether Communist China would continue fighting should hostilities over the offshore islands lead to US attacks against the mainland. LANGER, STRAYER, and DUNHAM leaned to the view that the Chinese would find it difficult to back down once a war situation had arisen, and would offer such military resistance as they could. LINCOLN disagreed, believing that the Chinese would seek a cease-fire and a transferring of the situation to a political phase; in support of this view, LINCOLN cited the lack of present evidence that the Chinese are preparing for any kind of peripheral war with the US. SMITH and REITZEL held that the Chinese action would be governed by the course of military events: that China's quest of a cease-fire would be in direct proportion to the degree to which it was losing the war.

25. Consequences of US use of Nuclear Weapons. The Consultants were in general accord that US use of nuclear weapons against the Chinese Communists would produce an initial shock effect upon world opinion. LANGER felt this most strongly, believing that a great shock would occur no matter what kind or size of nuclear bomb were employed. This would cause a "chemical reaction" among many world leaders who would act irrationally saying "this is it!" Such reactions would be less, in LANGER'S view, were the first use of nuclear weapons that of atomic artillery. Longer-term world reactions would be conditioned, in the opinion of KNORR, STRAYER, REITZEL, and DUNHAM, by the circumstances

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under which the US had used nuclear weapons. For example, reactions would be moderate if such weapons were used in the event of an attempted invasion of Taiwan, or if they were used against invasion targets at sea where, clearly, no non-combatants would be hit. LANGER did not agree that such circumstances would greatly moderate initial shock effects.

26. All agreed that Japan's reaction would be uniquely sensitive. MILLIKAN, LANGER, AND STRAYER thought that the Japanese public reaction would be extreme and that the government would go over to a neutralist position; MILLIKAN also offered the thesis that the Japanese were already in a state of shock in 1945 when hit by the atomic bombs, that they in a sense pulled a curtain over this experience, shoving it into their subconscious; they meanwhile came to have confidence in the humaneness of the US Occupation; but that the Bikini fall-out experience of 1954 dragged up to consciousness all the Hiroshima-Nagasaki tragedy. No agreement was reached, however, as to whether the initial shock effect would wear off in time. DUNHAM and STRAYER thought it would, if the US action had succeeded and no expanded war had occurred and if only tactical weapons had been used. MILLIKAN agreed, but felt that this eventuality would demand the most masterful diplomacy on the part of the US. LANGER doubted that the shock effect on Japanese opinion would wear off, and thought that the US position would become untenable in the long run.

27. In answer to KENT's question as to whether the Chinese Communists would use a nuclear weapon against US targets in the Far East, STRAYER doubted that the Chinese would ever get to this stage; their aims in the Taiwan area were limited and they were probably content to keep the pot boiling at about its present temperature. LINCOLN pointed to a danger involved if the initial US use of nuclear weapons failed to achieve its military mission; in this situation, fear of and confidence in US deterrent power would be gravely weakened world-wide. LANGER thought it conceivable that the Chinese Communists might drop one on themselves in an effort to deceive world opinion.

28. The Chairman summarized the dominant themes of the discussion of the Formosa Straits issue as being: (a) a leaning toward the G-2 view that the Chinese Communists will probably attack the offshore islands come what may; and (b) a message to US policy-makers that if we want to defend the offshore islands, we should do so under strict, generous, military and geographical limits, lest the enemy mis-read our intentions and take counteraction which would lead to a greatly expanded area of conflict.

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