

795.00/11-1750

Memorandum by Mr. John P. Davies of the Policy Planning Staff

TOP SECRET

[WASHINGTON,] November 17, 1950.

The Problem

To formulate United States policy with respect to the crisis posed by the present situation in Korea.

Analysis

To be understood, the problems which now confront us on the Korean-Manchurian border must be viewed in the context of the great power confrontation. Only if we have this understanding can we judge wisely the course which we should follow.

The Kremlin's Korean adventure was a symptom of Moscow's dissatisfaction with the previously existing ratio of power between the Free World and the Soviet Empire. It indicated that the Kremlin felt it necessary either to compensate for the gradual but steady advance of power in the Free World or to maintain the dynamics of the Bolshevik movement through further expansion, or both. It was obviously a carefully calculated design. But it failed to take into account the extent of our reaction. Instead of advancing its power position, the Korean adventure had by July begun to pose the threat of a major reverse and by October the reality of this threat was urgent and real. At this point the Chinese Communists moved to save the situation.

Because it is in the nature of the Kremlin to be well forearmed, it was to be expected that the Kremlin might at any time between the commitment of American forces and the Inchon landing have taken up positions along the 38th parallel to insure at least a continuance of the *status quo ante*. It did not do this, nor did the Chinese. Likewise, a natural defensive position at the neck of the peninsula was allowed to fall into our hands. It was not until our forces were near the frontier that the Chinese, not the U.S.S.R., moved with great vigor and decision to counter our advances.

Three deductions are to be drawn from what has been said thus far:

(1) Any action of ours which threatens to advance our power position or reduce the Kremlin's will produce a reaction from the Kremlin designed at least to compensate for its threatened loss.

(2) The Kremlin will be inclined, even at the sacrifice of immediate advantages and increased risks to itself, to create a situation in which our action is taken in a context which can be presented as aggressive.

(3) It will seek, if possible, to cause others to fight its battles for it.

Let us examine these deductions in more detail.

This concept of action and reaction in the power struggle is deeply engrained in Kremlin thinking. It stems from the very roots of Communist philosophy: the conflict between thesis and antithesis resulting in synthesis. In plain language, action to advance our power position must evoke a reaction to redress or advance the Kremlin's power position, thus creating a new situation. This situation may be stabilized (temporarily, of course) through political agreement registering its realities—and implications—from the Kremlin's point of view or, if such an agreement is unacceptable to us, we may be expected to act anew and the Kremlin correspondingly to react. Thus there is never a permanently stable power relationship. The struggle proceeds through a series of phases—action and reaction, perhaps a temporary adjustment, then another phase of action and reaction, always with the possibility that the phases begin to telescope with no intermediate period of accommodation. In this sense the Kremlin considers war inevitable.

It was with this approach that the Kremlin in mid-summer studied the Korean situation and planned its next move. It undoubtedly examined the Korean situation in depth, in terms of the global struggle for power and in terms of an indefinite chain of action and reactions. Thus it must have calculated that its reaction (through the Chinese) would create a new situation—which we could either accept or in which we could act anew. If we accepted the situation created by its reaction, it could be registered in a political settlement, provided that we would pay the price. If we would not, then we could be expected to act anew in an attempt, at least, to redress our power loss.

The Kremlin was not likely again to underestimate what we might do. In calculating what new action we might take, moving the power struggle into another phase, the Kremlin presumably took into account the extreme possibility—a chain process leading quickly to global war. That the Kremlin has nevertheless created this new situation is an indication that it accepts the extreme risk.

While it accepts the risk of general war it does not do so without qualifications. The fact that it and Peiping reacted neither at the 38th parallel nor at the natural defensive line at the neck and that the reaction did not occur until it could plausibly be made in a defensive context, accompanied by charges of our aggressive intent, reveals a Kremlin (and Peiping) concern regarding the mode of its reactions. This stems from deep within Bolshevik strategy—the theory that the capitalist world is “aggressive”, that the Bolsheviks are “peace-loving” and that if war eventuates it must be in the context of what can be alleged as attack by the capitalists.

Thus every effort is being made in the present situation to create the atmosphere of U.S.—U.N. aggression and Communist self-defense.

The stage is feverishly being prepared to make any action of ours carrying the struggle into a new phase occur in an aggressive setting, to maneuver us into a politically disadvantageous light, causing others to shrink away from us, leaving us isolated. And so it would probably be in each successive phase.

The Kremlin's acceptance of the risk of World War III is further qualified by a desire to operate indirectly, deviously, avoiding the appearance of Soviet responsibility and, wherever feasible, inducing others to do its fighting for it. The North Koreans having collapsed, it has succeeded in transferring primary responsibility to the Chinese. Whether this was achieved by orders which were obediently obeyed, by coercion, by concessions or whether the Kremlin may even have had to restrain Peiping, we do not know. In any event the Chinese are holding the bag and would undoubtedly continue to do so were the struggle to move into a phase of Sino-American hostilities. The Kremlin is quite capable of remaining nominally aloof from such a new phase, provided that its power relationship to the Free World was not diminished thereby.

So much for background. Let us now examine the immediate problem before us—what to do in the present crisis.

It is possible that the Kremlin and Peiping are bluffing or that either one would welsh on the other, that they will not increase their commitments in Korea, that they will yield before U.N. military action and that we can establish U.N. authority to the borders. They might accept such a situation, accept a major defeat and the consequent serious decline in their global power position. But if they did, they would feel compelled to react elsewhere on a large scale, sufficient at least to compensate for the Korean and Manchurian border reverse.

The bulk of available evidence points, however, to the probability that the Kremlin and Peiping are committed at least to holding the northern fringe of Korea—and that, against our present forces they have the military capability of doing so, the Chinese in manpower and the U.S.S.R. in supplies. If this is so, what then are the alternatives before us?

Course 1

We could try to bring about an increase of U.N. military commitments and seek to drive the Chinese out of the North Korean fringe. Because it is unlikely that others would go along with us on such a plan, we would have to draw from our own existing military reserves for this purpose. Because they are limited and would probably not tip the scales in our favor, it would probably be necessary to call up more men to be committed to Korea. This process could proceed with no foreseeable point of termination even though we mobilized and committed ourselves to a large-scale war for the Manchurian border.

Going to these lengths we might achieve a decision—but we can neither be sure this would be so nor that we would be willing to pay the continuing price of such a course.

Course 2

We could write off Korea, promptly withdraw and prepare for any eventuality. This course would have so disastrous an effect on our prestige and influence throughout the world and so enhance the position of the Kremlin and Peiping that even were we to mobilize fully, it would not compensate for our reverse. Rather it might well create something close to the ideal climate, from the Kremlin's point of view, for the waging of global war. This situation would be little changed were we publicly to accuse the Kremlin of responsibility for what had happened.

Course 3

We could carry the struggle into the next phase by air and naval action against at least South Manchuria. The reaction to this could scarcely be less than overt Chinese intervention in Korea and Soviet Air Force resistance to our air attacks. Given enemy capabilities, it is difficult to see how we could impose a military decision or find an acceptable basis for a political settlement stabilizing the situation. Having pushed the military expression of the struggle one phase further and finding ourselves incapable of forcing submission, the settlement price of our foes would register our failure and therefore exceed what we could in honor yield. But were we to enter this further phase through purely punitive hit and run and blockade tactics and were we able to keep our prestige from becoming deeply engaged, we might hope to terminate this action without reverses, by simply ceasing operations. However carefully these tactics might be planned and executed, it is doubtful that we could avoid becoming caught up in alternately mounting commitments between ourselves and the Soviet Air Force. This would run the real risk of starting a chain of actions and reactions leading quickly into global war.

Course 4

Finally, we could follow the course which we had, by the terms of NSC 81,¹ intended to pursue had we encountered indications of firm Soviet or Chinese intentions to resist a U.N. advance anywhere north of the 38th parallel. We could take steps along the following general lines:

(1) Sponsor a U.N. resolution announcing the conclusion of full scale U.N. military action and calling for (a) the demilitarization of

¹ Dated September 1, p. 685.

northern fringe of Korea, (b) the withdrawal of all foreign military elements from that zone, (c) its administration by a U.N. Commission pending the holding of elections throughout North Korea and the establishment of normal civil administration and (d) the phased withdrawal of U.N. foreign forces from Korea;

(2) Immediately begin the retirement of all U.N. forces to a defensive position at the neck of the Korean peninsula;

(3) Cease military air action over the demilitarized zone but elsewhere continue whatever military action is deemed necessary;

(4) Accept in our planning the likelihood that part of North Korea will remain under effective Kremlin control and be a constant threat to the ROK;

(5) Build up the ROK armed forces to a condition where they can within a year hold at the neck of the peninsula anything short of a major Chinese or Soviet attack.

This course would probably halt for the time being the steadily mounting commitments between ourselves and the Moscow-Peiping Axis—a process in which, on the basis of existing intelligence, we are unlikely to be able to outdo the enemy short of pressing phase by phase to the ultimate action: initiating atomic warfare. These tactics would probably not provide a basis for a political settlement recording a clear-cut victory for either ourselves or the Moscow-Peiping Axis. The situation created by such a move on our part would probably represent a power stalemate. It might be registered explicitly in an agreement through the U.N. or tacitly by unexpressed mutual acceptance of the situation.

But what is very important to us is that if the Axis is determined to resume the struggle over Korea on a military plane, it will have to bear the onus of initiating clearly aggressive action. That is something which the Kremlin and Peiping will seek to avoid, something which will probably give them pause. For our part we will not only be in a better moral position to react as drastically as we deem necessary, we will also be in a better military position both in Korea and globally.

Conclusions

The United States should adopt Course 4.

Meanwhile, in view of the increased risk of general war, we should:

1. Expand the military program envisaged in NSC 68² and declare immediately a state of national emergency [and] accelerate the implementation of the policy laid down in NSC 68.

2. Move ahead rapidly with the development of NATO and, if that proves impossible in the immediate future, reexamine our policy regarding Europe in the light of possible general hostilities in the near future.

² The NSC 68 series dealt with U.S. Programs and Objectives Relating to National Security; documentation is scheduled for volume I.

3. Build up Japan to defend itself and increase its military supply production, while securing our lines of communication to Japan and Korea.

Editorial Note

The United Nations Security Council met on November 17 from 3 to 7:10 p. m., continuing the debate on Korea and the draft six-power resolution, but no voting took place. For the record, see U.N. document S/PV.524.

The Security Council did not again meet to take up the Korean question until November 27, following the arrival of the delegation from the People's Republic of China.

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The Consul General at Hong Kong (Wilkinson) to the Secretary of State

SECRET

HONG KONG, November 17, 1950.—midnight.

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1164. ConGen has received numerous reports some from fairly reliable sources that Chinese Communists decision to participate in Korean War was made following consultations with Russians. However, ConGen has been unable obtain any reliable information as to extent to which Chinese Communists may have acted under Soviet pressure. It seems reasonable to suppose Chinese Communists intervention not only has Soviet sanction but also was urged by Soviets. Nevertheless there is sufficient identity of national interest between the two nations with respect to Korea, given Marx-Leninist theory which has strong influence on leaders of both countries, that Chinese may have felt they acted in national interest even though from our point of view they are simply promoting aims of Soviet imperialism. There are wide differences of opinion in Hong Kong on this question and so far as ConGen has been able ascertain opinions are based solely on observer's general attitude toward independence or lack of independence of Chinese Communists with relation to Moscow rather than any knowledge of what took place in discussions between Chinese Communists and Russians prior to intervention in Korea. Strong feeling exists among Western Europeans in Hong Kong that Chinese Communists acted independently as result genuine fear that US threatening Manchuria. Those holding this belief counsel compro-