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NATIONAL INTELLIGENCE AUTHORITY

NEW WAR DEPARTMENT BUILDING 21st and VIRGINIA AVENUE N. W. WASHINGTON, D. C. 24 august 1946.

OFFICE OF THE DIRECTOR CENTRAL INTELLIGENCE

MELDRANDUM FOR THE PRESIDENT:

During the past two weeks there has been a series of developments which suggest that some consideration should be given to the possibility of near-term Soviet military action.

- 1. Soviet propaganda against the U.S. and U.K. has reached the highest pitch of violence since Stalin's February speech and follows a line which might be interpreted as preparing the Russian people for Soviet military action.
- a. It states that "reactionary monopolistic cliques" and "military adventurers" are now directing U.S. policy toward "world domination" through "atomic" diplomacy. The U.S. has abandoned the Rooseveltian policy which gave hope of collaboration with the U.S.S.R. and the other "freedom-loving people" of the world.
- b. It attacks the Anglo-American "bloc" as "dividing the field" throughout the world and gives a detailed account of Anglo-American "imperialistic" actions, including British troop movements to Basra and Palestine and U.S. military operations in China and attempts to secure outlying air bases.
- a above as notice to the Communist Party in the U.S.S.R. that there is no longer any hope of friendly relations between the U.S.S.R. and the Western Powers.
- d. Tito, in his speech of 21 August on the international situation, raised the issue to a world-wide ideological plane when he stated categorically that there is no question today of two fronts: West-ern and Eastern. The question today is one of true democracy versus reactioneries throughout the world. In Soviet terminology this obviously means communism versus non-communism.
- The Soviets have re-opened the Straits issue with a note to Turkey demanding exclusive control by the Black Sea Powers and joint Soviet-Turkish defense of the Straits.
- 3. Yugoslavia, after sending the U.S. a note protesting the violation of her sovereignty by daily flights over her territory of U.S. transport and military aircraft, has shot down two U.S. aircraft, and defended such action as justified.



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- a. U.S. Military Attache Belgrade in commenting upon these incidents stated that while he had not previously believed that Russia and Yugoslavia were ready to fight, he regarded these incidents as indicating that they were willing to risk a "prompt start".
- 4. Molotov in his speech on the Italian treaty indicated clearly that the Soviets intended to exclude the Western Powers from Danubian trade and stated that if Italy respected the most-favored-nation principle she would lose her freedom to the monopolistic capitalism of the Western Powers.

As opposed to the above indications which suggest the possibility of aggressive Soviet intentions, it may be noted that:

- 1. We have as yet no information of any change in the Soviet demobilization program. In fact, the latest indications are that it has been slightly accelerated.
- We have as yet no indications of any unusual troop concentrations, troop movements, or supply build-ups which would normally precede offensive military action.
- 3. We have had no indications of any warning to Soviet shipping throughout the world.
- 4. There appears to be no reason, from the purely economic point of view, to alter our previous estimate that because of the ravages of war, the Soviets have vital need for a long period of peace before embarking upon a major war.
- 5. There are no indications that the Soviets have an operational atom bomb.

In spite of the factors outlined immediately above, the Soviets might conceivably undertake a concerted offensive through Europe and Northern Asia on one or a combination of the following assumptions:

- 1. That a foreign war was necessary to maintain the present leadership in power, in the face of serious internal discontent.
- Ukraine and in the Murmansk and other areas. There have been a number of purges. The Soviet press, in appeals to the people for improvement, has revealed internal difficulties in many fields. The recent inauguration of a wide program of Marxist reindoctrination suggests a breakdown in discipline. However, we have no real basis for evaluating the extent and seriousness of such discontent or its potentialities for effective resistance to the present regime.





- b. Although the people of the USSR are tired of war and industrial production is down, the "Party" is probably still sufficiently powerful to secure, through propaganda, acceptance of further war.
- 2. That in view of the strength of the Soviet forces in Northern Asia and in Europe (as opposed to Allied forces) a sudden offensive might secure these areas without much difficulty, and place the USSR in an impregnable economic and political position.
- 3. That the U.S. was war-weary and would not hold out against a fait accompli in 2 above.
- 4. That a combination of militaristic marshals and ideologists might establish ascendancy over Stalin and the Folitburo and decide upon a war of conquest.
- a. Evidence to date, however, indicates that the "Farty" dominates the military.

In weighing the various elements in this complex situation the most plausible conclusion would appear to be that, until there is some specific evidence that the Soviets are making the necessary military preparations and dispositions for offensive operations, the recent disturbing developments can be interpreted as constituting no more than an intensive war of nerves. The purpose may be to test U.S. determination to support its objectives at the peace conference and to sustain its commitments in Duropean affairs. It may also be designed equally for internal consumption: to hold together a cracking economic and ideological structure by building up an atmosphere of international crisis. However, with the Soviet diplomatic offensive showing signs of bogging down, the possibility of direct Soviet military action or irresponsible action by Soviet satellites can not be disregarded.

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