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# July 13, 1956
## National Security Council Discussion of Policy Toward Eastern Europe

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## Summary:

Senior officials discuss US policy at a National Security Council (NSC) principals' meeting on July 12. Notwithstanding less cautionary views expressed by Vice President Nixon at the NSC discussion, on July 18 President Eisenhower approved a minor modification of the draft (NSC 5608 and the annex) as NSC 5608/1 to serve as a basic statement of U.S. policy (published as redacted document 80, FRUS, 1955-57, XXV ; unredacted document 17, Békés, Byrne, and Rainer, The 1956 Hungarian Revolution).

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July 13, 1956

MEMORANDUM

SUBJECT: Discussion at the 290th Meeting of the National Security Council, Thursday, July 12, 1956

At the 290th Council meeting, the following were present: The Vice President of the United States, presiding; the Secretary of State; the Secretary of Defense; and the Director, Office of Defense Mobilization. Also present were the Secretary of the Treasury; the Attorney General; Mr. Amos J. Peaslee for the Special Assistant to the President for Disarmament; the Director, Bureau of the Budget; the Special Assistant to the President for Atomic Energy (participating in the action on Items 3 and 4); the Director, U. S. Information Agency; the Under Secretary of State; the Deputy Secretary of Defense; Assistant Secretary of State Bowie; the Chairman, Joint Chiefs of Staff; the Director of Central Intelligence; the Deputy Assistant to the President; Special Assistants to the President Anderson and Jackson; the White House Staff Secretary; the Executive Secretary, NSC; and the Deputy Executive Secretary, NSC.

There follows a summary of the discussion at the meeting and the main points taken.

1. U. S. POLICY TOWARD THE SOVIET SATELLITES IN EASTERN EUROPE (NSC 5608 and Annex to NSC 5608; NSC Action No. 1530-b; NSC 5505/1; NSC 174; Memos for All Holders of NSC 5608, dated July 5 and 6, 1956; Memo for NSC from Executive Secretary, same subject, dated July 11, 1956)

Mr. Anderson briefed the Council on the main features of the proposed new policy, particularly as it differed from the existing policy on the subject, NSC 174. When he reached paragraph 25, Mr. Anderson pointed out the split views. As proposed by the majority of the Planning Board, the paragraph would read:

> "Seek authority for and use, as appropriate, greater flexibility in U. S. economic policies (both incentives and restrictions) toward the satellites."

(15 b)

The Treasury member of the Planning Board wished to delete the first four words. Mr. Anderson suggested that this might be a suitable

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time for the Council to determine which version it preferred, and invited Secretary Humphrey to speak to the Treasury position.

Secretary Humphrey said that the position of the Treasury Department was quite a simple one. It seemed to them that, with all the difficulties which the Administration was now encountering with the Congress, it was wholly unrealistic to go to the Congress and ask them to agree to legislation which would permit us to give surplus agricultural commodities to the Soviet satellites. It was simply impossible, according to Secretary Humphrey, to get any such concession from Congress. They were opposed to any liberalization of Public Law 480 vis-a-vis the Soviet satellites. To make the attempt to induce a liberalization would only succeed in arousing a storm of protest in Congress and further complicate our already involved situation.

Dr. Flemming inquired whether the Secretary of State and the Secretary of Agriculture had not already requested authority from Congress for greater flexibility in carrying out economic policies toward the satellites. Secretary Dulles replied that all that they had sought was authority to barter goods with countries behind the Iron Curtain. Moreover, he added, he had not in mind asking anything more of the Congress by way of authority in this area.

Secretary Wilson said that he went along with the position taken by Secretary Humphrey toward this course of action, but that he did so for different reasons than Secretary Humphrey. He was not opposed to seeking additional authority from Congress simply because to do so was inexpedient at this time, but rather because he did not wish to see the standard of living in the satellites raised through the agency of U. S. surplus food. If the satellite standard of living was raised, it would indirectly promote both the political stability and the military power of the satellite states. In sum, trading on a preferred basis with the Communists in items of food value was a very doubtful course of action. It would be doubtful even if the people of the United States and the Congress could be induced to support it.

Secretary Dulles said that he believed there was a misunderstanding of the intention of this paragraph. It was not the objective of this paragraph or this paper to encourage any level of trade with the Soviet satellites. The objective was simply to put the U. S. Government in a position to be able to make offers of surplus materials to the satellite governments which these governments could not reject without simultaneously putting pressure on the USSR to match the U. S. offer of surplus food. Moreover, no satellite government would be able to accept any U. S. offer of surplus food without affording the United States increased political influence in that satellite. Essentially, therefore, this

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was not a matter of trade, but rather of economic and political warfare. The United States simply must be in a position to be able to make these gestures and feints in its duelling with the Communists. Thus, for example, when we made our offer recently to the people of Poznan, we never seriously thought that we would be able to provide food to these people. Our main idea was to embarrass the Government of Communist Poland. In concluding, Secretary Dulles once again repeated that he was not now seeking any new authority, along the lines suggested by paragraph 25, from the Congress at this time.

Mr. Anderson pointed out that it was generally understood that an effort would be made to secure Congressional agreement for the sale of surplus commodities in return for local currencies. This, he believed, underlay paragraph 25.

Secretary Humphrey said that in general when this Government sold surplus agricultural commodities to foreign countries, it gave back the local currencies thus generated to the country which received the surplus food. This being the general pattern of our performance, Secretary Humphrey predicted that we would get into terrible trouble if we followed this pattern of operations in dealing with the satellites.

The Vice President agreed that from the practical standpoint the language of paragraph 25, calling for additional authority and greater flexibility in U. S. economic policies toward the satellites from the Congress, posed a political impossibility at this time. Later on we may educate Congress into understanding more clearly our reasons for seeking such additional flexibility. Accordingly, the Vice President said he agreed with the Treasury proposal to delete the first four words of the paragraph.

Secretary Dulles again stated emphatically that he hadn't the slightest idea of going before Congress for anything at the present time; and if any such proposal as this was inherent in paragraph 25, it was nothing less than ridiculous, particular with the Congress about to adjourn. Was anybody, he asked, actually suggesting that the Administration should now go to Congress for more authority for carrying out flexible economic policies vis-a-vis the satellites? Accordingly, he said, he was quite prepared to agree to drop the bracketed four words. Subsequently, if the situation warranted, we could seek authority for more flexible action from the Congress.

Secretary Wilson agreed, and pointed out that Secretary Dulles was essentially engaging in a poker game. It was a poker game which Secretary Wilson said he understood but did not like. In any event, if the Secretary of State needed more authority later on, he could probably get it.

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The Vice President commented that he rather inclined to support of Secretary Dulles' poker playing, though he was not very hopeful that the results would be successful. Secretary Dulles again pointed out that he had little idea that the satellite governments would ever accept our offers of surplus food, but the very fact that we made these offers would serve to embarrass the Communist governments of the satellite states. The Vice President noted that the Soviets themselves were now engaged in playing much the same game as Secretary Dulles was proposing to play against them. The Soviets were making offers of assistance to our allies. They know that our allies are not likely to accept these offers, but they hope that the mere offers will prove embarrassing to us.

Mr. Anderson proposed deletion of the first four words of paragraph 25, the Council agreed, and Mr. Anderson went on to conclude his briefing of the remainder of the paper. (A copy of Mr. Anderson's brief is filed in the minutes of the meeting.)

When Mr. Anderson had finished, Secretary Dulles stated that he had a proposed new paragraph which he would like to suggest should be inserted after the present paragraph 20, which paragraph 20 read as follows:

> "Encourage the satellite peoples in passive resistance to their Soviet-dominated regimes when this will contribute to minimizing satellite contributions to Soviet power or to increasing pressures for desirable change. Avoid incitements to violence or to action when the probable reprisals or other results would yield a net loss in terms of U. S. objectives."

Paragraph 20, continued Secretary Dulles, seemed to him and to some of his associates in the State Department, as rather too negative in character. He thought a somewhat different note and a more positive one would be struck by his proposed new paragraph, which he read to the Council as follows:

> "In general, however, do not discourage, by public utterances or otherwise, spontaneous manifestations of discontent and opposition to the Communist regime, despite risks to individuals, when their net results will exert pressures for release from Soviet domination. Operations which might involve or lead to local violence will be authorized only by the Secretary of State and the Director of CIA on the basis of feasibility, minimum risk, and maximum contribution to the fundamental interest of the United States."

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Secretary Dulles added that he and some of his associates felt that the statement on passive resistance in paragraph 20, particularly as it was explained and delineated in the corresponding paragraphs of the Staff Study (Annex to NSC 5608), did not adequately recognize the fact that at the present stage of world affairs it might be quite useful for the United States to have some violent outbursts in the satellite countries. Moreover, we shouldn't necessarily be appalled by the fact that if such uprisings occurred a certain number of people would be killed. After all, one cannot defend or regain liberty without some inevitable loss of life. Of course, continued Secretary Dulles, we did not want to see a lot of low-level officials running around and stirring up riots and uprisings in the satellite countries. Such uprisings should only be encouraged in exceptional circumstances. Support should be given to them only after the most careful and cautious consideration at the very highest levels of the United States Government. This, in sum, was the purport of his proposed new paragraph.

Secretary Wilson wondered why the Council could not agree to take out some of the "soft words" from the present paragraph 20, instead of adding some harsher words in a new paragraph 21. He then referred to the Dirksen Amendment.* He said he did not think that this was a wise amendment, because it would put the United States on record before the world as appropriating money to stir up trouble behind the Iron Curtain. This he thought was unwise. Secretary Dulles agreed with Secretary Wilson, and pointed out that the Soviets were already publicizing the purport of the Dirksen Amendment to the disadvantage of the United States.

The Vice President said that he would be most reluctant to approve any policy which seemed to follow the George Kennan line that there was essentially nothing we could do about the unhappy status quo now existing in the Soviet satellites. If our policy paper were to be couched in terms that would be discouraging to the democratic elements in the satellite populations, this would be a very great error. Moreover, continued the Vice President, it was naive to imagine that the existence of a lot of neat little independent Communist states throughout the world would help to solve the security problem of the United States, though the Vice President admitted that the existence of such states might be more advantageous than the present situation, in which the satellite states were under the thumb of the Soviet Union. Summing up, the Vice President said he did not relish the tenor of the present paper in suggesting that the United States should relax because it can do nothing to remedy the unhappy conditions in the satellites.

* Amendment to the Mutual Security Act.

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Dr. Flemming said that his thoughts ran along the same line as the Vice President's. For this reason he strongly supported the new paragraph proposed by the Secretary of State.

Turning to Mr. William Jackson and Mr. Allen Dulles, the Vice President called on them for their views. He inquired what the effect on the activities headed up by these individuals the adoption of the proposed new policy on the satellites would have.

Mr. Jackson replied that adoption of NSC 5608 would have the effect of encouraging this Government to be more active in the satellites short of violence. The current scene in the satellites was more favorable today for U. S. action than it had been for a long time, and the United States should exert itself more vigorously vis-a-vis the satellites. Actual encouragement of violence in the satellites should be the exception rather than the rule. Moreover, Mr. Jackson doubted the wisdom of actually inserting the Secretary of State's proposed new paragraph in the policy paper.

In his reply to the Vice President's question, Mr. Allen Dulles said that if the new paper were adopted the CIA could easily continue all the activities which it is now carrying on vis-a-vis the satellites--such things as support of Radio Free Europe, balloons, support of exile groups, defection, and the like. On the other hand, Mr. Dulles said he would rather prefer that the second sentence in Secretary Dulles' proposed new paragraph be omitted from the policy statement and placed instead in the Record of Action. He particularly did not think it appropriate for the Director of Central Intelligence to be assigned a direct policy-making function, as seemed to be implied by this sentence.

Secretary Dulles said that Mr. Allen Dulles' suggestions were perfectly agreeable to him, and he had no objection to putting the second sentence of his proposed new paragraph in the Record of Action rather than in the policy statement. Mr. Anderson pointed out that this suggestion was not a cure for the ailment. The Records of Action of the Council have almost as wide a circulation as the policy paper itself. He therefore suggested that the sentence in question could be put in a special covert appendix to NSC 5608, or else in a memorandum having very limited circulation. After further discussion, Mr. Anderson said he gathered it was the consensus that we should add the first sentence of the Secretary of State's proposed new paragraph to the end of the present paragraph 20, and omit the second sentence of the Secretary of State's proposed new paragraph. This was agreed.

The Vice President then said he wanted to get back to his earlier question. Turning to Mr. Allen Dulles and to Mr. Streibert, he said he wanted to test out his understanding of what this paper

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would mean to officials like these who would have to carry out the policy. As he understood it, adoption of this new policy statement would involve the attempt to achieve two objectives vis-a-vis the Soviet satellites. The first of these was the same objective as in the old satellite paper--namely, the restoration of a democratic and popular government to the satellite nations. Second, a new and possibly a more realistic objective was to support the development of national Communist states, free of Soviet domination, like Yugoslavia. This was, in short, another string to our bow, but, as the Vice President understood it, we still proposed to play on both strings. Mr. Streibert replied that this was his understanding of NSC 5608, and he strongly favored the addition of the Secretary of State's first sentence, which he believed would be helpful to the operations of the USIA.

Secretary Dulles pointed out that the adoption of the language he proposed would help to mitigate the implications of the language set forth in paragraph 37 of the Staff Study (Annex to NSC 5608). This language in the Staff Study had worried him a good deal, because of its negative quality, especially taken in conjunction with paragraph 20 of the policy statement. If we had nothing but this language in paragraph 20, we would be prevented from taking any actions to encourage manifestations like the East German revolt of July 1954 and the recent uprising in Poznan. Sometimes unrest of this sort and uprisings like these were an important part of the way we have to play the game in the present situation we are confronting with the Soviet Union.

Mr. Anderson suggested that the same reasons which dictated the elimination of the last sentence of the paragraph proposed by the Secretary of State, also applied to the phrase "despite risks to individuals" which occurred in the first sentence of the Secretary of State's proposal. On the other hand, the Vice President thought that this phraseology should continue to be included because it represented a realistic understanding. After all, we are not saying that we are going to initiate uprisings and violence in the satellites. We are merely saying that we will not always discourage such uprisings and violence if the uprisings should occur spontaneously. The policy paper, concluded the Vice President, should not be too "soft" in character.

At this point Mr. Allen Dulles expressed concern about the content of paragraph 23, reading as follows:

> "As a means of encouraging the eventual establishment of freely elected governments in the satellites and not as an end in itself, be prepared on a case-by-case basis to assist "National Communist" movements where U. S. and free world cohesion would not be jeopardized thereby. While avoiding the appearance of encouraging the export of Tito's Communism, use Yugoslavia's unique position in Eastern Europe to promote the weakening of the Soviet grip on the satellite countries."

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Mr. Allen Dulles pointed out that if this Government undertook to encourage national Communism, the effect would be very damaging to the democratic, idealistic, and religious people in the satellites who looked to the United States for guidance and ultimate relief. Mr. Dulles said that he was not actually opposing a carefully selected assistance to national Communist movements by the U. S. in certain circumstances, but he insisted that such assistance should be carried out very discreetly and perhaps only by covert means.

Secretary Wilson said he strongly disapproved of the whole idea of support for any national Communist movement as set forth in paragraph 23. Secretary Dulles explained that the object of supporting in certain instances a national Communist movement was simply to loosen the ties between a satellite and the Soviet Union. Once these ties were loosened by the development of a national Communist government, it might ultimately be possible to go much further and to change the character of the Communist government in the satellites. He agreed, however, that we should certainly not openly commit ourselves to a policy of support for national Communist movements in the satellites.

The Vice President expressed his emphatic agreement with this last statement of Secretary Dulles. What it got down to, he said, was that we encourage such national Communist movements where we believe the effect will be to disrupt the tie between the satellite state and the USSR. We certainly do not support such national Communist movements because we approve of national Communism as such. Accordingly, this paragraph would have to be implemented with the utmost caution. Mr. Allen Dulles then suggested language for inclusion in paragraph 23 which he believed would meet the point he had raised and which had found general support among the members of the Council. Secretary Wilson commented that in a kind of a way this was like telling a man how to play poker and even how to cheat if he doesn't like one of the players.

The Vice President said he had one other point to add. He could think, he said, of nothing which would, from the point of view of domestic politics or of our international relations, be worse than the occurrence of a leak tending to indicate that we at the highest levels were agreeing on a policy for national Communism under any circumstances. Accordingly, he hoped that everybody, from those present all the way down the line, would keep their mouths shut on this subject. Secretary Humphrey expressed warm agreement, and wondered whether it was essential that all these papers had to be passed all the way down the line. Imagine what would happen if portions of this paper were ever published in the newspapers. The effect on the Administration would be murderous.

The Vice President wondered whether it would be possible to classify certain portions of the paper as ultra-Top Secret. Mr. Anderson suggested that the covering Note by the Executive Secretary

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could call attention to the extreme sensitivity of the contents of NSC 5608. Under Secretary Hoover, on the other hand, pointed out that it was inevitable, from the point of view of OCB, that these policy papers receive a wide circulation. Indeed, copies of them have to be sent all over the world. Accordingly, it was almost impossible to preserve absolute secrecy as to any particular portion of the policy statement. Secretary Humphrey said that in any case we should do our best to minimize the risk of a leak, for if one occurred on this paper it would be the worst we had ever had.

On the same subject, Secretary Dulles pointed out that NSC 5608 was rather a rarity among our policy papers, in that in this paper we were dealing with the offensive vis-a-vis the Soviet bloc, rather than, as usual, dealing with the defensive. He agreed that it would be very dangerous indeed if the contents of the paper should leak. Agreeing with Secretary Dulles, Secretary Wilson commented adversely on the moral tone which the paper would seem to give rise to. In turn, Mr. Streibert wondered whether it might not be possible to work out a more limited distribution for this paper than the distribution normally given to a policy paper.

Mr. Anderson said that questions of the security of policy papers had often arisen before, and asked if the Council would not like to hear from the Executive Secretary as to how these matters had been handled in the past. Mr. Lay pointed out that for this paper, as for past papers, it was perfectly possible to resort to a very limited and restricted distribution, so that the precise text would be known only by the heads of agencies, who could pass on the required information in some carefully guarded form. Mr. Lay's remarks prompted the suggestion from Secretary Hoover that certain sensitive paragraphs in the paper should be extracted and made the subject of a special annex to NSC 5608.

Secretary Wilson pointed out that it was, after all, the responsibility of officials in the several departments to carry out these policies. This did not mean that they had to pass the policy papers all over the place. The Defense Department leaked like a sieve, and Secretary Wilson said he couldn't seem to stop these leaks.

Secretary Dulles indicated that it would be possible to remove certain sentences and paragraphs and give them a higher classification, though in general, of course, these papers had to circulate as guidance for those who were to carry out the policy. He personally favored the suggestion of Under Secretary Hoover for a special annex.

The National Security Council:

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a. Noted and discussed the draft statement of policy contained in NSC 5608, prepared by the NSC Planning Board pursuant to NSC Action No. 1530-b, in the light of the views of the Joint Chiefs of Staff transmitted by the reference memorandum of July 11.

b. Adopted the statement of policy contained in NSC 5608, subject to the following amendments:

(1) Paragraph 20: Add the following sentence: "In general, however, do not discourage, by public utterances or otherwise, spontaneous manifestations of discontent and opposition to the Communist regime, despite risks to individuals, when their net results will exert pressures for release from Soviet domination."

(2) Paragraph 23, line 2: After the word "satellites", insert the words "as a disruptive device".

(3) Paragraph 23, line 3: After the word "basis", insert the words ..... under appropriate policy guidance".

(4) Paragraph 25: Delete the bracketed phrase and the footnote relating thereto.

c. Agreed that the NSC Planning Board would delete from the statement of policy in NSC 5608 especially sensitive statements as indicated in the discussion, and that such statements, with the addition of the sentence discussed at the meeting which would require the authorization of the Secretary of State for certain operations, should be circulated as a separate Appendix with special limited distribution.

NOTE: The statement of policy in NSC 5608, as amended and edited in accordance with the actions in b and c above, subsequently approved by the President subject to the following additional amendments:

Paragraph 23, lines 3 and 4: Substitute for "'National Communist' movements" the words "nationalism in any form where conducive to independence from Soviet domination and".

Amend the added sentence referred to in c above to require the approval of the President as well as the authorization of the Secretary of State for certain operations.

The statement of policy in NSC 5608 as amended, edited, and approved by the President, subsequently circulated as NSC 5608/1 and the Appendix thereto; and referred to the Operations Coordinating Board as the coordinating agency designated by the President.