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STATUS REPORT ON THE NATIONAL PSYCHOLOGICAL EFFORT
AND FIRST PROGRESS REPORT OF THE PSYCHOLOGICAL STRATEGY BOARD

Submitted to the President and the National Security
Council by the Psychological Strategy Board

pursuant to the following documents dated 29 May 1952
received from Mr. James S. Lay, Jr., Executive Secretary
of the National Security Council: (1) "Memorandum for
the Director, Psychological Strategy Board - Status of
United States Programs for National Security," and (2)
"Outline for Progress and Status Reports by the Psycho-
logical Strategy Board to the President and the National
Security Council."

This report consists of:

- (1) A statement on the status of the national psychological effort as of 30 June 1952 in relation to objectives contained in approved national policies. This section considers both the implementation of approved objectives, policies and programs by the departments and agencies concerned, and salient developments in the psychological situation abroad.
- (2) Progress of the Psychological Strategy Board from its inception through 30 June 1952 in formulating and promulgating over-all national psychological objectives, policies and programs, and other activities.

I. STATUS OF THE NATIONAL PSYCHOLOGICAL EFFORT

The Board presents below a statement on the status of national psychological programs as of 30 June 1952. In submitting this statement the Board desires to emphasize the following general conclusions:

1. To be fully effective, psychological planning at the strategic level should be based on an agreed over-all strategic concept for the national psychological effort. The development of such a concept, in turn, can take place only in conjunction with a corresponding development and clarification of basic national policy, which may not be possible for some time.

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2. The United States appears to be holding its own in the psychological struggle with the Soviet world but is not making significant progress toward the objective of reduction and retraction of Soviet power as laid down in NSC 20/4. The difficulty appears to lie partly in the absence of fully developed plans for the implementation of this national policy, and partly in the time required to develop the necessary capabilities, especially in view of Soviet measures which maintain the Iron Curtain with increasing effectiveness.

The statement which follows is based on an analysis of current reports of the Department of State and the Department of Defense, of a report by field staff representatives of the Mutual Security Agency, and of a report by the Central Intelligence Agency, concerning their activities related to the national psychological effort during the fiscal year ending 30 June 1952.*

This statement is not presented as a full evaluation of the national psychological program during the period in question, the Board having decided that such an evaluation is not possible at this time. However, the reports on which it is based throw significant light on some aspects of the existing "cold war" situation. There emerges from them a picture of some substantial progress, mixed with many problems and obstacles which hinder a more complete achievement of our psychological objectives.

A. Outside the Iron Curtain

The general psychological situation in the non-Soviet world is not bright, but progress has been made in some areas.

In Western Europe the picture is spotty. On the one hand, progress is reported in containing Soviet communism and in the development of unity and readiness to build indigenous military strength in the area. On the other hand there

*For the text of the report of the Department of State to the NSC, and summaries of the other three reports mentioned, see Annexes A, B, and C, and specially classified Annex D.

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are disturbing reports of the growth of neutralism and anti-Americanism in France and Britain, if not in Western Europe as a whole.

In the Middle East, United States capabilities for effective psychological action have declined, though some slow progress is reported in certain sections of the Moslem world.

In Africa, intensive communist efforts to gain control over the colored races are having some success. A modest start has been made at laying the groundwork for future activities aimed at checking them.

In Latin America, there has been a recent increase in our capabilities for effective psychological action, and some indication of substantial progress in combatting anti-American feeling in certain countries.

In South and Southeast Asia, anti-colonialism and associated racial resentments have been far more important elements in the psychological situation than anti-communism, thus preventing full exploitation of ~~some~~ favorable developments in the military struggle against rebel forces in the area. On the other hand, communist electoral gains in India have forced the Nehru Government to modify perceptibly its former position of neutrality in the East-West conflict.

In Formosa and Japan, some gains are reported as a result of United States psychological activities.

In addition to the above comments on specific areas, the following general observations on the non-Soviet world, drawn from the departmental reports, may be warranted:

1. A steady operational trend toward the use of indigenous groups for propaganda purposes reflects a recognition that in many areas, particularly but not solely Western Europe, overt propaganda bearing the United States label is meeting with increasing indifference or resistance. Further development of non-attributed psychological methods, together with a de-emphasis of overt channels, appears to be logical in this situation.

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2. In underdeveloped countries some progress has been made in developing psychological approaches which appeal to local aspirations and emphasize local participation and initiative. Such approaches are particularly relevant in these areas, where the memory or actuality of domination by the white man is a far greater psychological reality than the Soviet menace.

3. The overriding abhorrence of another possible war in some areas, particularly Western Europe, constitutes an important psychological liability for the United States. This attitude tends to inhibit actions which may seem to involve any increased risk of war, and manifests itself in neutralism, anti-Americanism, and extreme sensitivity to occasional warlike statements by leading Americans. The spread of this attitude makes possible the continued effective use of "peace" as a leading theme in Soviet psychological aggression.

4. Certain national policies of the United States are psychologically damaging in various areas of the non-Soviet world. In the Moslem world this is true of United States policy toward Israel; in areas under European domination it is true of United States acceptance of the colonial policies of its NATO allies; in Britain and elsewhere it is true of United States policy toward China.

The same may be said of certain primarily domestic matters. For instance, efforts to counteract communist exploitation of the race relations problem in the United States have not been fully successful. Likewise, the restrictive immigration policy of the United States, most recently embodied in the McCarran Act, has damaging psychological repercussions abroad. Finally, United States tariff laws severely hurt the ability of foreign countries to export to this

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country and thus are seen abroad as running directly counter to United States policy of building up economic stability in the free world by expanding international trade.

B. Behind the Iron Curtain

In the communist-dominated areas of Europe and of the Far East, Soviet power was probably as strong at the end of the fiscal year 1952 as it was at the beginning. There was no evidence of progress toward achievement of the basic objectives set forth in NSC 20/4, namely, the reduction and retraction of Soviet communist power. Moreover, short-term possibilities of any improvement in this respect appeared so slight as to be negligible. In this area of the world our national psychological effort, both overt and covert, must continue for some time to emphasize long-term objectives and the discovery of means to build up resources and capabilities.

Among the many problems incident to this buildup, one in particular may be mentioned. Our capabilities for effective action against the communist regime in China are limited in part by the absence of a stable and more universal rallying point outside China to which overseas Chinese could look for political and psychological leadership, and by the related need for a thorough-going reform of Nationalist Chinese military and political institutions.

In the overt information field behind the Iron Curtain, the Voice of America emerges clearly from the reports as virtually the only remaining United States psychological operation whose programs effectively reach the peoples of both the USSR and the satellite countries. The reports are equally clear, however, as to the need for making the Voice still more powerful. Meanwhile there are ominous indications that we may be falling behind in the electromagnetic war.

Some good use has been made of defectors and escapees from behind the Iron Curtain during the year, both on the programs of the Voice of America and

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in non-attributable activities of other agencies. Results point to the desirability of a still more highly organized effort in this direction.

C. Related Activities

Certain related activities of a highly restricted nature are not covered in the body of this report. For an evaluative summary of these activities, reference is made to the specially classified Annex D.

D. Organizational Progress

An improvement is noted in the effectiveness of policy guidance during the period covered by this report. In part, the improvement has resulted from closer cooperation of the departments and agencies involved. Quicker and more effective action both in Washington and in the field, and a consequent improvement in the coordination of our psychological effort, has resulted from a number of forward steps in organization. The reports make it clear, however, that much still remains to be done.

II. PROGRESS IN FORMULATING AND PROMULGATING OVER-ALL NATIONAL PSYCHOLOGICAL OBJECTIVES, POLICIES AND PROGRAMS

During its first year of operation the Psychological Strategy Board has taken a number of steps to carry out its responsibility "for the formulation and promulgation, as guidance to the departments and agencies responsible for psychological operations, of over-all national psychological objectives, policies and programs, and for the coordination and evaluation of the national psychological effort." The major effort has been in the planning field. The chief steps taken are as follows:*

A. Plans completed and in effect:

(1) Psychological Operations Plan for the Reduction of Communist Power in France - designed to encourage and support French Government efforts to reduce communist power in their country to a point where it

* For a more detailed report on planning activities, see specially classified Annex E.

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will no longer threaten United States national objectives in the area. Under this Plan and the parallel Plan for Italy (see below), the initiative for the most important actions lies with the indigenous governments. Supporting actions by the United States are under the control of the Ambassador. Progress in France has been considerable during the past two months and prospects for the future appear good.

(2) Psychological Operations Plan for the Reduction of Communist Power in Italy - parallel to the above plan for France. Although progress in Italy is less substantial than in France, the Italian Government is actively considering further effective action in this field.

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B. Plans and guidances completed but not yet being executed:

(1) Plans for immediate execution: None

(2) Stand-by plans:

a. General war:

- i. A plan for the conduct of psychological operations in the event of general war has been submitted by the Board to the National Security Council and was under study by them as of 30 June 1952.*

* This plan was approved by the President on 25 July 1952.

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ii. A national overt propaganda policy guidance for general war has been approved by the Board and serves as guidance for current operational planning on this subject in the Government.

b. Korean Armistice Negotiations:

Two psychological operations plans have been promulgated. One is partly operational at present and provides for further actions in the event that an armistice is achieved. The other plan provides for the contingency that armistice negotiations are conclusively broken off and full hostilities are resumed.

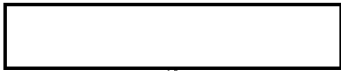
C. Plans and projects authorized and in process of development involve most of the critical areas in the world struggle.

A plan for national psychological strategy with respect to Germany, nearly completed, is to deal with the integration of the Federal Republic into Western Europe, the reduction of Soviet capabilities in Western Germany, the problem of German unification, and the role of a unified Germany in the unification of Europe.

Psychological strategy plans to advance national objectives in the Middle East, Southeast Asia, and Japan are in earlier stages of preparation. With respect to the Soviet Union a psychological operations plan for exploiting Stalin's passing from power has been drafted and is receiving further staff study.

Other plans and papers in preparation, not confined to any geographic area, include:

- (1) an over-all strategic concept for the national psychological effort;



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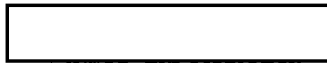
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- (2) a plan for stimulating and utilizing defection from the Soviet Orbit beyond the existing flow of escapees (this plan will supplement the "Phase A" plan mentioned in A. (3) above);
- (3) an inventory of "cold war" instrumentalities, some of them novel, with a view to harassment and retaliation against the USSR and the Soviet Orbit;
- (4) an analysis of communist "germ warfare" and other "hate America" propaganda and the psychological problems arising therefrom; and
- (5) a plan designed both to gain greater acceptance in the free world for United States economic security objectives vis-a-vis the Soviet Orbit, and to capitalize on and obstruct Soviet economic exploitation of captive Europe and Communist China.



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THE FOREIGN INFORMATION PROGRAM

Status Report for Fiscal Year 1952

Prepared by the Department of State.

1. TASKS. In performance of the mission, the tasks of the Department of State's foreign information and educational exchange programs, carried on by the International Information Administration, continued to be those set forth in Annex V to NSC 114/2, in order of priority as follows:

(i) "The first task is to multiply and intensify psychological deterrents to aggression by Soviet Communism, whether in the form of outright action by the armed forces of the Soviet Union, of Communist China or of the satellites of the Soviet Union, or in the form of the subversion of existing free governments by civil forces acting on behalf of Soviet Communism."

(ii) "The second task is to intensify and to accelerate the growth of confidence in and among the peoples and the governments of the free world, especially in Western Europe, including Western Germany, in their capability successfully to deter aggression of Soviet Communism or to defeat it should it nonetheless occur and to inspire concrete international, national and individual action accordingly."

(iii) "The third task is to combat, particularly in the Near and Middle East and South and Southeast Asia, extremist tendencies threatening the undermining of the cohesion and the stability of the free world and the withdrawal of governments and peoples into neutralism."

(iv) "The fourth task is to maintain among the peoples held captive by Soviet Communism, including the peoples of the Soviet Union, hope of ultimate liberation and identification with the free world and to nourish, without provoking premature action, a popular spirit disposed to timely resistance to regimes now in power."

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(v) "The fifth task is to maintain among peoples and governments traditionally linked with the United States, particularly in Latin America, a continued recognition of mutual interdependence and to promote national and individual action accordingly."

2. BUDGET. The budget available to the Department of State for information programs for fiscal year 1952 was:

	<u>Requested by the President</u>	<u>Allocations of Congressional Allowance</u>
Facilities	None requested	(\$36,001,160)*
Operations		
International Press Service	\$11,952,304	\$ 8,465,815
International Motion Picture Service	13,074,035	10,194,554
International Broadcasting Service	25,164,655	19,872,864
Information Service Centers	7,133,909	4,647,780
Exchange of Persons Service	10,652,960	6,515,802
Field Operations:		
NEA \$6,038,231		
FE 5,260,673		
AFA 3,291,311		
EUR 5,793,877	27,329,737	20,448,504
Policy and Program Direction	2,226,552	2,203,146
Administrative Support	<u>17,465,848</u>	<u>14,226,535</u>
Total	\$115,000,000	86,575,000
Iranian program (PL 861)		106,219
Finnish (PL 265)		298,697

*Carry-over available for obligations during FY 1952.

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	<u>Requested by the President</u>	<u>Allocations of Congressional Allowance</u>
Austria	\$ 2,024,650	\$ 1,879,800
Germany	14,653,381	13,675,020
Japan (Army Transfer, PL 375)		1,565,800

3. PLANS IN OPERATION.

A. Substantive.

1. During fiscal year 1952, the following actions were taken in accordance with plans for every country and with special plans as noted, to intensify psychological deterrents to aggression and subversion by Soviet Communism:

(a) The growing strength and unity of the free world were projected, primarily by broadcasts of the IBS, to the peoples and governments of nations dominated by the Soviet Union. This involved exploitation particularly of

- (i) the progressive development of the North Atlantic Treaty Organization (Special Information Guidance No. 83, March 16, 1951, NATO);
- (ii) the impetus given to the creation of ready defensive capabilities among the free nations of Europe under the leadership of the Supreme Allied Commander in Europe (ibid);
- (iii) the economic and military assistance extended to free nations by the United States (Special Information Guidance No. 91, May 23, 1951, Mutual Security Program);
- (iv) the maintenance by the United Nations Command of a strong military position in Korea;
- (v) the increasingly successful resistance to subversive forces in Indochina and Malaya;

(vi) the development of new weapons by the United States and other free nations;

(vii) the progress achieved in establishing an effective mobilization base in the United States;

(viii) the repeated warnings given by the United States, Great Britain, and France that they will protect West Berlin against aggression.

(b) The friendly disposition and the peaceful intentions of the United States were concurrently projected. This involved exploitation particularly of

(i) the proposal put forward by the United States, the United Kingdom and France at the Sixth General Assembly of the United Nations for study of the limitation and balanced reduction of arms and armed forces (Special Information Guidance No. 104, October 24, 1951);

(ii) the letter addressed by the President of the United States to the President of the Presidium of the Supreme Soviet of the USSR expressing the friendship of the people of the United States for the people of the USSR (Emergency Plan for Psychological Offensive (USSR), April 11, 1951);

(iii) the patience of the United Nations Command in seeking an armistice in Korea on honorable terms (Special Guidance No. 106, December 17, 1951, Korean Armistice Negotiations)., and

(iv) special efforts in Germany to strengthen democratic youth and women's group, and development of democratic educational activities and community life.

(c) Aggravation of the internal weaknesses of Soviet Communism was sought, in accordance with Emergency Plan for Psychological Offensive, by exposition particularly of

(i) the ways in which the Soviet Union exploits its satellites and its own people for the benefit of the regime;

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- (ii) the ways in which the people of China are impoverished and ordered to war in the interest of a foreign power (Special Information Guidance No. 98, August 10, 1951, Friction Between Peiping and Moscow);
- (iii) the steady reduction, because of the requirements of adventurous imperialism, of the standard of living in areas controlled by Soviet Communism;
- (iv) the contrast between conditions in those areas and conditions in the free world as testified to by defectors from Soviet Communism;
- (v) the treatment meted out to racial and religious minorities within areas controlled by Soviet Communism;
- (vi) the attempted destruction by Soviet Communism of the national traditions and the cultural heritages of peoples falling under its sway;
- (vii) the refusal of the majority of the prisoners of war in the hands of the United Nations Command in Korea to agree to voluntary repatriation (Special Information Guidance No. 109, February 5, 1951, Exchange of Prisoners of War);
- (viii) the Congressional inquiry into the massacre at Katyn in 1943.

(d) Particularly in areas not under the domination of the Kremlin, exposing the myths surrounding and inspired by Soviet Communism, minimizing the fears as to the strength of fifth columns acting on its behalf and recalling the fate of free peoples whose governments have attempted to collaborate with Soviet Communism.

This has involved particularly

- (i) countering the allegations that the United States employed bacteriological warfare in Korea by seeking to compel the USSR to accept or reject competent, impartial inquiry into the charges;

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- (ii) challenging the pretensions of peace of the USSR
(Special Information Guidance No. 50, July 27, 1950, The Betrayal of Peace, Special Information Guidance No. 96, July 31, 1951, International Youth Festival; Special Information Guidance No. 66, November 13, 1950, Second World Peace Congress);
- (iii) exposing the nature of the Moscow Economic Conference
(Special Information Guidance No. 112, March 17, 1952, The Moscow Economic Conference);
- (iv) exploiting evidence of the decline of membership in the Communist Party outside the USSR and of the diminished effectiveness of its activities, (Special Information Guidance No. 76, February 2, 1951, Communist Strength in Western Europe; Special Information Guidance No. 81, March 10, 1951, Communist Fallibility;
- (v) keeping alive in the minds of others the fate of the satellites of Eastern Europe.

2. The following actions were taken to accelerate the growth of confidence in the free world in its capability to deter aggression or to defeat it should it nonetheless occur.

(a) Convincing the peoples and the governments of the free world of the need for continued building of ready military capabilities as a deterrent to war and of the progress made in achieving them. This involved

- (i) continuous interpretation of the problems facing the North Atlantic Treaty Organization and the progress made in solving them. (Special Information Guidance No. 83, March 16, 1951, The Crisis of Confidence; Special Information Guidance No. 102, September 11, 1951, NATO Meeting, Ottawa; Special Information Guidance No. 110, February 6, 1952, Psychological Approach to NAC, Lisbon);

(ii) exploitation of the development of security arrangements in the Pacific (Special Information Guidance No. 100, August 28, 1951, Peace Treaty with Japan.)

(b) Developing understanding of the advantage of and the necessity for the participation of Japan, Germany, Yugoslavia and Spain in the common defense of the free world (Special Information Guidance No. 65, November 16, 1950, Aid to Yugoslavia; Special Information Guidance No. 68, November 30, 1950, German Participation in the Defense of Western Europe; Special Information Guidance No. 78, February 2, 1951, Germany and Europe Defense; Special Information Guidance No. 100, August 28, 1951, Peace Treaty with Japan.)

(i) "neutralism and neo-Nazism in Germany".

(c) Encouraging the peoples and governments of Europe in the development of common institutions for mutual welfare and defense. This involved demonstrating the interest of the United States in

(i) the Schuman Plan (Special Information Guidance No. 77, Schuman Plan Signing; Special Information Guidance No. 85, March 27, 1951, Germany and the Schuman Plan).

(ii) the European Defense Community (Special Information Guidance No. 101, August 28, 1951, The German Defense Contribution).

(iii) the Council of Europe (Special Information Guidance No. 86, May 8, 1951, The Concept of Europe).

(d) Maintaining confidence in the peaceful intentions, the consistent policies and the reliable leadership of the United States and minimizing differences with its allies. This involved

(i) developing understanding of the responsible policies of the United States in conducting, as United Nations Command, the war and the armistice negotiations in Korea (Special Information Guidance No. 106, December 17, 1951, Korean Armistice Negotiations; Special Information Guidance No. 110, February 5, 1952, Exchange of Prisoners of War; Special Information Guidance No. 113, March 25, 1952, Chinese Irregular Troops in Burma).

(ii) seeking to reduce points of friction and differences with allies (Special Information Guidance No. 92, May 31, 1951, US and NATO Posts Overseas; Special Information Guidance No. 93, June 11, 1951, Danger Signals to Anglo-American Cooperation; Special Information Guidance No. 107, December 29, 1951, Mr. Churchill's Visit to United States).

(iii) explaining policies of United States deeply affecting other countries (Special Information Guidance No. 91, May 23, 1951, Mutual Security Program; Special Information Guidance No. 94, June 16, 1951, Trade Act Extension; Special Information Guidance No. 83, March 16, 1951, NATO-MDAP; Special Information Guidance No. 63, October 27, 1950, U.S. Economic Mission to Philippines).

(iv) exploiting the demonstrated willingness of the United States to seek to relax existing international tensions by peaceful negotiation, as at the meeting of the Deputy Foreign Ministers in Paris, March-June 1951, and in proposing at the Sixth General Assembly an inquiry into the limitation and balanced reduction of armaments.

3. The following actions were taken, largely as the result of daily and weekly guidance and country plans, to combat, particularly in the Near and Middle East and South and Southeast Asia, extremist tendencies, nationalistic and religious, threatening to undermine the cohesion and stability of the free world (Special Information Guidance No. 89, May 21, 1951, South Asia).

(a) Demonstration of the continuing interest of the United States in the achievement of the legitimate national interests on terms of safeguarding the security of the free world. This involved

(i) exploitation of technical assistance by the United States and other free nations to underdeveloped areas;

(ii) exploitation of other assistance to free governments (Special Information Guidance No. 82, March 19, 1951, U. S. Grain to India);

(iii) exploitation of private efforts to improve conditions in underdeveloped areas.

(b) Encouraging the peaceful settlement of disputes threatening stability and order. This involved

(i) projection of the efforts of the United Nations to promote a settlement of the dispute over Kashmir (Special Information Guidance No. 103, September 18, 1951, Kashmir Dispute);

(ii) putting into correct perspective the attitudes and the actions of the United States with regard to situations in Egypt, Tunisia and Morocco.

(c) Encouraging the nations involved to take positive steps to develop their own capabilities for defense.

(d) Increasing general knowledge of the aggressive intentions of Soviet Communism and its hostility to national independence, established religious and local cultures.

4. The following actions were taken, largely in accordance with Special Information Guidance No. 105, November 14, 1951, The Soviet Satellites of Eastern Europe, to maintain, without provoking premature deeds, hope of ultimate liberation among the peoples held captive by Soviet Communism:

(a) Making plain that the United States looks to the establishment in nations dominated by Soviet Communism of governments commanding the confidence of their peoples, freely expressed through orderly representative processes. This involved exploitation particularly of

(i) statements of responsible public officials and private citizens of the United States condemning the Sovietization of those nations and expressing the conviction that freedom will be regained by them.

(ii) statements and actions by emigres of a responsible character reflecting an undiminished interest in and a steady preparation for the restoration of national sovereignty;

(iii) actions taken by the United States to safeguard the legitimate interests of its citizens subjected to illegal persecutions by the governments in power.

(b) Promoting faith that the present situation in the world is not permanent and that freedom will ultimately triumph through the exploitation particularly of

(i) evidence of the illegitimacy and hence the impermanence of existing regimes;

(ii) the actions listed in 2 above.

(c) Keeping alive national traditions and values linking captives with the free world through the exploitation particularly of

(i) the literature, the music, the cultural and scientific achievements of the captive peoples in the past and by nationals of captive nations now living and working in the free world;

(ii) evidence of appreciation of these achievements by the peoples of the free world;

(iii) national and religious holidays, particularly those the celebration of which is discouraged or prohibited by regimes now in temporary power;

(iv) the growth for the development of communities of free nations built upon traditions and values shared by the captive peoples (Special Information Guidance No. 86, May 8, 1951, The Concept of Europe).

(d) Keeping the captive peoples accurately informed of the situation in the free world as a source of hope and a guide to timely action through

(i) the wide dissemination of facts about the policies and actions of the nations of the free world and of the reckless acts and policies of the USSR; and

(ii) sober interpretation of both the news of the free world and of Soviet Communism.

5. The following actions were taken, largely in accordance with country plans and daily guidance, to maintain among peoples and governments, particularly in Latin America, traditionally linked with the United States a continued recognition of mutual interests;

(a) Fostering conscious public support of the principles of Pan-Americanism. This involved

(i) sustained exploitation of the American Foreign Ministers Meeting, March 1951 (Special Information Guidance No. 84, March 27, 1951, American Foreign Ministers Meeting);

(ii) exploitation of the signing of bilateral military assistance treaties with seven nations of Latin America;

(iii) exploitation of visits exchanged between leading personalities of nations of Latin America and the United States.

(iv) numerous special occasions to emphasize democratic and historic solidarity of the hemisphere.

(b) Demonstration of the continuing interest of the United States in the achievement of legitimate national aspirations. This involved

(i) exploitation of bonds of interest between labor in United States and labor in Latin America;

(ii) exploitation of themes and developments as stated in 3(a) above.

(iii) the signing of Point IV agreements, and 10th Anniversary of beginning of IIAA programs in Latin America.

(iv) exploitation of efforts and achievements of private U.S. capital to help social and economic development in other American republics.

(c) Development of awareness of dangers of Soviet Communism.

This involved

(i) concentrated program in Panama of exposure of myths surrounding Soviet Communism, emphasized by visit of ship-mounted radio transmitter "Courier."

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- (ii) exposure of myths as set forth in 1(d) above.
- (iii) exploited participation of Colombian troops in Korea.
- (d) Development of confidence in leadership of the United States.

This involved

- (i) exploitation as set forth in 2(d) above.
- (ii) use of Puerto Rican example to show U.S. devotion to principle of free determination of peoples.

B. Operational

The following represent major plans put into operation during Fiscal Year 1952.

Administration

1. The United States Information and Educational Exchange Program was reorganized into the United States International Information Administration.
2. Integration of informational operations was begun with the Mutual Security Administration in MSA countries.
3. World-wide integration of informational operations was achieved with the Technical Cooperation Administration.
4. Training:
 - (a) Selected overseas local personnel were brought to the United States for indoctrination and intensive training. This program, begun before Fiscal Year 1952, was continued during the year under review.
 - (b) Orientation courses and media training for American personnel newly joining, the IIA program, and on-the-job re-training were reorganized and strengthened;
 - (c) Coordinated training abroad of local personnel, especially in American library techniques, was made a regular feature of the United States Information Service (USIS) operations in France and Italy.
5. Take-over of the Public Affairs Program in Germany and Austria on June 30, 1952, was planned and put into effect on the target date.

6. Take-over of the Civil Information and Education program operated by the Supreme Commander for the Allied Powers in Japan, was planned and put into effect on the coming into force of the Peace Treaty between the United States and Japan on April 28, 1952.

General

7. Decentralization of operations was accelerated, marked by

(a) Increased local radio programming abroad,

(b) Increased production of press and publications abroad — now amounting to 80% of the total output — from raw materials and pilot models supplied from Washington,

(c) local production of moving pictures, carrying a propaganda message, in twelve countries,

(d) increased translations of American books, totalling 163 titles in 23 languages.

8. Greater emphasis was placed on working with and through indigenous groups and channels, to achieve greater audience acceptability of the United States propaganda message, and to encourage greater participation by those groups in spreading that message.

9. A plan was adopted to increase the acceptance of American troops overseas and combat communist propaganda against them.

10. "to offset the Soviet "Hate America campaign" and the bacteriological warfare charges".

11. An outstanding example of sharper country planning was the "geographic concentration" program devised by USIS-Italy, calling for intensified and tailored USIS efforts in area of special political importance in the forthcoming national elections. This program has been under way since the beginning of the period under review.

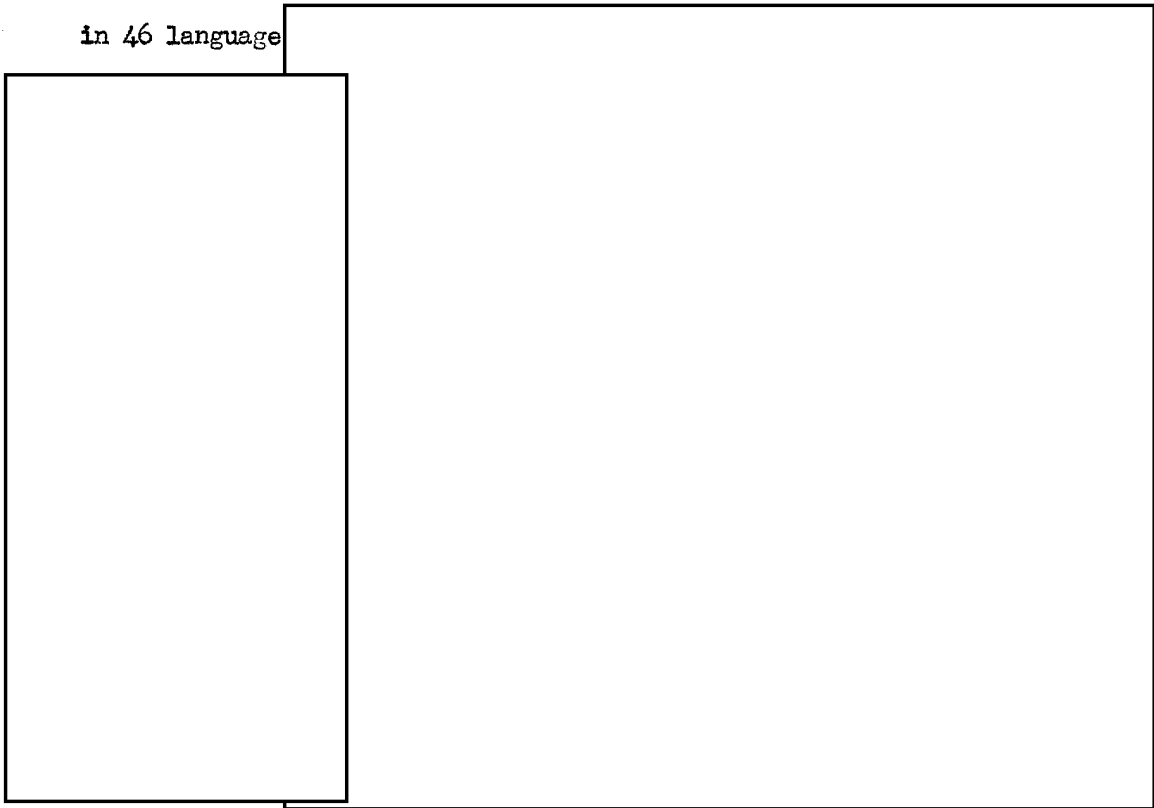
12. United States participation in international trade fairs was furthered by the collection made by the Department of Commerce with IIA support, of an industrial exhibit which will be shown first at the Izmir Fair and later in Asia and Europe.

13. A working committee was established to coordinate IIA programming and to stimulate output of special materials for the Middle East, which will reflect United States interest in and understanding of Islamic peoples for other than military or political reasons.

14. A plan was adopted to counter communist influences in Indian universities and intellectual circles, where 20% are regarded as being communist. According to the plan, a USIS officer will visit each university twice annually, prominent Americans will make lecture tours throughout India, and Indian professors and students will receive special mailings, including follow-up letters.

Broadcasting Service

15. IIA now operates 62 land-based transmitters, of which 38 are located in the United States and 24 at various points overseas, programming in 46 language



18. The primary responsibility for USIS television activity was assigned the Broadcasting Service in close collaboration with the Motion Picture Service (IMS) through the mechanism of the IBS-IMS Television Board; IMS was made responsible for contacts with the film industry in procuring films for TV use.

Press Service

19. The Press Service was reorganized along regional instead of media lines.

20. A series of background and action kits was planned and thirteen were issued during the year for the use of USIS overseas missions, as follows: Essentials of Peace (exposing the communist peace offensive), Freedom or Slavery (the fate of man under communism), Peace of Reconstruction (the treaty with Japan), Pattern for Aggression (Soviet strategy in North Korea), Minorities (a progress report on minorities in the United States), Warmongers! Imperialist! (the United States record and the Soviet record), NATO's third anniversary (the purpose, progress and purely defensive character of NATO), the United States elections (explanation of the United States political system), Credo for a Free Country (the faith that lies back of the United States fight for liberty), Partnership for Peace (the United Nations), Where all Americans Stand (the nature of bi-partisan legislation), The Truth about BW (bacteriological warfare), Communism and Sports.

21. Seven new magazines were planned and launched during the year, including three in Europe where none had been published before.

22. Several interpretive news columns were planned and started to supply the interpretation and perspective often lost through strict "news" treatment.

23. Publication of AMERIKA magazine in Russian was given careful review because of mounting Soviet restrictions.

Motion Picture Service

24. Planned production for the Fiscal Year under review was to service 87 countries with 470 reels of new material produced or contracted for, 4,439 foreign language reels in 40 languages with an estimated 92,000 print reels prepared for distribution. This planned production was exceeded, with over 5,000 language reels and over 92,000 print reels completed by Fiscal Year's end.

25. A weekly newsreel unattributed to USIS was inaugurated during the year. It is now distributed in the Middle and Far East in 20 language editions to 16 countries.

Information Center Service

26. A book publishing corporation, including on its board of directors distinguished American publishers, was organized with a capital furnished by IIA, of \$750,000. Its first area of attention will be translations into Arabic.

27. Utilization of books to achieve psychological objectives was expanded through:

- (a) a presentation program totalling 2,010,000 volumes;
- (b) greater use of loan collections in government offices, universities and other community centers;
- (c) circulating packet libraries.

28. The number of information centers operated by USIS overseas was increased during the year by 38, for a total of 193 centers.

Educational Exchange Service

29. The selection of grantees was sharpened to focus greater psychological impact on established high priority target groups. Special efforts are being made by overseas missions to keep in touch with grantees in their return to their native lands.

Evaluation

30. The central Evaluation staff was made directly responsible to the Administrator of IIA to increase its objective viewpoint by removing it from planning and programming operations.

31. A series of evaluation studies and surveys have been completed. Many of these were contracted for with private research organizations which operate in foreign countries through indigenous research groups and individuals.

32. Extensive surveys into communication habits and their relation to political and social motivations are being conducted in several countries, notably Brazil, Mexico, India and Panama.

C. Progress Towards Objectives

The degree to which a series of specific actions have contributed to the creation of a given psychological situation can not be measured. The broadcasts, news files, pamphlets, posters, exhibits, motion pictures, translations, library facilities and leader and student exchanges sponsored by the United States Government constitute only a small part of the sum of influences affecting the attitudes of an individual, a group or the government of another agency. Moreover, the official propaganda of the United States is itself only a projection of decisions taken and measures executed in the other fields of national and informational activity — political, diplomatic, economic, military. Propaganda can seek to put these decisions and actions in the best light, but it can not far exceed their inherent limitations. Neither can it shut out from the minds and the emotions of other peoples the influences directed at them from other sources. An estimate as to how nearly a psychological task has been carried out and to what extent a series of planned actions contributed must therefore be highly qualified.

4. PLANS COMPLETED TO DATE

A. Plans awaiting execution.

(a) Substantive

1. Plans to deal with the special problems in the relationship between United States troops in Germany and the German civilian population.
2. Plans for fairs and congresses in Berlin.
3. Plans to increase the power of the RIAS station in Berlin.

(b) Operational

1. The portion of the Radio Construction Program approved by the Congress but for which appropriations have not been made includes the following tentative projects carrying the code names of: Negate, Vagabond "B", Vagabond "C", George Ocean, Peter, Mike, King and Tare.

2. The following ten projects prepared in accordance with NSC Action No. 575-1, and approved by the Bureau of the Budget for submission to Congress, but for which the necessary funds were not authorized.

(i) Support for a book publishing and export house. As reported in 3.E(25) above, the corporation has begun to prepare Arabic translations. World-wide use of the book corporation awaits further monies to be authorized by the Congress.

(ii) A four-fold mass communication project involving several media divisions. It was to consist essentially of:

(aa) travel and study grants to popular writers from 30 priority countries,

(bb) an exchange involving some ninety individuals in the field of radio from 30 priority countries.

(cc) an exchange involving some 150 individuals in the field of press and publications, on the working level,

(dd) bringing four-man teams to the United States from countries where the motion picture industry is either non-existent or poorly organized.

(iv) Feature films produced in and for countries of the Middle and Far East to combat neutralism and addressed to youth.

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(v) Establish 17 positions throughout the Far and Middle East, to work to convey our psychological message principally through folk customs, folk-tales and folklore.

(vi) Special publication of 78,000,000 cartoon books with a propaganda message, directed at priority target groups in Latin America, and 6,000,000 copies of "An Outline of American History."

(vii) Exhibits of democracy, consisting mainly of four truck-mounted traveling exhibits and sponsored exhibits at 25 major fairs.

(viii) Interchange of local employees between IBS in New York and local employees overseas.

(ix) Research and technical developments in the field of electro-magnetics, better to equip IIA's radio operations in the "electro-magnetic war" with the Soviet Union.

(x) Financial support to implement the plan to increase popular acceptance of American troops abroad.

3. Establish two regional press and publication centers: one in the Middle East, tentatively scheduled for Bierut, the other in Latin America, tentatively scheduled for Panama.

B. Stand-by Plans

(a) Substantive

1. Two plans for psychological operations with reference to Korean armistice negotiations.

(b) Operational

1. A plan to provide for psychological actions should the Soviet Union increase its efforts to isolate Berlin.

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5. PLANS IN PREPARATION OR STUDY

A. Substantive

1. Psychological operations in the event of war.
2. The concept of freedom.
3. The role of labor and free trade-unionism in a free society.
4. Colonialism and its relation to evolution of non-self-governing peoples.
5. The nature and function of land reform as an element in the evolution of non-self-governing peoples.
6. American culture as a factor making acceptable abroad the leadership role of the United States.
7. Free enterprise as a significant element in American society, history and development.
8. Racial problems as a factor in propaganda.

B. Operational

1. To further improve the training of personnel in the field of psychological operations.
2. To use nationals of third countries to carry the United States psychological message to a given country. The problems are legal as well as financial.

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4. To improve the conditions under which foreigners visit the United States. There are some indications that the exchange of persons program is nearing saturation under the present statutory limits on per diem allowances, the present immigration legislation governing the issuance of visas and the present internal revenue regulations which levy tax on earned incomes of trainees.

5. To develop further the use of folk songs, folklore, folk tales, itinerant story-tellers, and other non-literate and pre-literate folk media to carry our message.
6. To supply newsprint to friendly publishers abroad.
7. To bridge the gap in understanding between Asia and the rest of the world, Europe included.
8. To determine use of three dimensional moving pictures in the media operations of IIA.
9. To incorporate the findings of evaluation into operations.
10. To aid the appropriate German governmental agencies to prepare courses in troop indoctrination, and to prepare a democratic citizens army.
11. To meet the problem presented, should the Soviets raise troops in East Germany.
12. To use unconventional media and techniques in special situations.
13. To determine the influence of quantitative or qualitative food deficiencies on group attitudes.

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SUMMARY OF THE REPORT OF THE DEPARTMENT OF DEFENSE

The Department of Defense in its first status report to the Psychological Strategy Board outlines its obligations and responsibilities within the national program and describes the activities that have been undertaken. The Department of Defense notes that in the President's directive creating the Psychological Strategy Board and in the request of the National Security Council for Department of Defense participation in the preparation of a progress report, there is a clear indication that the Defense Department has a role in psychological operations beyond that of war planning or support for other agencies in the psychological operations field as requested by them. The Department of Defense notes, however, that a detailed delineation of the responsibilities implied has required a substantial amount of new and preliminary planning. It notes also that detailed responsibilities in some areas of cold war psychological operations are still in the stage of development and have not been entirely defined at the present time.

*NSC Declassification/Release
Instructions on File

It follows, therefore, that the Department of Defense in outlining its activities, has placed greatest emphasis upon war planning and supporting operations.

Responsibilities

The Department of Defense responsibilities in the conduct of psychological operations are cited in NSC 127, 59/1, 10/2, 10/5, and the Presidential Directive of April 4, 1951. NSC 127 states that "the Joint Chiefs of Staff, in conformity with established national policy and PSB guidance.....shall be responsible for planning and

OSD review(s) completed.

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execution of U. S. psychological operations in military theaters of operations" except in "...territory of a government which exercises civil authority and to which a U. S. diplomatic mission is accredited..." The Department of Defense under the requirements of the other references cited is assigned a coordinating or membership responsibility in the several interdepartmental committees and organizations established in connection with psychological operations. Under these provisions, the Deputy Secretary of Defense serves as a member of the Psychological Strategy Board along with a representative of the Joint Chiefs of Staff as principal military adviser. The Department of Defense participates in the activities of the Psychological Operations Coordinating Committee. The Department of Defense is represented on the consultant committees established under the provisions of NSC 10/2 and 10/5.

Beyond this participation in the policy and planning activities of psychological operations, responsibility for which is generally vested in the Office of the Secretary of Defense, the defined functional responsibilities of the Department of Defense relate principally to war-time activities or war planning, and are divided into the following categories: (1) psychological warfare, and (2) unconventional warfare, including covert operations.

Responsibilities within the Department for the above functions have been allotted to the following: (1) Joint Chiefs of Staff, (2) Commanders under the Joint Chiefs of Staff, and (3) the Services.

A joint agency set up within the Joint Staff under the direction and control of the Joint Chiefs of Staff is responsible in general for the coordination of the psychological warfare plans and preparations of the Army, Navy, and Air Force. The commanders under the Joint Chiefs of Staff are responsible for the actual conduct of psychological warfare operations by their forces. The commanders are specifically

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enjoined to conduct propaganda and informational campaigns so as to influence neutral or friendly groups in such a way as to promote the accomplishment of the objectives of the United States and its allies.

The functions of the Services in psychological warfare include such operations as preparing equipment and supplies for the prosecution of PW; providing the necessary intelligence; organizing, training and equipping forces for joint operations, etc. Specific responsibilities within their respective fields of interest have been assigned to the Army, Navy, Marine Corps, and Air Force.

Unconventional warfare (which is divided into guerrilla warfare, evasion and escape, and subversion against hostile states) is to be conducted by the nation's armed establishment in active theaters of war where U. S. forces are engaged, whether or not a formal state of war exists.

The planning and strategic direction of unconventional warfare is the responsibility of the Joint Chiefs of Staff. In time of peace they cooperate with CIA/opc by providing guidance and assistance in the development of its plans for wartime covert operations, and reviewing projects for the conduct of wartime covert operations to determine whether they are consistent with and complementary to approved joint war plans. In the event of war they will plan and direct covert operations in active theaters of war where the U. S. forces are engaged and coordinate the planning of all covert operations.

Similarly, in time of peace, the commanders operating under the Joint Chiefs of Staff, are preparing, in coordination with CIA/opc representatives, unconventional warfare plans, including requirements for covert operations in support of approved war plans. Commanders are also undertaking to establish mutually acceptable mechanisms with CIA/opc so

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that the military commander can keep informed of CIA peacetime plans and operations to the extent necessary to ensure that they do not interfere with the accomplishment of his mission.

Current Operations

The Department of Defense through the JCS Commander for the Far East has engaged in psychological warfare activities under the provisions of present policy in Korea. It has concluded that psychological warfare in Korea has effected substantial savings in manpower and material.

It has participated in the development of psychological operations support activities under the Department of State for the Korean truce negotiations, and has achieved a significantly increased acceptance of tactical psychological warfare on the part of the combat arms. PSB plans "SHANKILL," "TORRENTIAL," and "AFFILIATE" have been used by the Department of Defense as guidances in the preparation of its plans for psychological warfare in Korea. A series of operational contingency plans have been prepared by the Commander-in-Chief in the Far East (CINCFE) in support of the PSB plans. The Department is also providing support for approved programs for covert operations, including facilities, personnel and materiel. Overt propaganda activities are utilizing a radio broadcasting and leaflet group, a loudspeaker and a leaflet company and for air support a special flight. Jet aces of the Korean war have been successfully exploited for psychological purposes.

In addition to actual psychological warfare operations in Korea, the Department of Defense is engaged in preparing psychological warfare and unconventional warfare plans in support of strategic war plans in other areas in accordance with national policies. In connection with this work, representatives of the Department are participating in inter-departmental and international planning in the NATO organization.

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Examination and implementation of Department of Defense capabilities in connection with support of psychological operations in the cold war is also under way.

Psychological operations plans of the Department in time of war call for the activation and employment of eight radio broadcasting and leaflet groups, eleven loudspeaker and leaflet companies and seven air resupply and communications wings, of which three radio broadcasting and leaflet groups, four loudspeaker and leaflet companies and two air resupply and communications wings are at present activated.

Orientation in psychological operations is being given in war colleges and command and staff schools. In addition, selected personnel for psychological operations assignments are given further training in Service schools designed for that purpose.

Comments: Deficiencies of the National Psychological Program

The Department of Defense believes that the developing national psychological strategy should clarify the role and obligations of the military establishment in psychological operations, and should provide for more effective psychological operations support to necessary military programs.

Specifically, the Department of Defense considers that the national psychological program could be developed to provide for more adequate support of the national military effort by:

- (1) fostering at home and abroad a psychological attitude which will endorse the use of all types of new weapons when they are required;
- (2) exploiting the psychological effects of atomic tests; and
- (3) establishing national objectives and clarifying department and agency responsibilities governing psychological operations during the cold war.

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The Department of Defense considers that the nation's military establishment can render more effective support to the national psychological program if its wartime potentials are exploited to the maximum during the cold war period. In addition to providing needed training for psychological warfare activities of the Services, such participation could make a significant contribution at the present time. Included in such participation could be provisions for appropriate show of force in the form of military demonstrations, utilization of existing psychological warfare units, for cold war operations, and additional support for covert operations.

The Department of Defense stipulates that its programs and activities both at home and abroad are designed primarily to achieve military ends. It notes, however, that many, if not all, of these activities have an inherent psychological impact. While certain planning designed to maximize the advantageous psychological effect of such programs has been undertaken, and certain planning has been completed designed to minimize the adverse psychological effect of necessary military activities, more consideration of these aspects is indicated.

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SUMMARY OF A REPORT BY
FIELD STAFF REPRESENTATIVES OF
THE MUTUAL SECURITY AGENCY

Western Europe

This report places its major emphasis on the psychological reaction, particularly in Western Europe, to the shift in the main purpose of United States aid from economic recovery and development to military defense. This shift is considered to have had a number of important psychological results, generally adverse to United States interests. Certain conclusions concerning operations are drawn from analysis of the changed psychological situation, notably that United States propaganda operations are too conspicuously identified as such, and that, accordingly, development of covert propaganda is indispensable.

Chief among the psychological changes reported are the following:

(1) The closely related attitudes of political neutralism and anti-Americanism have increased in strength, particularly in France but also in the United Kingdom and other parts of Western Europe. Some of this sentiment reflects resentment over the presence of American troops and military bases; some of it reflects anxiety over the supposed "belligerency" of United States policy. It is pointed out that more Europeans this year than last (though still a minority) believe that, if a third World War occurs, America rather than Russia will be the aggressor.

(2) Whether sincerely or not, Europeans tend to attribute their current economic dislocations to United States rearmament policy, and increasingly question the ability of the European economy to sustain a further rearmament burden.

(3) The involvement of the European unity movement with the rearmament program, primarily through the EDC project, has become the main psychological obstacle to further progress toward European unification. In particular, it has directly contributed to the delay in implementation of the Schuman Plan.

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(4) In the United Kingdom, a powerful Bevanite minority has emerged in the Labor party opposing the alleged subjection of Britain to United States foreign policy. Among its chief arguments are that the defense effort conflicts seriously with the social services, and that rearmament (particularly as applied to Western Germany) is likely to provoke war.

In summary, it is held that the European response to the rearmament policy constitutes a psychological obstacle to the purposes of United States aid to Europe and reduces the effectiveness of United States support of European unity. It is felt that many Europeans tend to ignore the basic purpose of the rearmament policy -- namely, to create a framework of security for the development and expansion of European economic and social standards begun under the Marshall Plan.

Operational measures taken to meet this situation include:

- (1) a reorientation of the MSA information output to give primary emphasis to NATO and military defense (including a special program in support of EDC ratification);
- (2) a great increase in the proportion of MSA informational activities which are channeled through European governmental and private groups (now as much as 80 or 90 per cent);
- (3) extensive MSA support of the NATO information program;
- (4) considerable progress toward the goal of full integration of MSA information operations with those of USIS in Europe, on both country and regional levels.

The report suggests the desirability of further steps along the following lines:

- (1) Full recognition among United States officials that the change from ECA economic aid to MSA defense aid has resulted in a change in the psychological climate in which United States aid operations must be carried out;

(2) Further development of the trend away from United States information activities overtly identified as such, and corresponding development of covert propaganda activities.

(3) Efforts to strengthen the propaganda effort of NATO, to the extent that the reluctance of European member governments permits this.

Soviet Orbit in Europe

Although no MSA activities are directed specifically at the Soviet Orbit, some MSA-supported radio broadcasting and other information activities in Western Europe reach into the Orbit countries.

The report suggests that the Marshall Plan had considerable psychological impact behind the iron curtain, where people appeared to feel that the "grass was growing greener on the other side of the fence" and communist propaganda had to combat this view. On the other hand, the shift of emphasis to military can be used by communist leaders as "confirmation" of their long-standing charge that the Marshall Plan masked aggressive intentions. However, the same signs of growing military strength may reassure those people in the Orbit countries who yearn for liberation.

Near East and Africa

MSA information activities in this area are limited to contributions to the work of the Franco-American Committee, which operates under the supervision of the Embassy. No evaluative comments on this activity are made in the report.

Southeast Asia and Korea

The chief obstacles to public acceptance of the United States and its objectives in these areas are listed as:

- (1) the history of the white man in Asia;
- (2) current United States commitments;
- (3) the unpopularity of some elements supported by the United States;
- (4) communications difficulties; and
- (5) illiteracy

These factors increase the difficulty of identifying the United States with local aspirations rather than with imperialism. The United States is reported to be regarded generally as a defender of the status quo.

MSA and TCA social and economic aid programs are believed to generate some favorable opinion. On the other hand, it is felt that military aid is likely to have the opposite effect unless it is properly presented. As in Europe, communist propagandists in Asia have gained some credibility for their accusations by exploiting United States military aid programs.

The report makes the following suggestions:

- (1) The United States psychological effort in this area should place greater emphasis on specific local problems, primarily social and economic; and should explain United States policies (including military aid) in terms which correspond closely to the immediate aims of the peoples involved.
- (2) High priority should be given to public participation in national development, so that the masses become understanding and responsible participants rather than mere spectators.
- (3) Aid in the area should be offered only on reasonable conditions to which adherence should be demanded. The importance of the East-West conflict should not result in adoption of the principle of "aid at any price".
- (4) Equal emphasis with anti-communism should be given to positive democratic values, and firm criticism should be made of those in the area who abuse such values. No concessions should be made to the chauvinism and xenophobia of immature nations.
- (5) United States propaganda in the area should not over-emphasize cultural affairs at the expense of political warfare.
- (6) America's ability to "deliver the goods" should be emphasized, in contrast to the inability of the U.S.S.R. to do so.

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SUMMARY OF A REPORT FROM THE CENTRAL INTELLIGENCE AGENCY

There has been some progress in achieving the national objectives set forth in NSC 10/2 and 10/5. This progress, however, has been slow and in most areas severely restricted, partly by the limited nature of available resources and capabilities, but even more by time limitations. It takes a long time to develop the apparatus and the trained personnel for covert activities and the development of concepts and doctrine of the kind discussed in this report. The United States has been engaged in covert activities for too brief a period, and therefore present developments fall far short of ultimate potential.

EUROPE

In Western Europe, CIA reports that Soviet power and influence have been contained in France and Italy. An indication of the progress of containment in this area is found in the fact that Soviet and indigenous Communist attacks against non-Communists in Western Europe have been increasing in number and violence in proportion to increased U.S. covert operations.

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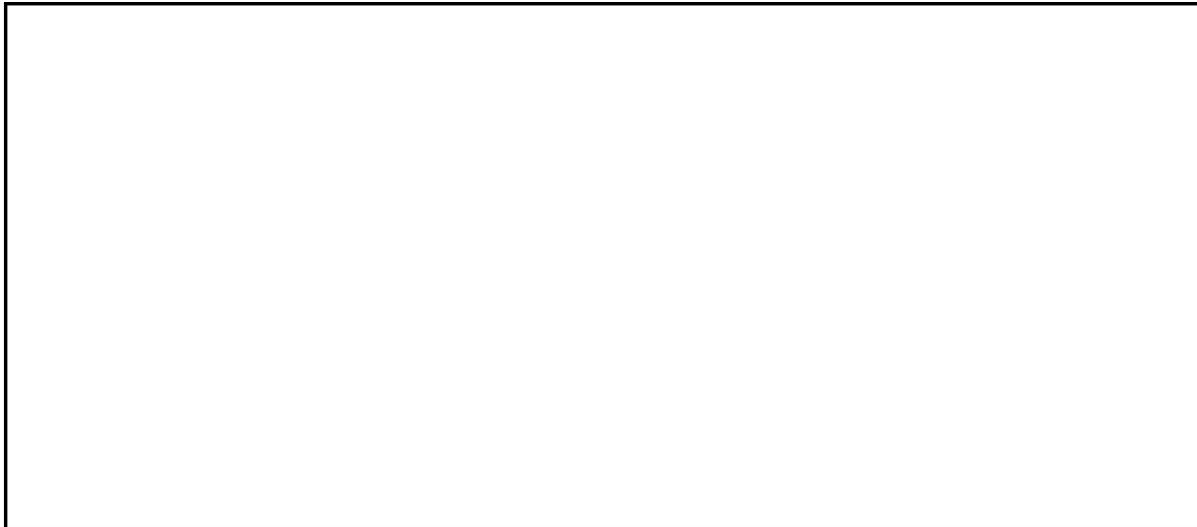
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In Eastern Europe, Soviet power and influence have not been reduced to any measurable extent. However, U.S. capabilities for future covert operations have increased, particularly in Poland and East Germany. Recent covert ^{25X1} operations have revealed that the Communist authorities do not have complete control of the situation in these countries, and that the area can be



In the satellite countries of Southeastern Europe, CIA capabilities for psychological operations have increased considerably, though Soviet power and influence have not been reduced in the area.

The power and influence of the KrenJin within the USSR has not been affected by U.S. covert activities, and short-term possibilities in this direction are so slight as to be insignificant. CIA's effort in this area is now being focused on progressively developing capabilities for long-term exploitation.

Pointing out that present policy provides for U.S. support of anti-regime resistance of the Great Russians, CIA sees a definite need for resolving the

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policy question of the extent to which it will be permitted to support clandestinely and exploit operationally any group or individual actively interested in the destruction of the Bolshevik regime.

MIDDLE EAST

A decline in U.S. capabilities throughout most of the Middle East is noted, though this is felt to be only temporary. To some extent, the decrease in U.S. covert capabilities in the Middle East is attributed to the policy conflict arising out of U.S. support for the maintenance of France's position in North Africa, which has psychological repercussions throughout the African, Arab, and Asian worlds. Similarly, an impediment to U.S. capabilities in the area is found in the disparity of our attitudes toward Israel and the Arab States despite a stated policy of impartiality.

In the particularly important field of the Moslem world, some progress has been achieved along the following lines:

1. In utilizing nationalist forces for our own purposes, by endeavoring to direct them away from their more destructive tendencies and into channels which will be relatively compatible with U.S. interests; namely, to endeavor to turn the force of nationalism against the Communists, to direct it against political corruption, to focus it upon demands for social reform and economic progress.
2. In stimulating an increased awareness among the religious hierarchy of the threat of international Communism;
3. In increasing the degree of understanding of the status of Moslems living inside the Soviet orbit; and
4. In laying the groundwork for further expanded activities along similar lines. Progress will continue to be slow in this field because of the most delicate and dangerous aspect of Near Eastern affairs from the point of view of foreign intervention.

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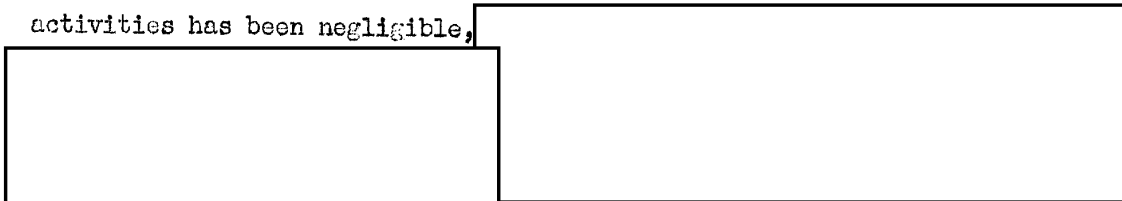
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FAR EAST

Support of the Chinese Nationalist Government on Formosa is described as the most significant program now being undertaken by CIA in the Far East, where the Agency is also actively supporting the military authorities in Korea, and laying the groundwork for penetration of Manchuria and North China.

While, on balance, the U.S. has achieved some psychological gains in the overt field (Treaty of Peace with Japan, Pacific Military Alliances, etc.), Soviet power has not been measurably reduced in the Far Eastern areas under its dominance, and that progress toward our objectives in the field of covert activities has been negligible,



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KOREA

CIA regards coordinating machinery between civilian and military authorities in the field of psychological warfare as inadequate in certain respects. A coordinating mechanism [redacted] was set up, for example, but failed to include the operations of USIE services in Korea. Close cooperation with the military exists in the field on intelligence and tactical psychological warfare measures. However, a completely effective coordination of two major strategic plans with respect to Korea has not been realized with respect to coordination of command and logistical support, but steps are being taken to remedy this situation.

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LATIN AMERICA

Despite evidence that the Soviet Union is now placing greater emphasis on its covert mechanisms in Latin America, U.S. covert capabilities have substantially increased there, through the expansion of personnel and facilities during the past year. Such expansion, it is planned, may increasingly turn toward the formation or support of indigenous, nationalistic, free-enterprise

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groups, or political parties. Some substantial results in combating pro-Communist and anti-American influences have been achieved 25X1

in Chile, Brazil, Uruguay, Mexico, and Panama. It is to be noted that Latin America is an area unique for the United States, because of the overt Good Neighbor and non-intervention policies of long standing, and in the powerful reasons necessitating those overt policies. The security of covert operations, and the further development of policy and management systems which protect such security both in Washington and in the field are of peculiar importance for this area. Therefore, CIA capabilities have been developed to be operative only under special conditions.

AFRICA

In Africa a beginning has been made in laying the groundwork for future activities to check Communist efforts to get control over the colored races; but this work has so far been purely preparatory and no progress toward actual achievement in that field is recorded.

GENERAL

In general, CIA emphasizes the importance of setting up increased capabilities, particularly in the form of thoroughly-trained American and indigenous personnel and long term cover mechanisms. An apparent need exists for establishing at all possible points radio broadcast facilities capable of reaching the USSR.

CIA's capabilities need to be reinforced for building up an apparatus capable of long-term exploitation against the Chinese Communist regime. For the shorter terms CIA has had only very limited success in the penetration ~~either~~ of either of Communist China or the USSR itself.

CIA points up the vital importance of VOA as constituting at present the only effective means the U.S. possesses for conducting psychological operations within the confines of the USSR. Covert penetration has been carried out

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primarily for the purpose of procuring intelligence, and because of the rigid controls impeding the movement of agents inside that country, no psychological warfare under present conditions can be undertaken in the USSR by any other medium except radio.

Through its covert channels CIA has discovered that VOA broadcasts have been audible in the USSR throughout 1950 and 1951. Although Soviet jamming has considerably reduced the audibility of these broadcasts, nevertheless information obtained from returning German prisoners of war and Soviet refugees and defectors indicates that considerable segments of the Soviet peoples continue to listen to VOA broadcasts despite technical difficulties and personal risk. Some of these refugees have criticised the VOA broadcasts for not being sufficiently forceful and for devoting a considerable portion of the programs to irrelevant matters not bearing directly on the current East-West struggle. Furthermore, ethnic groups such as the Ukrainians have complained that the broadcasts are not sufficiently representative of the desires and aspirations of the minority groups within the USSR. But when all this is said, the fact remains that information obtained by CIA indicates that the VOA broadcasts do play an important role in reminding the peoples of the Soviet Union that there is an alternative way of life, and in providing them with hope of ultimate liberation.

Despite a marked increase in the amount of radio propaganda indirectly aimed at encouraging Soviet defectors, there was no increase in the number of said defectors over the past year. Greater emphasis on the psychological utilization of defectors, particularly as the core of covert activist cadres would be desirable.

In Western Europe especially, there was marked progress in CIA's efforts to work through various anti-Communist groups - both urban and rural. At the same time, there have as yet been no very tangible results from attempts

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to penetrate indigenous Communist parties. On the other hand, efforts to combat Communist influence in the labor unions, particularly through encouraging anti-Communist labor organizations, have met with considerable success, [REDACTED], and the view is expressed that 25X1 capabilities in this direction should be increased.

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C. Psychological Operations Plan for Soviet Orbit Escapees - Phase "A" (PSB D-18a).

This plan, approved by PSB December 20, 1951, includes programs to care for and resettle current escapees, and envisages maximum possible utilization of escapees in CIA programs and under Public Law 51 (Lodge Amendment), which permits recruitment of escapees into the U.S. Armed Forces. For discussion of Phase "B" see paragraph 3A.

On April 7, pursuant to approval by the President, \$4.3 million dollars were made available by the Director of Mutual Security to the Department of State, which had been given responsibility for the program.

The time since funds were made available has been used to build the organization and staff for the continuing administration of the program; and to identify and care for the most urgent immediate needs of escapees.

Organization. Small staffs are being established and activities have begun in each of the countries which border the iron curtain. A regional office in HICOG and a policy and coordination unit in the Department of State have been established.

Resettlement and Supplemental Care. A general contract was signed on June 16, 1952, with the Provisional ^{INTER-GOVERNMENTAL} Committee for the Movement of Migrants from Europe (PICMME, an international body organized in November, 1951) for the overseas transport of up to 14,000 escapees during one year at an estimated rate of \$100 per capita. The number thus far moved under the program is negligible, but it is anticipated that a scheduled flow may be attained in August.

Projects have been authorized to care for urgent immediate needs of escapees resident in Greece, Germany, Austria, Turkey and Italy, such as

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food, clothing, shoes, repair and decontamination of barracks, medical treatment and the like. In every country of operation the immediate needs of the escapees are being met.

Propaganda Utilization. No general propaganda utilization of the plans and activities of the escapee program is now contemplated by State Department. Newsworthy projects and assistance to key individuals will be used in media reaching iron curtain areas when appropriate. When the program has greater accomplishments to point to, the State Department plans more general treatment. Similar policies govern domestic information activity.

Funds. Of the initial authorization of \$4,300,000 an estimated \$1,500,000 was obligated during the fiscal year 1952. An additional \$1,460,500 is being requested to cover an increase in the estimated number of escapees already requiring assistance.

Accomplishment of Other Purposes. As requested under this phase of the plan the Department of Defense has somewhat liberalized the conditions under which escapees may be recruited under the authorization of the Lodge Amendment. Of 5194 applications, 3916 have been rejected, 295 have been accepted (262 on active duty) and 982 are being processed.

The program has not proceeded far enough to make a significant number of referrals to CIA for use in its programs.

D. Public Statements with Respect to Certain Weapons. (PSB D-17d)

In February 1952, following a series of conflicting statements by public officials as to atomic and related developments, the PSB approved and forwarded to the Executive Secretary, NSC, recommendations for a guidance to appropriate agencies on public statements with respect to certain weapons. On 9 May 1952 a memorandum on this subject was issued by the President setting forth the criteria recommended by the PSB and directing compliance therewith. At present the PSB staff is reviewing the action which has been taken by the agencies and the effect of the application of the criteria.

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2. PLANS COMPLETED BUT NOT YET BEING EXECUTED - STAND-BY PLANS

A. Psychological Operations Plan Incident to Korean Cease-Fire Negotiations (PSB D-7c).

Approved by the Psychological Strategy Board on October 25, 1951.

This plan is designed to establish special psychological objectives to be implemented toward our allies as well as our adversaries, with respect to the Korean conflict. Some of the desired courses of action are at present in effect, but the majority of the recommended actions are directly related to the progress made in connection with the cease-fire.

The operational planning is substantially complete. An alert network has been established among the affected agencies so that the appropriate action can be put into effect without delay as developments make this necessary.

B. Emergency Plan for Breakoff of Korean Armistice Negotiations (PSB J-19d).

Approved by the Psychological Strategy Board on September 18, 1951.

This plan endeavors to establish for governmental departments and agencies engaged in psychological operations courses of action for application in preparation for, and in the event of, a breakdown in the Korean armistice negotiations.

The operational planning is substantially complete. The receipt of certain assurances from the Far Eastern Command with respect to logistical support is necessary in order that the affected agencies can establish the appropriate contingent plan without delay, should developments make this necessary.

C. Plan for Conducting Psychological Operations During General Hostilities (PSB D-8b).

This project was approved by the Board on February 21, 1952 and submitted to the National Security Council as NSC 127.

This plan was designed in order that the proper agencies would be able to conduct psychological operations in pursuance of prescribed national objectives during general hostilities. This plan shall be executed upon Presidential proclamation in the event of war or at such time as the President may direct.

D. National Overt Propaganda Policy Guidance
for General War (PSB D-11/b).

Approved by the Board on November 15, 1951.

This plan sets forth the objectives which will govern the national overt propaganda effort in a general war forced upon the United States by the USSR or any of its satellites. The objectives and tasks which should be followed by the United States with respect to the world as a whole, the USSR and its satellites, our allies and friends, and neutral nations are set forth.

This guidance has been distributed to the various departments and agencies for their use. The Psychological Operations Coordinating Committee (POC) has established an X-Day Committee which is concerned with the inter-departmental coordination of policies and operations in the event of war. This guidance is being used in the implementation of their planning.

3. PLANS AUTHORIZED AND IN PROCESS OF DEVELOPMENT

A. Psychological Operations Plan for Soviet
Orbit Escapees - Phase "B" (PSB D-18a/1)

This project is concerned with the stimulation of defection and examination of the psychological and subsidiary military advantages which would result from the proper utilization of these escapees. Phase A, concerned with the care, resettlement, and possible utilization of current escapees, is reported on in Paragraph 1 of this paper.

B. Inventory of Instrumentalities for Countering
Soviet Orbit Blackmail Tactics (PSB D-19/1).

The Board has had prepared an "Inventory of Cold War Weapons" consisting of a list of certain agencies and instrumentalities (some of which are of a

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novel character). The Board has further directed study toward the feasibility of harassment and retaliation against the Soviets by use of appropriate instrumentalities.

C. Psychological Operations Plan Prescribing Specific Courses of Action with Respect to Germany (PSB D-21a)

This plan is designed to prescribe certain courses of action with respect to: (a) the integration of Western Germany into Western Europe, (b) the reduction of Soviet capabilities in Eastern Germany, (c) the achievement of German unity, and (d) the role of a unified Germany in the unification of Europe.

D. Psychological Strategy Planning for the Middle East (PSB D-22).

This plan is to devise by means of coordinated psychological operations a national psychological plan, taking into account both long-range and short-range considerations, in order to overcome or prevent instability within this area which would threaten Western interests. It seeks to prevent the extension of Soviet influence and at the same time to strengthen Western influence and to establish within the community of nations a new relationship with the states of the area that recognizes their desire to achieve status and respects their sovereign equality.

E. Psychological Strategy Planning for Southeast Asia (PSB D-23)

This plan is designed to assist by means of coordinated psychological operations in preventing the free countries of Southeast Asia from passing into the Communist orbit and in developing in these countries the will and ability to resist Communism from within and without, and to contribute to the strengthening of the free world.

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F. Psychological Operations Plan for the Exploitation
of Stalin's Passing from Power (PSB D-24).

This plan is designed to study the actions the United States should take to develop the maximum psychological results at the time of Stalin's death.

G. Preliminary Analysis of the Communist B.W.
Propaganda Campaign (PSB D-25).

This study concerns itself with the psychological problems which the current "Hate America" communist propaganda campaign have presented.

H. Statement of U.S. Aims in the Cold War
("Princeton Statement" - PSB D-26)

This paper was designed to devise the maximum psychological effect which could be achieved by a statement of high U.S. or foreign officials relative to the liberation of peoples now under Soviet Communist control.

I. Psychological Strategy Plan for the
Pro-US Orientation of Japan (PSB D-27)

This plan is designed to develop a psychological strategy for coordinated psychological operations to strengthen Japan and other non-communist power in Asia. It would promote Japan's economic and military capacity to contribute to collective security, assure Japan's continuing commitment to close association and joint action with the U.S. and would assist in restoring Japan to a position of strength in a cooperative endeavor to secure the non-communist nations of Asia from communist subversion or attack.

J. Psychological Strategy for Economic Security
Vis-a-vis the Soviet Orbit (PSB D-28)

This plan is designed to prepare national psychological strategy and specific courses of action with respect to the psychological aspects of U.S. economic security programs concerned with the Soviet orbit by increasing the

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degree of acceptance in the Free World of U.S. economic security objectives vis-a-vis the Soviet orbit. It also seeks to weaken Soviet control over the orbit countries by capitalizing on and obstructing Soviet economic exploitation of captive Europe and China through psychological operations.

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