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DEPARTMENT OF STATE POLICY PLANNING COUNCIL

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Policy Planning Statement

on

*Discussed 10/15
Secretary Policy
Planning Arg*

A Chinese Communist Nuclear Detonation and Nuclear Capability

October 15, 1963

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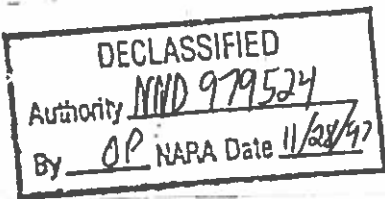
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Policy Planning Statement

on

A Chinese Communist Nuclear Detonation and Nuclear Capability

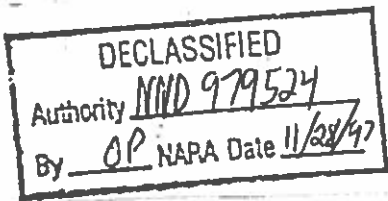
I. Purpose and Scope

It is the purpose of this policy statement (a) to analyze the probable political and military consequences of a Chinese Communist nuclear detonation and regional (non-intercontinental) nuclear capability; and (b) to propose courses of action to minimize the adverse impact of these developments upon U.S. interests and maximize opportunities for turning them to U.S. advantage. Primary focus is upon the area on the continental and sea periphery of Communist China.

Work on the problem of advance preparation of world opinion for a nuclear detonation has been going forward separately under the leadership of the Office of the Under Secretary for Political Affairs. If the recommendations of this paper are accepted, they would be appropriately reflected in that program. The planning of military programs has for some time included consideration of future development by Communist China of a nuclear capability.

II. The Development

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II. The Development of Communist China's
Advanced Weapons Capabilities*

Although our information on the status of Communist China's advanced weapons program is improving, gaps are substantial and uncertainties therefore considerable. Communist China has given high priority to the development of nuclear weapons and missiles. If it has only the one identified plutonium production reactor, and assuming that reactor became critical in early 1962, the earliest possible date for a first test would be early 1964, but with normal difficulties a test might be postponed to late 1964 or 1965. With this reactor it could produce only one or two crude weapons a year. If the Chinese have another reactor, a first test could, of course, occur at any time. (There have been recent reports suggesting the possibility of a test this fall.) Peiping selected a type of production reactor which is of relatively simple design and which entails the least stringent purity requirements, presumably because it offers the quickest and surest way of achieving a nuclear detonation and a token capability.

*See SNIE 13-2-63, "Communist China's Advanced Weapons Program," (24 July 1963)

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capability. For a more substantial program for production of weapons containing both U-235 and plutonium it will need both additional plutonium production reactors and a gaseous diffusion plant. It will take until at least 1966, and more probably until 1968-69 or later to complete the gaseous diffusion plant at Lanchou and to get it into production. (There are many uncertainties about the exact status of this enterprise and the technological capability of the Chinese to complete it.)

A possible force of 15 TU-4 (BULL) medium piston bombers (B-29 type) and, if operational, two TU-16 (BADGER) medium jet bombers might provide initial delivery means. The approximately 315 IL-28 (BEAGLE) jet light bombers would be useable as more sophisticated weapons are developed. However, the Chinese appear to be concentrating upon missiles - initially it is believed, upon a medium-range (630 or 1020 n.m.) missile. Even if the Chinese concentrate upon a single system and give the program continued top priority, deployment before 1967 is unlikely. (Limited production would be possible at the known research and development facility.) At best the Chinese could develop a compatible fission warhead for such a missile three to four years after detonation of a first device. If they

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have only the one known plutonium reactor it would take longer.

The Chinese have not begun development of submarine missile systems, ICBM's or anti-missile systems. The most likely possibility is that Peiping will attempt to move toward both a major nuclear arsenal and intercontinental delivery means although it is likely to be a very long time indeed before it has either in any quantity. It is also possible that, when it faces the very high economic costs (and effects on other aspects of its power) and the unlikelihood that it will ever catch up with the weapons technology of the U.S. and the USSR, and when it compares these costs with the very marginal political and military utility of such additional capabilities, Peiping will be reconciled for the indefinite future to a limited regional capability.

The Chinese will for some time face difficult targeting problems since geodetic data for most of China is poor or lacking, mobile targets will be as important as fixed ones and initial missiles will be quite inaccurate. Their initial capability will also be highly vulnerable to counterforce operations.

In the light of these uncertainties it is impossible to

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state exactly the beginning and terminal dates of the period when Communist China will be a regional, but only a regional nuclear power. Roughly speaking, it will begin some time in the mid-to-late sixties and will continue into the 1970's and perhaps well beyond. While this paper is intended to cover this entire period, analysis of developments beyond the next five-to-ten years is most hazardous and the actions proposed herein must obviously be adjusted to the changing political and military situation.

III. The Implications of a Detonation and Nuclear Capability

A. Effects on the Basic Military Situation

The acquisition by Communist China of nuclear weapons will not, for the indefinite future, alter the real relations of power among the major states or the balance of military power in Asia. Communist China is now the strongest Asian military power and is likely to continue to be so. The basic deterrents to Chinese military action will continue to have to come from outside as will much of the basic military power for dealing with Communist aggression should deterrence fail.

The most important single fact about the military
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situation will be the great asymmetry in Chinese Communist and U.S. capabilities and vulnerabilities. Communist China is now and will continue to be, accessible to U.S. nuclear striking forces while the United States will, for many years, be inaccessible to Chinese attack. The Chinese will, as their regional capability develops, be able to do significant, but hardly crippling, damage to the United States by attacking U.S. forces and installations in Asia, but the United States will have the ability to destroy Communist China as a modern governmental and war-making entity. The U.S. will possess this capability for a very long time even with the nuclear forces presently deployed and planned for deployment to Asia, to say nothing of the capability provided by its general strategic nuclear capability.

Whatever actual U.S. intentions, so long as the Chinese Communists have only soft, vulnerable delivery means, they will have to take account of the danger of a U.S. nuclear or non-nuclear counterforce attack as a possible U.S. response to major ChiCom aggression. They will have created a target that, in their own calculations, they must assume will make it more likely that the U.S. will respond to major aggression by

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counter-attacks that would involve the mainland. This fact could have the effect of increasing Chinese caution in stimulating or exploiting crises.

A limited Chinese intercontinental capability of either a very crude or more sophisticated variety would slightly reduce, but hardly eliminate this basic asymmetry. The U.S., but not Communist China, would have an effective counterforce capability. If the ChiCom intercontinental delivery capability were confined to cruise missiles, aircraft or similar slow vulnerable means, we would have reasonably effective active defenses whereas Communist China would lack a similar defensive capability against U.S. ballistic missiles. While the relative ability of the U.S. to devastate Communist China would be very much greater than that of China to devastate the U.S., the Chinese might consider a limited intercontinental capability to have some increased deterrent value because of an estimate that the U.S. would be unwilling to accept the risk, on issues of marginal importance, of the absolute level of damage the ChiComs could inflict. The plausibility of the deterrent would, however, be greatly weakened by the continuing very great unlikelihood that the ChiComs would, in fact, engage in first-use of nuclear weapons.

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In order to become a Class A nuclear power with an effective second strike capability Communist China would have to become a major industrial power. But even such industrial development would not necessarily provide Peiping with the basis for Class A status in view of the fact that such status is defined in relative terms and Communist China begins the nuclear race far behind the U.S. and the USSR. Moreover, when it achieves major industrial status, its interest in avoiding attack upon itself, which is already great, should further increase.

The basic asymmetry in Chinese and U.S. capabilities and vulnerabilities make Chinese first-use of nuclear weapons exceedingly unlikely unless the Chinese mainland were to come under serious attack. The only direct military value* to Peiping of a regional nuclear capability will be to deter attack upon the mainland.

It is sometimes argued that a Chinese nuclear capability will create significant new restrictions on U.S. freedom of action because we have been able to control the degree of escalation

*The distinction between direct military and military-related political effects is somewhat arbitrary. By direct military effects are meant the utility of a nuclear capability in actual use or in direct deterrence. They do not include effects upon availability of bases, effects on attitudes toward the Western military presence, etc.

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escalation in defending countries against Communist aggression in Asia through our ultimate ability to engage in unilateral use of nuclear weapons. Thus, for example, it is suggested that it would become much more risky to undertake major amphibious or airborne operations involving large concentrations of troops once the Chinese have nuclear weapons. But since the Chinese would have to assume that first-use of nuclear weapons in such a situation would bring nuclear attack upon Communist China itself, such use is most unlikely. Moreover, the assumption that we now possess the ability to control the ground rules through our ability to engage in unilateral nuclear weapons use ignores the facts: (a) that the political costs of such use are so high as to weaken the plausibility of the threat; (b) that the Communists have largely chosen the ground rules through their utilization of guerrilla warfare which makes some levels of conventional escalation by the U.S., to say nothing of nuclear escalation, militarily irrelevant and difficult to justify politically; and (c) that we have had to take account of the possibility that U.S. nuclear-weapons use could lead to a U.S.-Soviet nuclear confrontation. Moreover, our ability to engage in conventional operations plus

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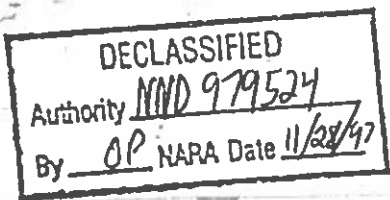
the severe limitations on Chinese conventional capabilities have served, and will continue to serve, along with the political costs to the Chinese of first-use, as important deterrents, and, therefore, as a means of controlling the ground rules. The freedom we will lose will be the freedom that we might now have in some, but not all, circumstances to attack mainland China with nuclear weapons with minimum risk of nuclear retaliation.

An examination of particular hypothetical military situations confirms the conclusion that a regional Chinese Communist nuclear capability will have direct military value to Peiping only in deterring major attack upon the mainland. Even when the Chinese have a relatively significant nuclear capability (e.g., one hundred weapons) and quite effective delivery means, and even if they initiate nuclear war by attacking first, presently planned U.S. nuclear forces in the Pacific (augmented somewhat in order to deal with a highly improbably medium-range jet bomber capability) would be able to destroy enough of any remaining Chinese nuclear capability to eliminate it as a serious threat to the U.S. posture in the Pacific.* The

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*This specific conclusion is based upon a RAND study.

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ChiComs could not, of course, make their calculations of risk simply on the basis of the capabilities of U.S. Pacific nuclear forces.

B. Effects upon Chinese Communist Actions

Past Chinese Communist prudence in the use of military force reenforces conclusions that emerge from military logic. Peiping is very sensitive to possible indications of a U.S. intent to attack the mainland. It is likely to remain aware of its relative military inferiority though it will attempt to create the impression that the military balance of power in Asia has shifted. However, it sees Communist China's ultimate status as a world power as derived as much from its potential leadership of the world revolutionary movement as from its geopolitical position and its ability to wield the traditional instruments of state power.

Peiping differs from Moscow not in its willingness to assume large military risks by undertaking inter-state aggression, but in estimating lower the danger that active support for "wars of national liberation" or limited military actions on its borders will lead to thermo-nuclear war. The

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Chinese also differ from the Soviets in viewing war as ultimately less avoidable. Moreover, there is implicit in the Chinese position a double standard - they appear to be urging greater militancy upon the USSR as the more powerful Communist state while recognizing the limitations of their own power and the risks of too aggressive a Chinese policy.

Peiping will continue to seek its revolutionary objectives in Asia by political pressures, by covert support of armed insurrection, by exploiting divisive tendencies and by limited military actions on its borders where such actions can be used to create fear of Communist China, can be politically "justified" and bear a low risk of a major U.S. military response. To this end it will value a nuclear capability for its psychological effects in weakening the will of countries in resisting insurgency, in inhibiting their requests for U.S. assistance, in pressuring Asian countries to accede to Chinese demands, and in stimulating divisions among Asian nations in responding to local conflicts. It will use its capability as a background for pressures against the U.S. military presence, elimination of which is a major

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ChiCom objective.

The Chinese will seek to develop and exploit a psychological sense of actual or impending change in world power relations to seek fuller acknowledgment of their claims to preeminence in Asia and to their status as a world power. To this end they will seek to blur distinctions between nuclear tests, an initial operational capability and full nuclear power status.

Not only fear of U.S. attack upon the mainland and serious doubt as to the availability of the Soviet nuclear umbrella, but also a desire to avoid actions which would result in a coalescence of other Asian nations, in a serious Japanese rearmament effort or in endangering its aspirations for leadership of the world revolutionary movement will serve as inhibitions to Peiping's first-use of nuclear weapons against enemy targets. (Demonstration explosions in crisis situations are, however, possible.) These factors and the limited character of the Chinese nuclear capability will also serve as inhibitions on explicit and specific exploitation of its capability for nuclear blackmail purposes although they will obviously not preclude blackmail attempts in situations where such attempts promise political pay-offs.

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The Chinese Communists can, however, be expected to continue to test from time to time through limited military pressures, the level of the U.S. commitment and response in Asia. It is, in fact, likely that once they have a limited nuclear capability, they will seek to determine whether it can serve as an effective umbrella for new limited actions or escalation in existing situations by deterring an effective U.S. and indigenous response. The Chinese might consider that, if faced even by a marginal possibility of nuclear attack in a place where our commitment was ambiguous and our interests not fully engaged and under circumstances in which our allies were reluctant to back us, we either would not stand fast or, if we did stand fast, that the situation could be played for politically divisive effect. In this connection a brief look at the offshore islands problem may be useful.

A major Chinese Communist military effort to take the offshores is probably unlikely because of the disproportionate costs and the risks of involvement with the U.S.; also there is evidence that the ChiComs (like the GRC) realize that a definitive solution to the offshores problem would lay the basis for a stable "two Chinas" solution unless it is

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achieved in a manner which significantly advanced prospects for acquisition of Taiwan itself. To both Peiping and Taipei the offshores are a symbol of the continuing Chinese civil war and a point of contact and conflict in that war.

The Chinese Communists could probably successfully attack any of the islands in a conventional war if the U.S. does not provide assistance to the GRC, but costs to Communist China would be heavy. In a situation where the U.S. was providing non-nuclear assistance, the ChiComs would have only a marginal chance of success against the larger islands, but could probably take one of the lesser islands despite the U.S. aid. Actual use of nuclear weapons by Communist China would further increase the disproportion between risks and benefits as well as being politically incongruous as a form of "liberation". It is therefore exceedingly unlikely.

There is, however, reason to consider review of our present posture in the light of a ChiCom nuclear capability. A nuclear capability might be exploited by Peiping for its politically divisive potential. The U.S. commitment to defense of the offshores is ambiguous and lacks the support of many

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European allies and a significant part of the U.S. public. A nuclear confrontation over territory to the defense of which the U.S. Government has evidently become half-committed against its better judgment is not likely to be viewed with enthusiasm nor is the U.S. position likely to command wide support. The ChiComs might hope to use such a confrontation to undermine international support for the GRC and to exacerbate U.S.-GRC relations. Efforts by the ChiComs so to exploit their nuclear capability could lead, moreover, to some marginal increase in the danger of military miscalculation even though actual military use of nuclear weapons by the ChiComs is exceedingly unlikely. Finally, it should be recognized that, while it will be, at best, exceedingly difficult to get the GRC to withdraw now, it will become more difficult for the U.S. in the post-detonation environment, to seek such withdrawal both because of the aggravated effect upon the GRC itself and because of the international implications of such U.S. action in the post-detonation period. If we become involved in a confrontation with the ChiComs over the offshores in the post-detonation period, we will probably have little choice but to defend them.

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While it has taken account of these considerations, the interdepartmental group working on this BNSP Task has nonetheless concluded that no attempt should be made to change the present U.S. posture with respect to the offshores. Its conclusion is based upon two basic considerations. First, it is considered unlikely that the ChiComs will in fact generate a major offshores crisis and then seek to exploit their nuclear capability for political effect. Second, it is considered that the GRC could be forced to withdraw only by such drastic threats of elimination of U.S. support as to produce a major crisis in U.S.-GRC relations which would create problems as serious, and in many respects similar to, a nuclear confrontation over the offshores. Even then it is by no means certain that the GRC could be pressured into withdrawal. If it did not withdraw, the ChiComs might be tempted into a military move.

Despite this general conclusion, the interdepartmental group considers this question of sufficient importance that it believes that it warrants particular review in connection with consideration of this paper. As a further basis for discussion the annex to the paper outlines ways in which the

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ChiComs might exploit their capability and the advantages and disadvantages of alternative U.S. policies with respect to the offshores.

Present U.S. military contingency planning assumes that use of nuclear weapons against the mainland might become necessary at some stage in the development of a military crisis over the offshores. Given the attitudes of other nations on the offshores, political justification of first-use of nuclear weapons - which will be difficult at best - could become significantly more difficult once the ChiComs have a nuclear capability and use of nuclear weapons will appear to others to involve increased risks of a nuclear response. Depending upon the level of U.S. attack there would, in fact, be some risk of ChiCom nuclear response.

If there are dangers of Chinese miscalculation of the military or political significance of a limited nuclear capability they lie in the direction of (a) ebullience resulting from unexpected successes in its nuclear and missiles programs against a background of accelerated economic progress; (b) over-estimation of U.S. caution or of the caution of non-Communist Asian states; or (c) hope of involving the USSR on the Chinese side.

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side. The first seems a quite unlikely eventuality; the second depends upon U.S. and Asian reaction, including a correct assessment of the significance of a Chinese nuclear capability.

While Peiping could even now hope for Soviet help in a situation where the existence of the regime was seriously threatened, it could hardly initiate aggression on the assumption that Soviet help would be forthcoming in less extreme circumstances and is most unlikely to take deliberate action to put itself in a position where its very existence was dependent upon Soviet aid. In any event, any Chinese miscalculation seems less likely to express itself in sudden bold military moves than in a somewhat increased readiness to accept risks in military probing operations.

Peiping's tactics in the exploitation of its nuclear detonation and capability are likely to have two broad strands:

- a. Seeking to instill fear of its power and to create an impression of its present and future preeminence in Asia.
- b. Emphasizing its peaceful and protective intentions and attempting to demonstrate that it is United States nuclear power which is the source of the danger

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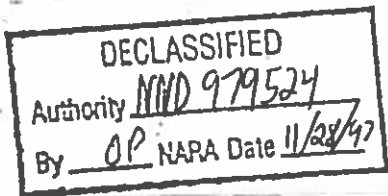
of the danger of nuclear war to Asia and which makes a Chinese capability necessary as a defensive measure. It may further increase its present emphasis upon the importance of "racial" solidarity.

These themes will be played with varying emphases at different times and to different audiences. Partly because of the position in which it finds itself in the Sino-Soviet dispute and on the nuclear test ban issue, it will be difficult for Peiping in the immediately foreseeable future to mount a convincing general "peace offensive". Tactics will be tailored to particular audiences. As in the past, a threatening mien may be alternated with a peaceful one. Gross public threats are, except possibly in crisis situations, less likely than implicit threats. Peiping will use fear as a lever to induce Asian nations to accept its peaceful protestations and its "friendly" and protective embrace. The threat element will be somewhat clearer in ChiCom dealings with countries allied to the United States while peace themes will be particularly emphasized to Asian neutrals.

If, after comparing the tremendous effort required with the marginal additional value of achieving status as a major

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intercontinental nuclear power, Peiping concludes that the effort would not be worthwhile, it might shift to a primary emphasis upon "peace" themes and disarmament proposals designed to dislodge U.S. military power from Asia. These efforts could emphasize the "self-denying" ChiCom decision not to go for a major capability. While this is necessarily only a speculative possibility it is sufficiently plausible and bears sufficiently close relationship to past ChiCom behavior (e.g., in the Sino-Indian border situation) that it warrants serious attention in U.S. planning. It particularly emphasizes the need to be prepared to meet the ChiCom "peace" proposals with plausible U.S. counter-proposals.

C. Reactions in Asia

Reactions of non-Communist Asian nations will be somewhat parallel to ChiCom exploitation with allies seeking various forms of U.S. reassurance (including additional military assistance) and neutrals pushing harder for Asian nuclear free zones, for Chinese Communist membership in the UN and in disarmament negotiations, etc. However, these distinctions are only roughly accurate. For example, the ChiComs may emphasize peace and de-emphasize threat with allied Japan

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(or alternate between the two) and will, upon occasion, employ reverse tactics with neutral India. Moreover, while neutrals may not seek formal U.S. reassurance or alliance, they are likely to find privately reassuring any evidence of continuing U.S. will to defend countries of the area in a manner which does not threaten nuclear war in Asia. Contrariwise, Chinese efforts to exploit, through peace initiatives or otherwise, fears of nuclear war in Asia are likely to have considerable appeal in allied countries (e.g., Japan, Australia, and New Zealand) even though both aligned and unaligned countries are likely to discount Peiping's claims to peaceful intentions.

The danger that Asian states will gain the impression that the balance of power in Asia is about to change would be accentuated if the ChiComs developed rapidly not only a nuclear capability, but also a concurrent (if not necessarily compatible) missile capability.

Both aligned and unaligned are likely to be confirmed in their present policies with, however, two unaligned states - India and Malaysia - perhaps seeking new forms of assurance.

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Development by Communist China of a nuclear capability does not seem likely in itself to have more than, at best, very limited effects in the foreseeable future in increasing the willingness of Asian countries to cooperate among themselves in defense or non-defense measures. We can expect to see several nations (e.g., Japan, Australia, India and Indonesia) attempt to play a larger role in the area in furtherance of their national security or national ambitions. Out of these efforts, which may be stimulated somewhat by a Chinese nuclear detonation, are likely to come more initiatives for the creation or strengthening of regional organizations (e.g., the recently reported plans of Prime Minister Ikeda to create a Western Pacific Organization). Because of existing intra-regional tensions and weak impulses toward cooperation, these efforts are likely to have significant effect only over a quite long run. We must, however, keep the vision of expanded intra-regional cooperation before the leaders of Asia and where appropriate support specific efforts to dampen tensions and increase cooperation.

While a Chinese nuclear capability will, in strictly
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military terms, only underline the existing impossibility of GRC return to the mainland by military means without major U.S. military support, it can have a considerable long-term psychological effect in Taiwan. The leadership in Taiwan can be expected to redouble efforts to preserve its independent identity and to preserve belief in return to the mainland. But once the Chinese Communists have even a token capability there will be a significant possibility that they would retaliate with nuclear weapons against Taiwan (or an invasion force) if the GRC should make a military attempt to return to the mainland which posed a serious threat to the Communist regime. Even relatively large-scale military actions which did not pose such a threat might be met with threats of ChiCom nuclear action. Since the U.S. would presumably be unwilling to use nuclear weapons or to threaten such use to back a mainland recovery effort and since the great unlikelihood of such U.S. assistance must be evident to the GRC and the population on Taiwan, a Chinese nuclear capability is likely to have a corrosive effect on remaining belief in return to the mainland.

The Chinese nuclear capability will also dramatize to other nations the unrealistic nature of GRC hopes and to

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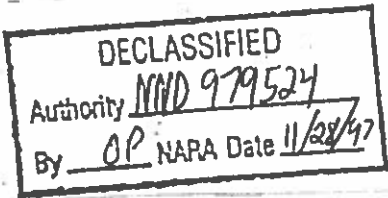
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underline the general presumption created by a ChiCom capability in favor of acceptance of Communist China's claims to major power status. By helping further to undermine the raison d'etre of the Nationalist regime and by tending to erode its international support, a Chinese Communist nuclear capability could, therefore, enhance Peiping's opportunities for political subversion of the GRC through offshore islands crises or other means.

The danger of such political subversion could increase in the event of a succession crisis or should the GRC lose confidence in U.S. willingness to continue to support its major policy goals. Even though our scope for action in this direction will necessarily be restricted, any steps that would lay the basis for a different vision of Taiwan's future than return to the mainland would help reduce Peiping's opportunities for political subversion. Such actions include diversion of resources from military to economic development purposes and political reform on Taiwan to give a larger role to the native Taiwanese.

Elsewhere in Asia it is more difficult to predict longer-term effects upon morale; these effects will be highly dependent upon

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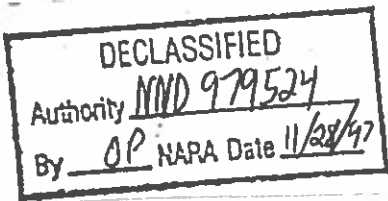
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dent upon the general evolution of the situation and upon U.S. actions. For example, Thailand will be more influenced by developments in Laos and South Vietnam, but may seek expanded relations with the USSR as a hedge against Chinese power. In Korea there might be some tendency, particularly if confidence in the U.S. is shaken, to take steps independently of the U.S. to insure survival through settlement with the Communists.

The following general forms of reassurance may be sought from the U.S.: by the GRC, a renewed pledge to defend Taiwan (including a guarantee of use of nuclear weapons against Communist China in retaliation for nuclear attack on Taiwan), frequent statements of strong U.S. support and a definite pledge to defend the offshores; by the ROK, a reaffirmation of the U.S. defense commitment, by India, the Philippines and Thailand, clear assurance of U.S. deterrence of, and defense against, nuclear attack; and also by Thailand, possibly renewed request for a bilateral or for a strengthened SEATO. Cambodia may make renewed efforts to obtain guarantees from both the Communists and the Western powers.

Various forms of nuclear cooperation may be requested. The GRC and South Korea may seek some form of nuclear weapons--
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sharing. Pakistan has already requested nuclear-capable artillery and joint planning for nuclear weapons use in certain contingencies.

India, Japan and Australia could probably produce a first nuclear device by 1969-70, given a decision to proceed in the next year or so. Only in the case of India is there a significant possibility of a decision in the foreseeable future to seek a capability. Although such a development seems presently unlikely and the test ban treaty has further reduced the immediate likelihood of such action, a Nehru Government might be moved by domestic pressures into a small weapons program while a post-Nehru Government might, if under strong military influence, undertake a more ambitious program. While the Indians have gradually been moving toward a position where independence from safeguards will become possible and could probably produce a device without outside assistance within the period stated, assistance might be sought from the British, which would involve the U.S., or from the French, which would not.

There is some possibility that, as 1970 approaches, Japan would accept, if it did not seek, collaboration with the U.S. in nuclear defensive measures (e.g., installation of nuclear-tipped

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nuclear-tipped defense missiles). Japan is most unlikely, for a variety of reasons, to seek an independent nuclear capability for the foreseeable future. However, what Japan will be willing to do in the nuclear field, as in defense generally, will be related less to a Chinese nuclear capability than to the evolution of the Japanese political situation and to the debate over defense and alignment likely to be precipitated by the question of renewal of the security treaty in 1970.

Requests for additional conventional military assistance (including, in particular, air defense) are particularly likely from the Philippines, Thailand, the GRC, the ROK, and India. The latter's desire for an air defense system not dependent upon outside help in an emergency will be increased.

The availability of Korean and Philippine bases to the U.S. does not seem likely to be seriously affected by a ChiCom nuclear capability. Provided our commitment to Thai defense is sufficiently strong and effective (as measured not only by formal commitments but also by the effectiveness of our efforts in Laos and Vietnam), access to Thai bases would probably not be affected. While a Chinese nuclear capability will not have dramatic and drastic effects on availability of Japanese bases,

there will be

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there will be an increasing tendency, even under a conservative government, to oppose expansion and improvements which would make the bases a more attractive target and a tendency to seek increased control over operations staged through the bases. There will be greater reluctance to permit operations not of prime importance to Japan and a greater sensitivity to the use of bases against Communist China. Over the longer run, availability of Japanese bases will be less affected directly by the ChiCom capability than by domestic political developments (which will be themselves affected marginally by a ChiCom nuclear capability).

In general, a Chinese nuclear capability does not seem likely to reduce significantly existing willingness to seek U.S. military help in an emergency provided the U.S. has an evident will and capability to keep the conflict at a non-nuclear level. It would probably have marginal effects of this kind in Cambodia.

A Chinese Communist capability may further reduce confidence in the efficacy of Indian protection in the Himalayan border states. Nepal may become more inclined to seek an accommodation with China unless the Nepalese Government is convinced

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convinced that it can rely upon prompt and effective help from the U.S. In Bhutan a rapprochement with China might also be considered wise, but because of its closer ties to India the Bhutanese Government has less freedom of action than Nepal. Sikkim as an Indian protectorate would not be able to act on its own, unless the protectorate ties are considerably weakened.

D. Soviet, U.S.

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D. Soviet, U.S. and Other Reactions

The USSR would much prefer that Communist China not become a nuclear power for two interrelated reasons: (a) a detonation and capability will increase Peiping's prestige in the competition for leadership of the international Communist movement and for influence in developing countries; and (b) while it very probably realizes that the Chinese have not been, and are not likely to be, grossly reckless in using or threatening use of force, it will fear that a ChiCom capability will increase the danger of Soviet involvement in nuclear war. The Soviets may fear the possibility of Chinese miscalculation that might precipitate a confrontation requiring Moscow to choose between the risks of coming to Peiping's aid or leaving an ally in the lurch. The dilemma would be heightened in situations involving North Korea and North Vietnam since withholding aid in such cases would be tantamount to abandoning these countries to Peiping's exclusive sphere of influence. The Soviets will probably also be concerned that a Chinese Communist nuclear capability will tend to promote Chinese hegemony in Southeast Asia and lead to

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further nuclear proliferation. In these respects its concerns will parallel U.S. concerns. The possibility of more or less tacit Soviet cooperation with the U.S. and other Western powers in efforts to contain Communist China will grow.

Since popular understanding in the U.S. of the Sino-Soviet dispute has probably heightened the belief that Communist China is not only aggressive, but also adventurist, the U.S. public is likely to attach greater military importance to a Chinese detonation and capability than sober analysis would justify. In general, the concern and uncertainty that could be produced would be less likely to express itself in pressure for particular policies than in a more diffuse demand for some kind of action by the U.S. Government. Because of the pervasiveness of the U.S. communications network, U.S. reactions are likely to receive wide currency abroad and to add to the danger of misinterpretation of the meaning of these developments in other countries.

Elsewhere, a Chinese nuclear detonation will probably cause dismay, but not surprise, among informed governments. This dismay will often be occasioned as much by the fact of nuclear proliferation as by the fact that Communist China is the country

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the country involved. It will probably create a sense both of increased urgency and increased pessimism with respect to arms control and disarmament.

IV. Alternative Military Strategies

While the direct military significance of a Chinese Communist nuclear capability is limited, it is a factor of sufficient combined politico-military significance to justify a new look at broad U.S. military and political strategy for the area. More particular reasons for such review include the effect of the Chinese nuclear capability on the military credibility of the U.S., on the dangers of Chinese miscalculation, on increased fears of nuclear war in Asia, on the U.S. military presence in Asia, on fears of inevitable Chinese Communist hegemony in the area and in the context of the Sino-Soviet dispute.

A. The Military Problem

The basic military problems will be the ones by which we are now faced - the problems of dealing with military probing operations designed to determine the level of U.S. commitment and to obtain political results (e.g., in the Taiwan Straits); relatively low-level border wars in situations where prospects for Chinese political gains are good and risks low; and "revolutionary" wars.

To the extent

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To the extent that a Chinese nuclear capability increases the danger of escalation from lower levels to higher levels of threat, that danger is based less upon the possibility that the Chinese will overestimate their relative military strength than that they may make optimistic estimates of the psychological situation. They may believe that Asian countries will give in to increased pressures because of fear of Chinese conventional power and a belief that the Chinese capability will deter effective U.S. counteraction, because of fear of involvement in a Sino-U.S. nuclear war or because of a belief that in the long run Chinese power will be preeminent in Asia and that the U.S. will be forced into withdrawal. There is also some danger that the ChiComs may estimate that the U.S. will not respond adequately to certain levels of threat because of an increased sense of risk, because of an unwillingness to commit U.S. land forces in Asia, or possibly, because of the pressure of U.S. European allies.

B. Alternative Strategies

Two alternatives to existing strategy of flexible response and of keeping hostilities at the lowest possible level need to be considered

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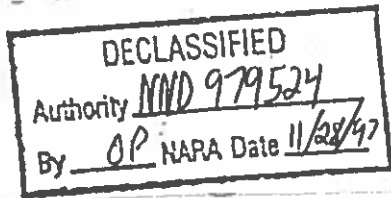
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to be considered: (a) primary reliance upon nuclear weapons in both deterring and responding to non-nuclear aggression in Asia; and (b) reliance upon conventional air or naval attacks upon the source of aggression.

No one proposes complete reliance from the outset upon nuclear weapons in responding to any level of threat above the level of insurgency nor is the alternative a policy of no reliance upon use of nuclear weapons. The issue relates to the threshold. One definition of a relatively low threshold would make introduction of substantial Chinese Communist troops the trigger. Another might describe it as a conflict situation in which introduction of substantial U.S. ground forces is the only alternative to use of nuclear weapons. A higher threshold might be defined as follows: a situation in which survival of an Asian state or major U.S. or allied forces are seriously endangered and cannot be adequately protected by conventional forces in the area or deployable to the area or can be protected only at such high economic and human cost as to indicate a balance of advantage in favor of nuclear weapons use.

Any definition will be subject to wide interpretation in application to military planning and can, at best, indicate a
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general disposition with respect to use. Quite apart from particular arguments for and against a low threshold, it may be well to bear in mind that, in the actual event, the policy-maker is likely to make a wide search for other alternatives before initiating nuclear weapons use in a conventional war situation, the more so if it should be the first occasion since World War II when such weapons would be used. It is in general desirable that he have as many options as possible at that time.

It is also necessary to bear in mind the effect of appearances with respect to U.S. dependence on nuclear weapons. Whatever the nuclear threshold now, large reductions in present conventional capabilities in the area could have significant effect on the calculations of Asians as to the probability of U.S. nuclear response and of nuclear war in Asia.

The advocates of a policy of very early use of nuclear weapons argue as follows: The situation we face in the Far East is similar to the one we faced in Europe in the immediate post-war period. Communist China will, for many years, be a negligible nuclear threat, but does pose a substantial conventional air and ground threat. To meet this threat conventionally will be

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will be very costly. Because of the Sino-Soviet split, the Chinese threat and our response to it can be clearly separated from the Soviet threat and our response to it - there is low risk of Soviet nuclear response to U.S. first-use of nuclear weapons against an Asian Communist state.

Against this view it can be argued as follows: Insofar as the proposed strategy is intended to deal with massive conventional attacks by Communist China, it is directed toward an unreal threat. Serious limitations upon Chinese conventional capabilities as a result of withdrawal of Soviet support, as well as military risks and political costs of such action make it most unlikely. U.S. nuclear response to low-level military activity raises the essentially moral problem of the proportionality of the "punishment" to the aggression. Even if we can satisfy ourselves on this question, our views are unlikely to be widely shared. Political justification of first-use will continue, therefore, to be a most serious problem and actual first-use would involve great political costs.

The dangers of miscalculation by either Communist China or by other Asian states of the significance of a Chinese nuclear capability can best be avoided militarily by prompt, adequate

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quate non-nuclear response to Communist non-nuclear military probes. The threat of nuclear response is unlikely to be very credible as a response to the most probable levels of Chinese action.

While the USSR would seek to avoid nuclear involvement, the possibility of its involvement in a situation in which the U.S. initiated a major nuclear attack upon an Asian Communist state is sufficiently significant so that it must be taken seriously into account. In a number of possible military situations in Asia we will be immediately confronting North Vietnam or North Korea rather than Communist China. If the U.S. action threatened the destruction of these regimes, the USSR would be under great pressure, in large part precisely because of the issues involved in the Sino-Soviet dispute, to provide nuclear assistance rather than permit their nuclear destruction. It is also not safe to assume that the USSR would permit the nuclear destruction of Communist China or that, in general, it could stay out of the world-wide crisis which would be created by U.S. first-use of nuclear weapons in Asia. Thus, general arguments on the risks of nuclear weapons use could apply and the question of military

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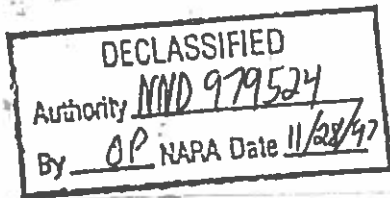
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of military utility of initiation of nuclear weapons use in a two-sided nuclear exchange would need to be examined.*

Moreover, whatever the actual Soviet reaction in a particular situation a U.S. policy of primary reliance upon nuclear weapons might cause the Soviets to adopt a declaratory policy of responding to U.S. use of nuclear weapons with threat of Soviet use. At a minimum, the Soviets are likely to play a leading role in a political campaign against U.S. use or threatened use of nuclear weapons which could make initiation or continuation of such use very difficult.

Particularly after the Chinese Communists have a nuclear capability, an evident U.S. policy of nuclear response to non-nuclear aggression will very probably make Asian states increasingly reluctant to seek U.S. military assistance because of fear of being drawn into a nuclear war. There may also be fear that the U.S. will not respond adequately to levels of aggression that would not justify a nuclear response. A nuclear-dependent strategy would greatly increase the pressures on U.S. bases

*If Soviet involvement cannot be ruled out, distinctions between tactical and strategic use of nuclear weapons, though not wholly irrelevant, become of less importance. Even tactical use will create a situation in which sensitivity to the possibility of a general nuclear attack on Communist China or other Asian Communist state could greatly increase with a resulting general rise in international tensions and danger of miscalculation.



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on U.S. bases created by a ChiCom capability, particularly in Japan. The more evident and visible our nuclear posture and our reliance upon nuclear weapons, the greater is likely to be the appeal of Peiping's proposals for removing the danger of nuclear war from Asia as well as support for its efforts to muster Asian "racial" solidarity. European allies will view our nuclear policy in Asia as inconsistent with our policy for Europe and probably highly dangerous.

A policy of greater reliance upon conventional air or naval action against the source of aggression would avoid many of the difficulties of a nuclear strategy, although there is likely to be considerable fear that such action will bring a nuclear response. Air and naval power alone, without U.S. ground forces, will not, moreover, always be an effective means of achieving U.S. objectives. The problem of political justification for such a strategy in low-level military situations continues to be severe. But this may be an appropriate strategy, or part of a strategy, in some circumstances. Graduated air actions against North Vietnam could, for example, be appropriately related to introduction of U.S. ground forces in Laos.

C. Preferred

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C. Preferred Strategy and Programs

Both the most probable military developments and political needs underline the necessity to maintain an evident ability to respond rapidly with adequate force to Communist military probes without undue reliance upon nuclear weapons. Such an ability is needed to reassure Asian nations under Communist pressure and to make evident to them that a Chinese nuclear capability will not automatically convert any future war in Asia into a nuclear war with increased danger of their nuclear involvement. It is needed to respond to the most likely forms of Communist military action. It is needed to minimize the danger of miscalculation by Communist China of U.S. slowness to act as an unwillingness to act. It is obvious that no amount of conventional rapid reaction capability will substitute in the final analysis for a U.S. will to act, but such a capability will serve as a symbol of our intent to do so and provide us with means to prevent further miscalculation in the actual event.

U.S. rapid reaction capability is a function of several interrelated factors which are, up to a point, militarily interchangeable: (a) general purpose forces deployed to the area;

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area; (b) air and sea lift to move combat forces, supplies and equipment to the theater; (c) bases to provide staging areas and logistic support for military operations; (d) pre-positioning on bases or ships of supplies and equipment; and (e) capability for rapid movement within the theater of operations. Forces emplaced in the area are likely to be more reassuring politically than preparatory actions and arrangements. Thus we face a policy dilemma. On the one hand, the political-psychological requirements generated by a Chinese nuclear detonation and capability will give additional emphasis to the need for the presence of U.S. forces in the area. On the other hand, as a result of balance of payments considerations we have had to consider withdrawals of existing conventional forces.* To some extent we can compensate psychologically for limited withdrawals by emphasizing the other

elements

*This statement is not intended to suggest that forces in the area are necessarily more expensive in balance of payments terms than other alternatives. In Korea, for example, balance of payments savings from a reduction in U.S. forces would very probably have to be offset by additional economic aid of comparable amount in order to meet continuing ROK foreign exchange needs.

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elements of our rapid-reaction capability - but only to some extent.

It is exceedingly difficult to estimate what level of withdrawal can be accomplished without adverse political consequences within the context of a ChiCom nuclear detonation. A great deal depends upon how the withdrawal is handled and upon the coincidence of events. If, for example, we should be in the midst of implementing even those relatively modest withdrawals which have been approved at the time the Chinese detonate a nuclear device - or, worse, if we should announce and proceed with withdrawals after the detonation of a device - the psychological effects could be quite adverse. Such a coincidence of timing is, of course, possible. If, at the same time, we are unable to respond even modestly to the certain demands for increased military aid in the post-detonation period, the adverse effects would tend to be accentuated.

Accordingly, from the point of view of minimizing the adverse effects of a Chinese Communist nuclear capability upon Asian countries the U.S. should: (a) avoid redeployments of conventional forces which will significantly reduce our military presence or rapid reaction capability; (b) avoid, if possible

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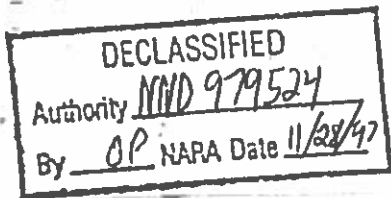
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possible, timing of redeployments which will increase the likelihood that they will follow a Chinese Communist nuclear detonation; (c) conduct periodic exercises designed to demonstrate our capability for rapid reaction; and (d) without changing the basic downward trend of our military assistance expenditures, make available a modest contingent fund which could be used to meet demands for increased military assistance in the post-detonation period and thus provide reassurance of the U.S. commitment.

Proposals have been made for creation of a separate U.S. counter-China regional nuclear deterrent force and for refinements in defenses designed to increase the survivability of existing or planned nuclear forces in Asia.* These proposals rest upon two types of argument. The first is an argument on military grounds for maintaining a permanent full U.S. counterforce capability in the Asian region to deal with a ChiCom nuclear capability. The second is an argument for a clearer differentiation between forces directed against the USSR and those directed against Communist China. Although existing and
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*Notably by RAND and the Institute for Defense Analyses in their reports on a Chinese Communist nuclear capability.

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planned nuclear deployments will, in fact, provide an effective counterforce capability against Communist China for the indefinite future, the argument for refinements designed to increase survivability of that force or for creation of a separate clearly-distinguished counter-China force are not strong.*

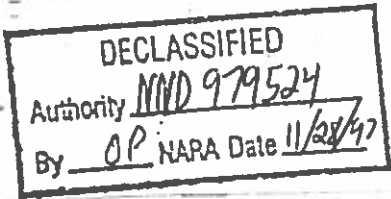
The argument for maintaining a full counterforce capability involves an artificial distinction between theater-based forces and other U.S. forces. So long as we can bring nuclear forces from elsewhere to bear upon Communist China and the Chinese are aware of this fact, their future ability to wreak major destruction upon our theater forces will not be likely to tempt them into pre-emptive attack, nor will it leave us unable to respond if they do attack.**

Nor is it

*The argument against major measures to increase survivability of nuclear forces does not take account of the need for such measures to deal with a Soviet threat, a subject outside the scope of this paper. The positive and negative political effects of refinements are likely to be negligible; they are neither likely to impress or to alarm.

**In view of the unlikelihood of actual employment of nuclear weapons by Communist China, we (and the country we are seeking to defend) will prefer to accept these low risks rather than assume the greater risks and political costs that pre-emptive counterforce action would entail.

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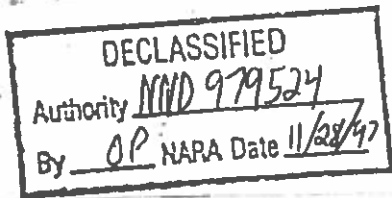
Nor is it necessary or feasible to create a self-sufficient Asian nuclear force in order to differentiate between forces directed against Communist China and those directed against the USSR. It would be infeasible to limit U.S. strike forces to those which would pose no threat to the USSR. Such action would, for example, rule out any seaborne forces in the area. On the other hand, the United States will not be faced for the indefinite future with the question of employing U.S. intercontinental strike forces in order to deal with a Chinese Communist nuclear threat. If, in the distant future, we are faced by a situation of confrontation with Communist China in which reenforcement of our local nuclear forces seems necessary, it is highly likely that we will have adequate time for reenforcement and that we will not be forced into reliance upon our U.S.-based strategic forces. We should also have adequate time and opportunity to make clear by words and actions that we intend no attack upon the USSR.

V. General Problems of U.S. Response

A. The Problem of Reassurance

The principal requirement created by a Chinese Communist nuclear detonation and capability in Asia will be a need for
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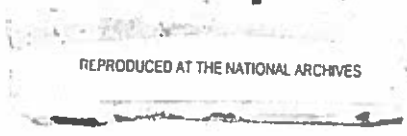
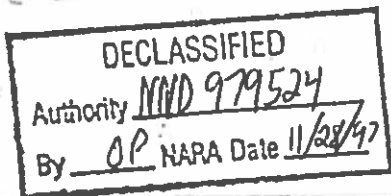
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reassurance in order to reduce the effectiveness of Chinese politico-military pressures and the possibility of development of independent nuclear capabilities by Asian countries (especially India) and, to a much lesser extent, to deter Chinese military action. Reassurance can take the form of U.S. declaratory policies, U.S. political and military actions and programs, and U.S. actions which give threatened countries a greater self-confidence in their independent ability to protect themselves against ChiCom threats. It can be provided through bilateral actions involving the U.S. and, to some extent, through cooperative activities among Asian countries themselves.

The most difficult problems are posed by the questions of the character of U.S. assurance of defense against nuclear attack and of cooperation in nuclear matters ("nuclear sharing"). It is difficult for the U.S. to make general commitments to defense against nuclear attack because of (a) the danger that an Asian country may, without U.S. concurrence, provoke a situation in which the U.S. would be forced into nuclear response; and (b) the ambivalence which is likely to characterize the attitudes of some Asian nations with respect to nuclear defense. This ambivalence may cause some to prefer not to have
a clear-cut

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a clear-cut public U.S. commitment and others to desire a veto over U.S. use of nuclear weapons in any situation involving them. For such reasons broad public commitments will need to be kept quite general with more specific commitments given to particular countries on a selected basis. Multilaterally-agreed guidelines on use of nuclear weapons comparable to the "Athens Guidelines" for NATO would be infeasible.

The development of national nuclear capabilities does not seem a desirable way to provide reassurance. The general arguments against nuclear proliferation acquire special weight in Asia where local non-Communist enemies are often at least as important as Communist ones, where our relations with countries of the area are very diverse, where the reliability of future governments is more open to question than in Europe and where nuclear arms programs are likely to interfere seriously with the needs of economic development and political stability.

Nuclear-sharing arrangements involving dual control of weapons systems are presently being reviewed in Europe. It is not desirable at this time nor for the foreseeable future to introduce such arrangements in Asia where problems of control and security of information are greater and where the weapons are likely

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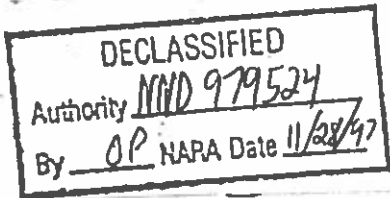
are likely to be viewed by local non-Communist neighbors as directed as much against them as against the Communist enemy. Nor will the objectives of Asian countries in seeking or accepting such arrangements necessarily be compatible with U.S. interests. Some may see participation in control arrangements primarily as a means of vetoing U.S. use of nuclear weapons. Others might estimate that their participation will increase marginally the insecurity of control over use in the eyes of Peiping and, therefore, the deterrent effect. Once we start down such a path, it will be difficult to stop short of general proliferation of arrangements of this kind. Once made, such commitments would be very difficult to reverse.

Accordingly, we should prefer forms of nuclear cooperation which are bilateral over those that are multilateral and forms that involve planning over those that involve deployment of nuclear forces under joint control. Probably most requests for various forms of nuclear cooperation can be met by offers of guarantees and of bilateral planning.

Perhaps the most difficult problem that will be posed for U.S. policy over the long term is the possibility of Indian development of a nuclear capability. Adherence by India and

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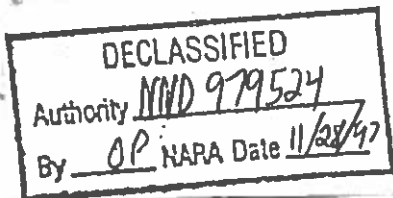
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other potential non-Communist nuclear powers in Asia to the test ban treaty will reduce greatly the likelihood of their early development of nuclear capabilities. At the same time it may mean that a Chinese nuclear detonation will increase pressure on the U.S. by India and other Asian adherents to the treaty for guarantees and forms of nuclear cooperation, particularly the former. Over the longer term it may be very difficult for India, despite the test ban, to forego a nuclear capability indefinitely when its principal enemy possesses such a capability. Finding means of providing India with assurance of its nuclear defense will therefore be important as part of the long-term U.S. effort to prevent nuclear proliferation. The problem of providing India with guarantees or of engaging with it in sharing arrangements is particularly difficult because of the lack of a treaty of alliance within which such guarantees or arrangements might be offered and because of the effects of any arrangements on U.S. allies in the area, including but not limited to Pakistan.

A general U.S. declaratory policy on nuclear defense and other measures of reassurance will help meet the need. A possible additional measure would be to persuade the U.K. to

offer

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offer to both India and Pakistan a guarantee of nuclear defense within the Commonwealth framework. As compared with a specific U.S. commitment, such U.K. guarantee might entail fewer political problems for India and less apparent danger of Soviet involvement since the Sino-Soviet Treaty is operable only in military situations involving Japan or a nation allied with Japan, which the U.K. is not. While the Paks would probably reject the offer, they would then be in a poor position to object to such treatment for India.

While this may seem a politically useful employment of the U.K. nuclear capability, it will, in fact, conflict with our efforts to limit the role of independent nuclear capabilities in Europe. It would provide ex post facto justification for the British nuclear force at a time when sentiment in the U.K. is turning against continuance of an independent force. It could be used by the French as an argument for its general position.

It is, moreover, by no means clear whether the Indians would consider such a commitment as useful as a deterrent, given likely British hesitation with respect to actual use of nuclear weapons, as a unilateral, even though general, U.S. declaratory statement. Nonetheless, this idea may warrant
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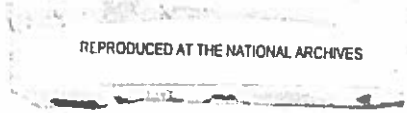
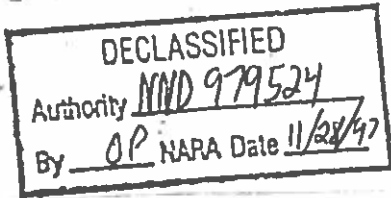
further consideration as a contingent possibility, in the light of the evolving situation in Europe and India.

B. Problems of Planning and Action

The development of policies and actions to prevent or to deal with the adverse effects of a Chinese Communist nuclear detonation and capability presents procedural issues which are by no means unique to it, but which are of special difficulty and significance in this case. The problem inherently involves all of the difficulties of contingency planning. While it is possible to estimate with considerable assurance the direct military significance of a Chinese nuclear capability, it is not possible to state with absolute certainty the character of a Chinese exploitation or the reaction of other Asian nations.

Since we have concluded that it is both realistic and desirable to play down the real significance of a Chinese nuclear capability, we will wish to avoid a great flurry of activity in the period following a detonation which would tend to contradict our general posture of calm and assurance. A number of actions proposed can be taken routinely either before or after the event and justified without reference to a Chinese nuclear capability. In other cases the content of our actions, even
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though taken after detonation, will itself overcome the effect of activity per se. Insofar as proposed advance actions may involve political difficulties or economic costs, it may be difficult to accept in advance the necessity for action. Yet after the event, action may lose its value.

There is, moreover, the question of the weight that should be given to considerations relating to a Chinese nuclear capability in determining issues that also involve other considerations. An effort has been made to confine recommendations to matters (a) on which a Chinese nuclear capability could have a major bearing (e.g., the offshore islands), or (b) where U.S. action, while not essential in the context of a Chinese Communist nuclear capability, could be very useful in dealing with short or long-term effects (e.g., a Pacific Defense College).

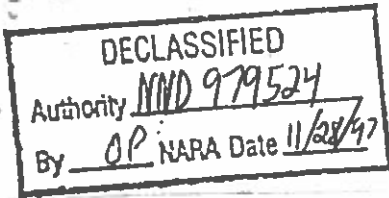
VI. Recommendations: U.S. Military Response and Military Programs

A. General

The U.S. Response to Aggression in Asia. (Discussion:

The following statement is intended partly as a general policy guide to planning, but also as a standard for assurances (outlined below)

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lined below) by the U.S. to Asian countries on the U.S. response to aggression - particularly nuclear aggression.)

a. The U.S. will not initiate pre-emptive counter-force operations against the Communist Chinese nuclear capability in the absence of specific Chinese aggressive actions which would clearly justify such action. Whether the U.S. will, as a part of its response, take such action in a situation in which the Chinese had initiated military action which would justify it cannot be determined in advance of the development of the particular situation.

b. The U.S. will respond to an unmistakable nuclear attack upon its forces or bases in Asia with nuclear weapons. Whether the response will be in the form of the use of tactical weapons against local targets or will involve broader attacks upon mainland China will depend upon the circumstances of the attack. In the event that the Chinese Communist attack involves the territory of an Asian state, the U.S. will ordinarily consult with that state before launching a nuclear counterattack, but will not be

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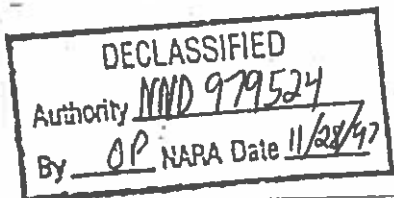
prevented from acting because of the non-concurrence of that state. Similarly, if the U.S. response involves nuclear counterattack from the territory of an Asian state, the U.S. will ordinarily* consult with that state before launching such attack, but will not be prevented from so acting because of the non-concurrence of that state.

- c. In the event of an unmistakable nuclear attack upon the territory of an Asian state which does not significantly involve U.S. forces or bases, the U.S. will, in consultation with the Asian state against which the attack occurs, and, ordinarily only with its acquiescence, retaliate appropriately with nuclear weapons.
- d. The U.S. response to non-nuclear aggression will be flexible and determined by the particular circumstances of the attack. The U.S. will, at the request of the country under attack, respond

up to

*In some cases we would be committed by existing treaty obligations to so consult.

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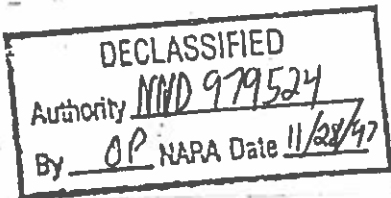
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up to some level of attack without resort to nuclear weapons. In general, nuclear weapons will be used only in situations in which U.S. and allied conventional forces (whether those available within the area or from outside) are not sufficient to contain a major Communist overt aggressive action against U.S. or Asian forces which jeopardizes U.S. vital interests. Even in the event of major attack, U.S. and/or allied conventional forces should be capable, at a minimum, of holding long enough to provide time for an effort to convince the Communist Chinese (or other Asian Communist regime) of the risks involved in their action and thereby give diplomacy an opportunity to end the conflict. The U.S. should also employ its conventional naval and air power against the source of aggression in response to military actions which would reasonably justify such response. Any first-use of nuclear weapons or the use of naval and air power against the source of aggression will ordinarily take place only after consultation with, and with the concurrence of, the Asian state being defended.

Military Posture

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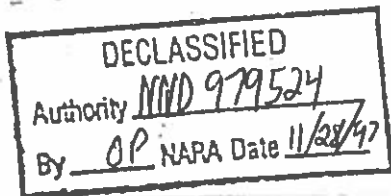
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Military Posture. From the point of view of dealing with the effects of a Chinese Communist nuclear detonation and capability on Asian countries the United States should (a) not increase its apparent or real dependence upon nuclear weapons in deterring or responding to non-nuclear aggression; (b) avoid redeployments from Asia which will significantly reduce the U.S. military presence or non-nuclear rapid reaction capability; (c) avoid timing of redeployments which will increase the likelihood that they will follow close upon a Chinese Communist nuclear detonation; and (d) seek to develop and demonstrate the U.S. will and ability to respond quickly with non-nuclear means to non-nuclear attack. The U.S. should take account of the fact that, particularly initially, its response to aggression will be judged by a somewhat different standard because of fear that a ChiCom nuclear capability will deter U.S. response.

U.S. Public Posture. Our policies and actions should take account of the probable two-sided character of Chinese tactics with their emphasis upon threat and protection, upon force and upon peace. We should accordingly:

- a. Make clear that our existing nuclear capability even in the Far East far exceeds that of Communist China and that

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and that the balance of nuclear power has not changed nor is it going to change without, however, so emphasizing our nuclear power as to suggest that future wars in Asia will be nuclear in character. We should, as indicated more specifically below, make clear our intent to come to the aid of nations under threat of nuclear attack.

- b. Particularly emphasize our will and ability to come quickly to the assistance of countries under non-nuclear attack without employing nuclear weapons.

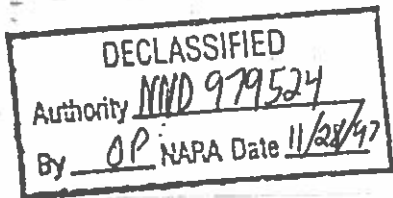
B. Reassurance through Military Actions and Programs

1. Defense Guarantees: Broad Public Commitments. The United States should issue, preferably as a part of the proposed policy statement (see par. B-1, p. 73) a public statement on defense against Communist military attack along the following lines. (Because of problems discussed earlier, this statement must necessarily contain explanatory material, as well as declaratory policy):

- a. The United States possesses the will and ability to respond in a flexible, graduated manner to Communist aggression in Asia. The vastly superior nuclear power of the United States can be relied upon to deter

Communist

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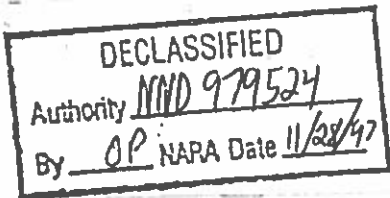
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Communist China from employing nuclear weapons. Even the most casual calculation should demonstrate to Peiping that possible military gains that might be derived from nuclear weapons use would be far outweighed by the costs to Communist China. If, nonetheless, Communist China should be so foolish as to use nuclear weapons against another Asian state, it can expect a nuclear response. In this connection, it should be noted that the United States has the capability to snuff out immediately any remaining Chinese Communist ability to deliver further nuclear weapons against Asian targets.

- b. While the United States is prepared to use its nuclear power when essential, it is also prepared to assist countries, which have the will and ability to defend themselves and wish our assistance, in meeting non-nuclear aggression by non-nuclear means. The existence of a Chinese nuclear capability, when such a capability develops, will have no effect upon our willingness to act in such circumstances nor upon our ability to come to their assistance.

2. Defense

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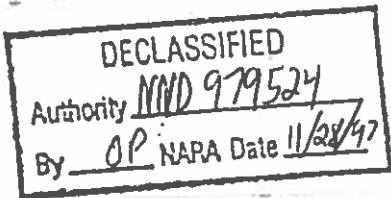
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2. Defense Guarantees: Specific Assurances. The U.S. should take the initiative to reaffirm its existing defense commitments to allies without specific reference to nuclear defense. It is not considered necessary to provide anticipatory commitments, other than the broad public commitments proposed above, to neutrals. However, in response to requests or evident need, the U.S. should be prepared to take the following actions:

- a. With respect to allies: Affirm that our existing defense commitment covers deterrence of and response to a nuclear attack.
- b. With respect to neutrals: Indicate that the general public assurance proposed above applies to the particular country concerned. Indicate a willingness to make joint statements with one or more neutrals committing the U.S. to "consult" with the nation(s) concerned if it comes under threat of Chinese Communist nuclear attack. (Such commitment would be parallel to the commitment already made to India with respect to air defense.) Privately indicate a willingness to consider providing more formal assurances,

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assurances, but point out that such assurances are likely to require formal U.S. legislative action and to be inconsistent with neutral status.

- c. With respect to India and Pakistan: Give further consideration, in the light of developments with respect to nuclear forces in Europe and the situation in India, to the desirability of encouraging the U.K. to offer a guarantee of nuclear defense to India and Pakistan.
- d. With respect to either allies or neutrals: Use announcements of consultation or action with respect to concrete measures such as those proposed in paras 3 and 5 below as a form of reassurance. As appropriate, commit the U.S. clearly to consultation prior to use of nuclear weapons in responding to nuclear or non-nuclear attack upon them but do not make such commitment with respect to attacks which are primarily against U.S. forces or bases. Argue against any request for a clear commitment that the U.S. will obtain the concurrence of the state concerned before responding to nuclear attack

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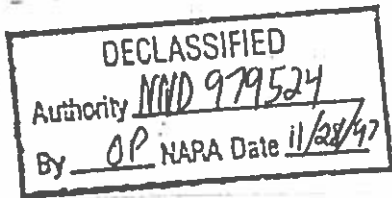
attack with nuclear weapons on the grounds that such action would reduce the deterrent to ChiCom action.

The U.S. commitment under a and b above should be made subject in appropriate cases (e.g., the GRC and the ROK) to the qualification that we cannot assume responsibility for nuclear defense if the state involved initiates military action against an Asian Communist state without U.S. concurrence.

3. Nuclear Cooperation. The United States should not assist, and should positively discourage, development of independent nuclear capabilities by non-Communist Asian states - in particular, by India. We should seek to satisfy requests for other forms of nuclear cooperation with proposals for bilateral planning for retaliation against nuclear attack, such planning to cover with varying intensity depending upon the country involved, problems of targeting and of nuclear strategy and tactics. Such planning should also be designed to demonstrate the limited value of a Communist Chinese nuclear capability, the unlikelihood of Chinese nuclear attack and the continued primary need for improved conventional and counter-guerrilla capabilities.

We should

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We should generally avoid multilateral planning and attempt to satisfy demands for it in SEATO or elsewhere through more general discussion of the implications of a ChiCom nuclear capability.

We should not engage in forms of nuclear-sharing involving nuclear weapons under dual control, as in Europe. If a country, either as a result of an immediate threat or otherwise, would find emplacement of nuclear weapons reassuring, we should be prepared, in response to the country's request, to meet the need for reassurance by temporarily deploying air-mobile missiles, aircraft or sea-mobile nuclear forces which are wholly under U.S. control to its territory or nearby areas.

4. U.S. Theater-Based Nuclear Forces. Since existing and planned U.S. nuclear capabilities are adequate to deal with any foreseeable Chinese Communist nuclear threat, the U.S. should not in order to deal with the ChiCom threat, increase presently-planned deployments of nuclear forces nor undertake such measures as hardening or dispersal of command and control facilities, air defense of retaliatory forces, a high state of alert, larger numbers of bases for dispersal, etc. (In this connection, if
the U.S.

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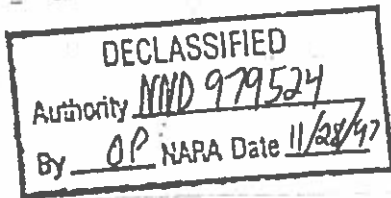
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the U.S. has a choice between withdrawing its nuclear forces from an Asian base and risking total loss of its base rights, it should weigh the latter risk much more heavily than concern about concentrating nuclear forces.) For psychological reasons the U.S. should, however, take the following measures:

- a. Send one POLARIS submarine to the Pacific now, in advance of a ChiCom detonation and in advance of regularly planned deployments due to begin in 1964. Like all nuclear actions such action should be handled with routine publicity. Also give discreet publicity to our existing REGULUS submarine capability in the area. (Discussion: Action with respect to POLARIS would be particularly useful in underlining the limited significance of any Chinese missiles test which might occur at about the same time as a nuclear detonation. Deployment after detonation would tend to suggest that we attach more military significance to the event than is the case but might, nonetheless, be desirable if such action had not been previously taken, depending upon reactions to the

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to the detonation.)

- b. In any subsequent deployments particularly emphasize dual-capable systems and seaborne systems which are less vulnerable to political attack. (These considerations, for example, favor aircraft carriers and argue against land-based missile deployments.)

In this connection, an Indian Ocean Task Force, built around an attack carrier, would be a particularly desirable counter to a Chinese nuclear capability and a stabilizing influence in the area and from this point of view action to introduce such a task force should be taken as soon as possible - if possible prior to a Chinese nuclear detonation.

- c. While we should not increase Peiping's political target by referring publicly to our theater-based nuclear forces as some kind of "regional deterrent force", we should, in cases where it would be reassuring, refer consistently in private conversations with non-Communist Asian leaders to our nuclear forces as a single entity which has the specific objective of deterring or responding to

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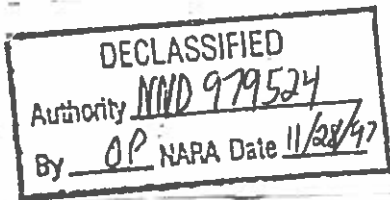
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ChiCom use of nuclear weapons - i.e., as a "Pacific Deterrent Force".

- d. We should run frequent command post and other exercises designed to make evident, in a quiet way, the fact that Communist China is the primary target of our Pacific nuclear forces. Except where such visits will create significant adverse political reaction and therefore become self-defeating, we should increase good-will visits of U.S. seaborne nuclear forces to friendly ports in Asia.
- e. The U.S. should initiate now a program under which naval and air observers from allied and other friendly countries are regularly invited to make cruises aboard U.S. aircraft carriers. (Discussion: Such cruises should impress such observers with U.S. conventional rapid reaction capabilities, as well as with U.S. nuclear capabilities and may be marginally helpful in heading off requests for nuclear-sharing arrangements or as part of a U.S. response to such requests.)

5. Air Defense. A Chinese Communist regional nuclear capability

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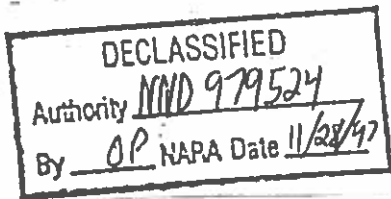
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capability should not in itself increase the military requirement for air defense and the U.S. should not undertake expensive measures to increase the refinement of air defense systems because of an assumed new Chinese Communist air threat.

For primarily psychological reasons, the following air defense actions should be undertaken:

- a. Air defense should be provided to defend U.S. bases on the territory of U.S. allies who may be subjected to ChiCom political pressures.
- b. Within the present concept for air defense of India, the U.S. should be as responsive as possible in meeting any increased sense of air threat that India may feel following a Chinese nuclear detonation (e.g., by running more frequent joint exercises or by supplementing the British effort to improve the Indian Air Force).
- c. The U.S. should seriously consider permanent deployment to Asia of mobile air defense units which can be moved quickly into areas under psychological or actual

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or actual threat of air attack.* The U.S. should make regular demonstrations of its ability to move such units quickly into threatened areas and should publicize permanent air defense installations in Asian countries.

- d. The U.S. should not press Asian nations that would not find the introduction of nuclear warheads for air defense missiles reassuring to accept such warheads; to do so contradicts the political purpose these air defense missiles are designed to serve.
- e. Depending upon the situation in the post-detonation period, the U.S. might provide token capability for defense of Asian capital cities that may feel particularly threatened (e.g., Bangkok or Taipeh).

Bearing in mind the primarily psychological purpose of additional air defense measures in the context of a ChiCom nuclear capability, the U.S. should seriously reexamine, and

where

*Whether such action will have significant reassurance value will, obviously, depend upon other accompanying actions. If, for example, such action is taken primarily as either a military or political offset to redeployment of existing fixed air defense or other conventional forces in the area, the net reassurance effect could be nil or negative.

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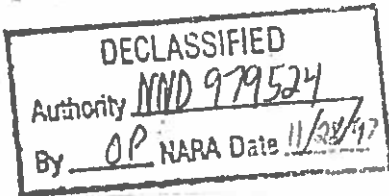
where possible cut back, such programs if it becomes evident that the Chinese Communists have a missile delivery system with compatible nuclear warheads.

6. U.S. Conventional Capabilities: General. The U.S. should continue to develop: (a) a non-nuclear capability which can demonstrate and underline our ability to meet Communist military pressures without very early resort to nuclear weapons; (b) counter-guerrilla capabilities to meet what will, along with border threats, continue to be the principal military problem in Asia; and (c) an evident capability for rapid reaction.

7. Maintaining and Improving the U.S. Capability for Rapid, Non-nuclear Reaction. The United States should:

- a. Increase U.S. air and sea-lift capabilities, particularly for Southeast Asia.
- b. Continue and expand its program for developing stocks of supplies on pre-positioned logistic ships and for pre-positioning of supplies on overseas bases.
- c. Deploy very limited numbers of U.S. troops on an indefinite (but non-permanent) basis to mainland Southeast Asia (presumably Thailand) following nuclear

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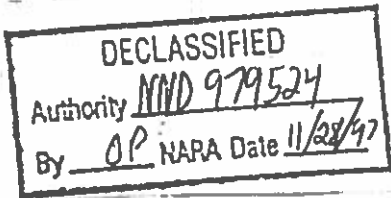


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- nuclear detonation if such action would seem reassuring in the then existing situation, taking particular account of the effect of developments in Laos and Vietnam on the reaction to the detonation.
- d. Make a particular effort to demonstrate U.S. rapid reaction capability in the early post-detonation period, perhaps through some special, well-publicized military exercise which would emphasize this feature of U.S. non-nuclear capabilities.
 - e. Undertake contingency planning which would assume various kinds of restrictions upon U.S. bases in Japan and examine the relative desirability of alternative contingency base arrangements.
 - f. Continue and further expand the program for joint use by Japan of U.S. bases in Japan with the clearly-stated intention of movement toward eventual joint control. If it is decided to dispose of a U.S. base in Japan, we should seek to anticipate the possibility as far in advance as possible and to time release for maximum political gain.
 - g. Seek to forestall later pressures on U.S. base rights
in Japan

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in Japan through more frequent and explicit exercise now of U.S. rights by such means as military exercises, movement in and out of forces and equipment, etc. At the same time, do this in such a way as to avoid greatly increased public (as opposed to official) notice of our activities.

h. Continue to encourage the British to maintain, at least on a standby basis, existing base establishments and forces in Singapore, Malaya and the Indian Ocean.

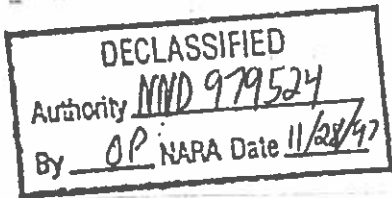
8. Indigenous Conventional Capabilities: The U.S.

should:

a. Without permanently reversing the present general downward trend of military assistance, be prepared to make temporary limited increases in military aid to countries of the Asian area as a form of reassurance in the period following a nuclear detonation. In order to avoid action which would over-inflate the significance of the Chinese nuclear detonation, funds for this purpose might be obtained initially by diversions within the then existing appropriations with the intent of

replenishing

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replenishing those funds by a commensurately increased request in the following appropriations cycle. Present aid planning should also take account of this contingent aid requirement. (Consultation with Congressional leaders explaining such action at the time it is to be taken would be desirable.)

- b. Provided the ChiComs do not appear to be moving very rapidly toward an early nuclear-missile capability, be prepared to provide some limited help for additional indigenously-controlled air defense. However, major military assistance programs of this kind should be resisted and the principal concentration should be upon capabilities to deal with the real guerrilla or limited border threats.

VII. Recommendations: Political Strategy

and Political Actions

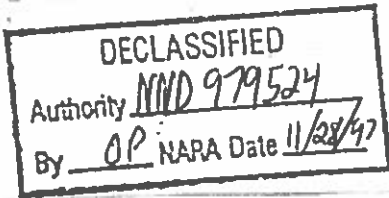
A. Political Strategy

Again, U.S. response must take account of the two broad strands of probable Chinese Communist exploitation:

- a. In response to efforts to induce increased fear and respect, the U.S. must offer reassurance.

- b. In response

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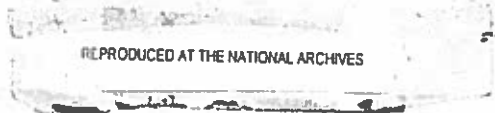
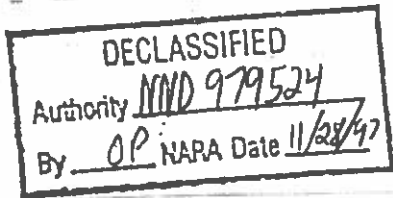
b. In response to efforts to suggest that U.S. hostility and the U.S. nuclear presence are the primary sources of the threat of nuclear war in Asia and to present Communist China as the protector of Asian nations, the U.S. should underline its peaceful and constructive purposes, its willingness to discuss problems bearing on peace with any nation and its interest in the independence of Asian nations.

B. Reassurance through Political Actions

(Discussion: Reassurance can be provided through declaratory policy statements, U.S. responses to aggression, and assistance to countries to increase their ability to protect themselves. It can be provided by alliance or other guarantees, deflation of ideas with respect to the invincibility or invulnerability of Communist China, demonstrations of the basic strength and technical development of other Asian nations, and, to some extent through collective or bilateral forms of mutual self-help. These possibilities are covered below.)

1. A U.S. Policy Statement. The principal themes of our public response to a Chinese Communist nuclear detonation
and capability

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and capability should be developed through both an immediate statement at the time of detonation and a fuller statement issued soon after. The fuller statement would consist not only of a statement of U.S. policy, but also a kind of brief "white paper" (though not so labeled) containing the government's analysis of the significance of the development.

The policy statement should, inter alia: (a) contain defense pledges along the lines suggested above; (b) emphasize U.S. nuclear power but also U.S. ability to deal with non-nuclear aggression by non-nuclear means; (c) state that the U.S. will not be diverted by a Chinese nuclear capability into an over-emphasis upon military programs to the neglect of economic development; (d) state our belief that the future of the Pacific area lies in the direction of disarmament, cooperation, peace and economic development rather than in the direction of armaments and war and dedicate the U.S. to continued disarmament efforts following up on the test ban; (e) state the U.S. position on Asian nuclear free zones; and (f) indicate our willingness to talk with Communist China about any

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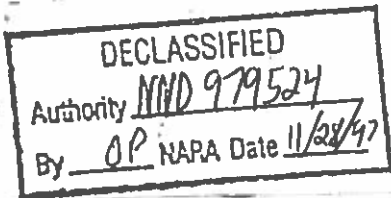
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about any issue affecting the peace and state our hope that mainland China will one day, too, participate in the peaceful cooperative endeavors of the countries of the area.

(Discussion: It is important that our public response to a Chinese nuclear detonation and capability be developed on a consistent basis both in advance of detonation and after the event. In advance there should be press backgrounders, regular references in speeches of high officials, inspired articles, etc. It can be argued that anything but perhaps a brief White House or State Department statement at the time detonation occurs will in itself over-emphasize its significance. However, if the statement itself de-emphasizes, on the basis of quite thorough analysis, the significance of the event, this danger should be minimal. Such a statement should actually reduce the volume of unattributed and probably otherwise contradictory comment from government agencies. Such a statement should not only be reassuring to foreign audiences but should demonstrate to the American public that the government has in this case (unlike the case of Sputnik) given careful advance thought to the problem and has a policy for dealing

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dealing with it.)*

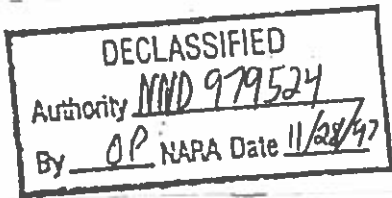
2. The U.S. Alliance System: (Discussion: Major changes in the U.S. alliance system are not feasible or desirable. A Chinese nuclear capability will further emphasize the need to reduce some forms of differentiation between allies and neutrals and therefore further accentuate present dilemmas.) In addition to reaffirming existing alliance obligations, both in general statements and in specific statements to particular allies, the U.S. should:

a. In response to any renewed Thai request for a bilateral, continue to argue that the bilateral assurances already provided are adequate, but if the Thais are not satisfied and that if Thai confidence appears significantly shaken by Chinese nuclear developments and other events, be prepared to agree to a bilateral.

b. Suggest

*Some would prefer that the fuller information to be presented should be provided in the form of a backgrounder for the press rather than as an official written analysis. If, contrary to the recommendation above, it should be decided that such an approach should be adopted, it would still be of considerable importance to base the backgrounder on an agreed written analysis. Such a statement will therefore need to be prepared on a contingency basis, whichever technique is adopted.

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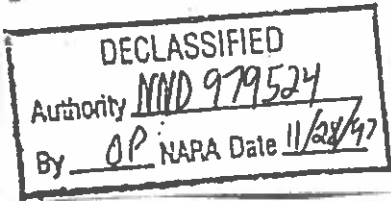
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b. Suggest now in selected Asian allied countries (and some non-aligned countries such as India) creation of informal joint committees or study groups consisting of representatives of the U.S. Mission and the local government to carry on a continuing discussion of the significance of Chinese nuclear developments against the background of a consideration of Communist China's basic weaknesses. Such discussion might also be organized within SEATO and ANZUS. Initial discussion might be based upon a paper tabled by the U.S. (The paper recently prepared for the October meeting of the Atlantic Planning Advisory Group might (with slight modification) serve this purpose.) Such joint committees could serve as a means of discussing information on ChiCom vulnerabilities to nuclear attack and on ChiCom conventional capabilities on which studies are proposed below. They might also be a means of introducing suggestions as to how Japan, India and Australia might play more active roles in the area (para 4 below). Where some existing organizational arrangement

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arrangement could serve this purpose as well, it should be employed.

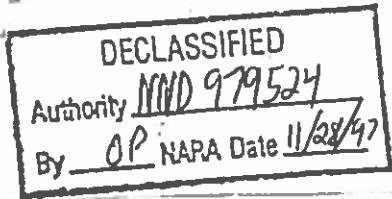
3. Developing the Basis for Wider Defense Cooperation.

While present prospects for defense cooperation among countries of the area are, at best, very limited, the following actions might lay the basis for future cooperation by increasing common understanding of the security problem:

- a. Regular private reiteration by the U.S. of the general theme that nations of the area share a common security problem which could be met more effectively if they would cooperate. (We should point to the possibility that Chinese Communist nuclear blackmail and intimidation may be used by Peiping to exploit existing divisions in Asia in furtherance of efforts to achieve hegemony. While avoiding self-defeating alarm, we should attempt to use the existence of the ChiCom capability to give a new sense of urgency to the settlement of intra-regional disputes and to expanding intra-regional cooperation. We should make clear that our assumption of responsibility in the new situ-

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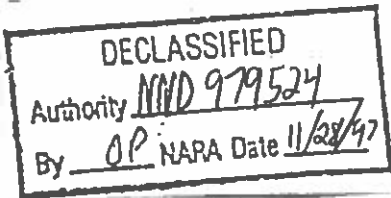
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ation presented by a ChiCom capability must, in this respect, be matched by a comparable sense of responsibility on the part of Asian countries.)

- b. The greatly expanded employment of the third country training technique in MAP to support intra-regional military training. (Discussion: This technique is now used quite extensively in economic aid programs, but is presently little used in MAP.)
- c. Active support for a Pacific Defense College, consideration of which might take off from a recent revival of this idea by others in SEATO; the concept and sponsorship should, however, be broadened to avoid SEATO identification.
- d. Particular emphasis in annual CINCPAC weapons demonstrations upon the implications of a Chinese nuclear capability.

4. The Roles of

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4. The Roles of Japan, India and Australia. (Discussion:

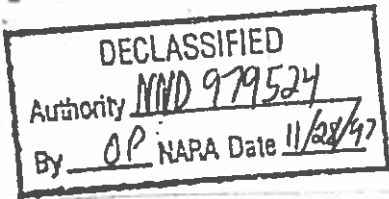
All three countries have an increased concern and interest in the area, varying degrees of desire for greater involvement and some receptivity to U.S. suggestions. The attitude of each exhibits some ambivalence because of limitations of resources and internal or external restraints on its greater involvement. While further effort is being made to identify specific concrete possibilities for useful supporting activity by the three countries in South and Southeast Asia,* the following general actions might now be initiated.)

- a. The U.S. should stimulate increased and continuing private consultation between the U.S. and the three countries on South and Southeast Asian problems and bilaterally between each of the countries. In the case of India such consultation must be conducted in a particularly discreet manner in order to avoid

antagonizing

*See Airgram CA 2021 of August 19, 1963

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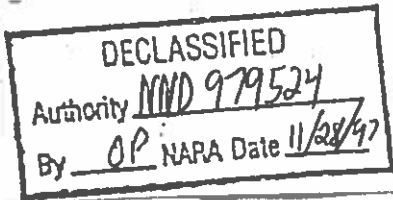
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antagonizing Pakistan.

- b. Japan should be encouraged to see its role in Asia (apart from genuine self-defense) as that of building economic strength and a wider sense of community. It should be encouraged not only to provide technical and economic (and quasi-military) aid, but also to search for ways in which existing intra-regional organizations or new organizations might serve to strengthen the sense of community. Japan should be encouraged to discuss privately and publicly with other Asian nations the need for intra-regional cooperation, with a view to countering Chinese efforts to suggest that acceptance of its protection is the only viable long-term policy. Japan should be encouraged to increase its self-defense effort but not on the basis of a vague assumption of a presently impractical security role in Southeast Asia.
- c. The U.S. should encourage action by India to improve its image in Southeast Asia not only through increasing national strength and evidence of its willingness to face the Communist threat, but also
by such

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by such efforts as seeking ways in which it can learn from unique Southeast Asian experiences (e.g., counterinsurgency); by area studies program on SEA backing up area training for Indian diplomats; by an expanded and improved exchange program for SEA focused particularly on professional people; by provision of technical assistance and limited materiel aid in areas where Indian experience is quite advanced (such as peaceful uses of atomic energy (see below) and community development); and by a constructive effort to strengthen regional organizations such as the Asian Productivity Organization.

- d. The U.S. should employ the effort to develop a joint assessment of the threat in Asia, which was authorized at the recent ANZUS meetings as the starting point for developing an agreed view of the military program implications of a Chinese nuclear capability with the objective of obtaining Australian (and New Zealand) acceptance of the need for improvement in their ability to react rapidly

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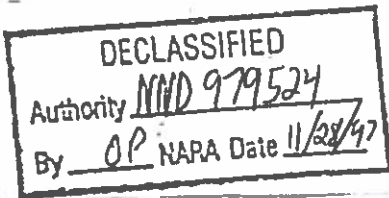
rapidly with conventional forces to Communist-probing operations through improvement in the readiness of forces and in lift capabilities. We should encourage Australian military aid and training particularly for the other Asian Commonwealth countries and particularly in guerrilla warfare where a substantially increased effort might be both possible and desirable. (We are already utilizing Australian assistance in our program for educating Asians on the meaning of a Chinese nuclear capability.)

5. Expanding Non-Military Cooperation. The following additional actions should be taken:

a. Creation of a small unit within AID, or specific assignment to an existing unit, of responsibility for giving impetus to regional possibilities latent in existing aid programs, identifying possibilities for useful regional conferences and arranging for feasibility studies of possible binational and multinational projects.

b. Provision

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- b. Provision of more funds for travel of U.S. officials within the area and establishment of a small field office in the area of South and Southeast Asia to provide staff assistance to our missions in the area in dealing with intra-regional problems and in identifying through active research, means of fostering limited bilateral or multilateral forms of non-military and military cooperation between Asian nations.

6. The Long-Run Future of the Republic of China. The possible use of its nuclear capability by Peiping in efforts to undermine the domestic and international political position of the GRC provides an additional reason for concerted long-term efforts to lay the basis in the GRC for a different vision of the future than return to the mainland. To this end we should continue to apply persistent pressure for political reform in Taiwan and for reduction in defense expenditures, with resources obtained from such reduction used for an expanded economic development effort.

In view of the likely adverse effects upon the GRC's international support and the additional problems that could be created

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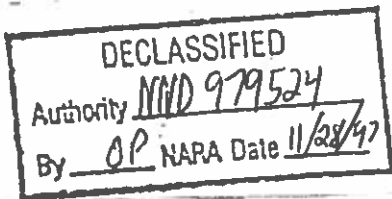
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be created for the U.S. by such action once the ChiComs have a nuclear capability, the GRC should be discouraged from launching against the mainland more than small-scale raids of the general size of those undertaken in the past. We should, moreover, wherever possible strengthen our efforts to identify in advance (and if necessary take action to preclude) major GRC attacks.

At the same time the U.S. should be prepared to respond favorably in the post-detonation period to GRC requests for public statements of U.S. support of the GRC without, however, committing itself to defense of the offshores or to GRC return to the mainland.

7. UN Membership and Communication with Peiping. We
should not

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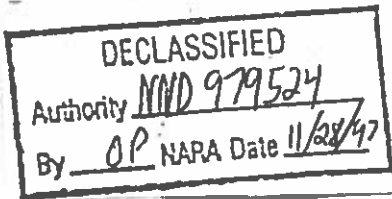
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should not change our basic policy on UN membership and should confine any pressure upon the GRC to that necessary to obtain tactical adjustments in response to the changing situation in the UN. At the same time we should recognize that a Chinese nuclear capability will increase international pressure for establishing improved communication with the Peiping regime and should seek particular means of establishing such communication. We should also seek to make the U.S. and the international public more aware of the existence of the Warsaw talks as a means of communication between the U.S. and Communist China.

8. The Offshore Islands. No change in present policy on the offshore islands is recommended. Existing military contingency plans for possible first-use of nuclear weapons in defense of the offshores should be reviewed in the light of the effects of a ChiCom nuclear capability.

9. Test Ban and Disarmament. (Discussion: The three-environment nuclear test ban has strengthened our political position vis-a-vis Communist China and aligns us with a substantial majority of the countries of the world. To exploit this position and to offset the political liabilities of continued underground

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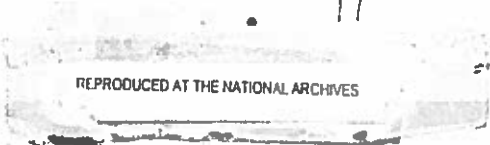
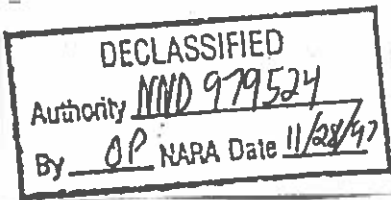
underground testing and of France's failure to sign the treaty, we shall need to continue to seek a comprehensive test ban, to support additional non-proliferation measures, and to pursue broader approaches to disarmament. While withstanding pressures to admit Communist China to the UN, we shall also need to make clear that we are prepared to negotiate with Communist China on arms control and disarmament issues at such time as it may be inclined to do so on a serious basis.)

The U.S. should:

- a. Exploit the test ban agreement and any subsequent agreement on non-dissemination to isolate Communist China politically. While the U.S. should periodically indicate its interest in Chinese adherence, it should seek to have other nations apply primary pressures on the Chinese.
- b. In advance of a Chinese Communist nuclear detonation, make clear that we are prepared - indeed that we consider it important - to negotiate with Communist China on arms control and disarmament issues whenever it demonstrates a readiness to negotiate seriously. However, we should point out that Communist China's

present views

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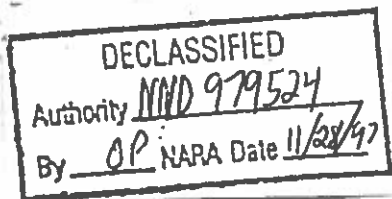
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present views make it evident that such negotiations would not now be meaningful. If necessary, we should refer to our efforts at Warsaw to secure clarification of Communist China's inconsistent positions, and to promote arms control and disarmament objectives. We should stress our willingness to facilitate the adherence of Chinese Communist authorities to international agreements such as the test ban. Privately, we should explore now with other countries the circumstances and arrangements under which Communist China might at some point usefully be engaged in international arms control and disarmament negotiations.

- c. Develop the Asian components of the April 18, 1962 Outline Treaty or other arms control and disarmament arrangements which could be drawn upon in responding to Chinese Communist proposals and which might be used in any discussions of disarmament involving the Chinese.
- d. In channels such as future Warsaw meetings continue to explore the extent to which a basis exists for

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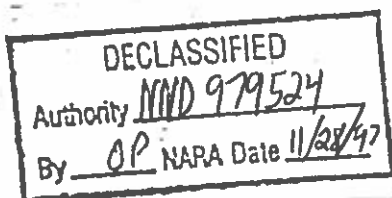
reaching understanding on arms control in Asia.

10. An Asian Nuclear Free Zone. The U.S. should not propose such a zone. In responding to proposals for an Asian denuclearized zone, the U.S. should make clear that it is prepared to consider such a denuclearized zone under the following circumstances: (1) where the zone is initiated by the countries in the area and is acceptable to them; (2) where the zone includes as many countries in the area as possible, in particular countries whose failure to participate might render a proposed arrangement infeasible; (3) where adequate provision is made for verification; and (4) under circumstances in which the zone would not upset the existing military balance or security arrangements in the area.* We should also point out that in the case of an Asian denuclearized zone, consideration would have to be given to the question of Soviet nuclear power in Asia as well as to the participation of Communist China.

11. Asian Scientific Endeavors as Partial Offsets. We should continue to cooperate with the Japanese to the fullest extent

*In the event serious negotiations actually take place, the U.S. would need to take appropriate action, as feasible, to preserve its base and transit rights.

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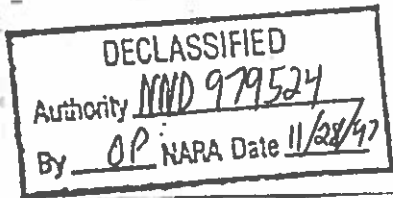
extent possible in such outer space endeavors as space communications and scientific exploration through launching of a Japanese satellite. We should discreetly encourage the Indians to give wide publicity in Asia to their planned Tarapur reactor (as well as their present outstanding nuclear research laboratory), and to build up the impression of Indian capabilities in the nuclear field by both general and specific offers of technical assistance in peaceful uses of atomic energy.

(The Indian Government should be encouraged to seek ways to dramatize its offer of such assistance through speeches, statements and publications.) We should also press forward as rapidly as possible with provision of technical information and assistance for the proposed Japanese nuclear-powered ship and should continue to explore with Australia the possibilities of PLOWSHARE projects in Australia.*

More generally, the U.S. should publicize, or support national efforts to publicize, the activities of non-Communist Asian nations in peaceful uses of atomic energy, contrasting them

*Earlier active interest in PLOWSHARE by Australia has considerably diminished, in some measure as a result of the nuclear test ban treaty which could inhibit use of PLOWSHARE for harbor development, a principal Australian possibility.

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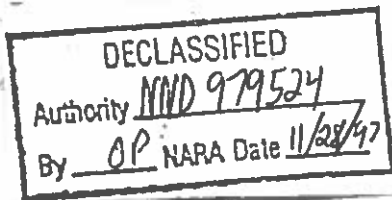
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them with ChiCom weapons development. (Support and publicity for peaceful atomic research at Tsing Hua University in Taiwan will be useful in this connection.) Less spectacular efforts to demonstrate non-Communist Asian scientific and technical prowess - such as seaborne fairs demonstrating Japanese science and technology - should be encouraged.

12. Studies of ChiCom Vulnerabilities to Nuclear Attack and Capabilities for Conventional Attack. In order to reduce the possibility that non-Communist Asian leaders will underestimate the vulnerability of Communist China to nuclear attack and therefore tend to credit Peiping with greater willingness to assume military risks than is likely, the U.S. should prepare a quite specific and convincing statement of mainland China's vulnerability to nuclear attack. The statement should be provided confidentially to Asian countries on a selected basis and its substance should be made available to Communist China through intelligence channels. Similarly, a study of Communist China's conventional capability which would take account of economic weaknesses, limited logistics capabilities, effects of obsolescence, etc., should be prepared and made available to selected Asian leaders.

*13. Japan

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*13. Japan. In order to help create the basis for a wider Japanese role in Asia, special efforts should be directed toward developing Japan's sense of national pride and its assurance of equal partnership. The U.S. should seek to consult with Japan on a wide range of matters not confined to Asia or to requests for Japanese action. The Chinese nuclear capability should be used in efforts to gain greater Japanese access to U.S. and Western markets as a part of a more general argument that such access is essential if Japan is to play, in the long term, a role as a counterweight to Communist China.

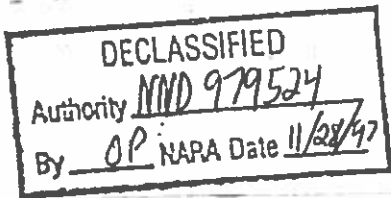
14. Nepal, Bhutan and Sikkim. Based upon the analysis of vulnerabilities and the probable character of Peiping's strategy, planning should be undertaken to determine what can be done to deal with probable Chinese pressures on these weak, hard-to-defend border states.

15. Laos. In determining future U.S. military actions in Laos, account should be taken of the fact that vigorous reaction to significant Communist military moves in the period before and following a nuclear detonation could be important in affecting Asian confidence in the post-detonation period.

16. Communist China

*Paragraphs 13-18 cover residual matters not dealt with under functional subject matter headings above.

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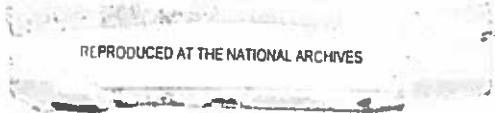
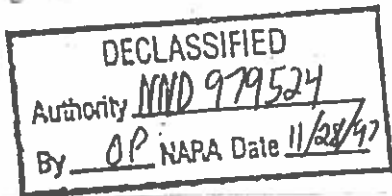
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16. Communist China. Propaganda directed toward the Chinese people should, inter alia, emphasize the futility of the government's advanced weapons program in military terms and its cost in specific terms to economic welfare. Such programs should also seek subtly to point out that Communist China may have exposed itself to additional dangers by developing nuclear arms.

17. The USSR. We should maintain communication with the Soviets in Asian crisis situations in the expectation that the continuing dependence of Communist China on the Soviet nuclear umbrella will give the USSR some residual influence over Peiping. We should, more generally, impress upon the Soviets the importance of seeking to insure that the Chinese do not miscalculate the significance of their limited capability. We should remain alert to the possible ways in which the USSR may cooperate with us to contain Communist China. At the same time we should anticipate that Soviet cooperation is more likely to be tacit than explicit and should ourselves avoid actions which would give significant credence to Chinese racialist arguments and appeals.

18. Program to

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18. Program to Influence World Opinion. The effort, which is already proceeding, should be adjusted to take account of this policy statement. When approved, this policy statement, together with supporting analyses, should be widely circulated to U.S. missions abroad for guidance and background.

We should begin immediately to introduce into such educational efforts with Asian leaderships our estimates of the probability that Communist China will develop short or medium range missiles as well as nuclear devices in the foreseeable future. Otherwise this aspect of the Chinese capability may come as more of a shock than the nuclear detonation and the psychological effects may offset our playing down of the significance of a nuclear capability.

A particular effort should be made to make clear to the American people that the U.S. Government has thought out, and is acting upon, a well-defined program of limited measures appropriate to the character of the problem.

The people of certain countries (e.g., South Korea and Nepal) are particularly likely to be poorly informed in advance about the possibility and the significance of a Chinese Communist nuclear capability as well as about Communist China's economic failures. A special effort should therefore be made to reach

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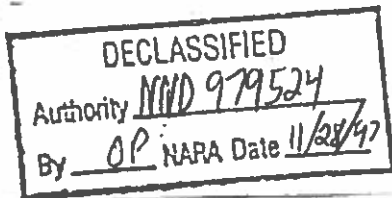
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to reach them in U.S. information programs on both these subjects.

The U.S. Government reaction to a Chinese nuclear detonation should be sufficiently low key as not to suggest by sheer volume of activity and comment that the event is more important than is in fact the case. However, the content of our message is ultimately more important than the volume and we should not weigh concern about volume so strongly as to preclude action where a good case can be made on substantive grounds for the usefulness of action.

S/P: R.H. Johnson
October 15, 1963

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Annex

The Problem of the Offshores Islands

in the Context of a Chinese Communist Nuclear Capability

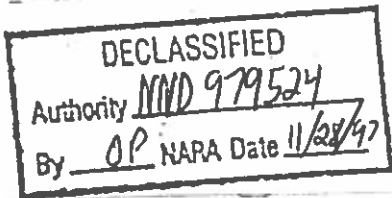
The discussion that follows obviously falls short of a complete exposition of so complex a problem. It is focused upon the problem as it appears against the background of a Chinese Communist nuclear capability and supplements the discussion of this subject in the main body of the paper.

A. General Considerations

It would be as difficult to predict now the scenario of a possible new offshore islands crisis as it would have been to predict specific characteristics of the 1958 crisis in advance of its development. There are various hypothetical ways in which Peiping might exploit a nuclear capability for politically divisive effects. In the most general sense the very existence of a ChiCom nuclear capability would constitute a new background factor of some political significance however (or even whether) the ChiComs chose specifically to exploit it. For many in and out of the U.S. it will make a serious defense of the offshores seem less desirable than ever.

More specifically,

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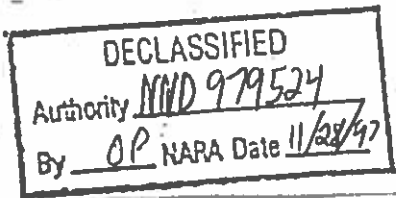
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More specifically, the Chinese might employ a nuclear weapon for a demonstration explosion in the Taiwan Straits area in the midst of an offshores crisis or they might strike the islands with missiles with HE warheads. Another possibility - although riskier and therefore less likely - might be conquest by Communist China of one of the lesser islands which they already have the ability to take employing only conventional weapons. The latter action, when taken under its alleged "nuclear umbrella" might serve the several purposes of demonstrating that the U.S. was a paper tiger, of producing maximum divisive effects in the U.S.-GRC relationship by attacking an area of least marginal significance and of setting off a major debate in the U.S. and between the U.S. and Europe with respect to our general policy toward the offshores and toward Taiwan itself. While the ChiComs could probably take one of the lesser islands now with some of this effect, effects could be significantly accentuated if taken against the background of a nuclear capability.

An intelligence estimate in 1961 concluded that the U.S. could probably force the GRC into withdrawal only if we convinced the leadership that we were prepared to use whatever

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means were necessary to force compliance - e.g., to curtail drastically, our economic, military and diplomatic support. GRC withdrawal from the offshores could produce profound shock in the GRC and could force evolution toward a different kind of government in Taiwan which was less stable and more corrupt but also more interested in the economic and political development of Taiwan itself. Alternative possible reactions suggested in the estimate were (a) an effort by Taipei to reach an accommodation with Peiping on the best terms available; or (b) a desperation attack upon the mainland. Both possibilities were considered unlikely although the chances of a significant reaction of the former type may have increased somewhat since 1961.*

Clearly it will be difficult indeed to effect any change in the present situation in the face of GRC resistance and domestic U.S. reaction. The discussion below summarizes briefly the advantages and disadvantages of alternative U.S. policies.

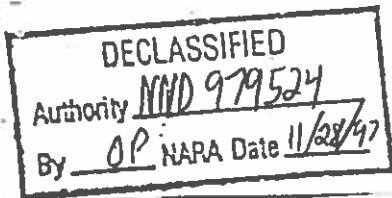
B. Alternative U.S. Policies with Respect to the Offshores

The discussion that follows puts the case for each of three alternative policies. The statement of the argument for each of the first two cases contains the argument against the opposite policy.

1. The case

*NIE 43-61, June 20, 1961

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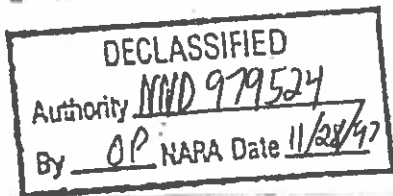
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1. The case for continuance of the present U.S. policy and posture. As argued in the main body of this paper, it is by no means certain that Communist China will, in fact, promote a new offshores crisis once it has a nuclear capability. As the paper suggests elsewhere, its nuclear capability will in some situations increase Peiping's sense of risk and therefore its caution because of the danger of provoking U.S. military action against the Chinese nuclear capability. This concern seems likely to be most prominent in situations like the offshores where Communist China might confront the U.S. directly. Such concern should also help reduce the risk of ChiCom military miscalculation in the event of an actual offshores crisis.

Realistically, the prospects for withdrawal by the GRC are very poor unless the U.S. is prepared to accept a really major crisis in U.S.-GRC relationships. Such a crisis could produce domestic U.S. counterpressures which would tend to nullify U.S. governmental pressures. The net effect might be to demonstrate U.S. impotence in dealing with a weak ally. Our real hope for change in the offshores must rest in a long-term change in GRC views in the post-Chiang period. Moreover, it is too late to take anticipatory action because general international awareness of the impending ChiCom nuclear detonation will tend to

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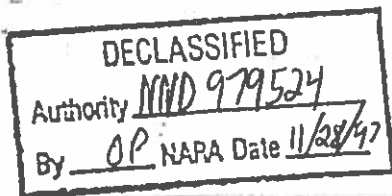
will tend to cause the U.S. action to be interpreted as a reflection of U.S. concern over the military effects of a ChiCom capability. It is not clear what justification could be offered publicly for choosing the present time to put pressure on the GRC unless it is the Chinese nuclear capability. But to use that justification will create the impression that the U.S. does attribute real military significance to a ChiCom capability and that it recognizes some need to make a military accommodation to this capability. Alternatively, U.S. action might be viewed as an effort, in the "euphoria" of a post-test ban period, to seek a general easing of tensions with Communist China.

If U.S. pressures produce no withdrawal, the net effect may be to increase further the ambiguity of the U.S. commitment and to tempt the ChiComs to exploit the offshores situation.

More positively, it can be argued that, if we must have a nuclear confrontation with Communist China once it acquires a nuclear capability, the offshores are, relatively speaking a favorable place for such a confrontation. The GRC can be expected to stand firm under the nuclear threat and the other nations of Asia will have less reason than in the case of other possible forms of confrontation to fear that the situation will

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involve them in nuclear war. An offshores crisis might offer a better opportunity to the U.S. to demonstrate clearly its firmness and resolve in the period when the Chinese have a nuclear capability than does the U.S. response to the more ambiguous challenges of Communist-supported guerrilla wars. It can also be argued that the offshores, as a bit of Chinese irredenta, are a useful continuing irritant in the Sino-Soviet dispute.

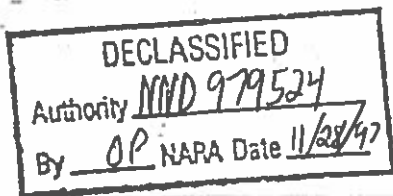
Finally, it can be argued that even a ChiCom nuclear capability need not create a political situation in which a failure to assist in defense of at least the lesser islands would significantly affect U.S. military credibility.

2. The case for pressure on the GRC for withdrawal.

Within this alternative there are at least two possible basic strategies. The first is a really serious effort to obtain GRC withdrawal. Such an effort might include withdrawal of U.S. support for GRC forces on the offshores and a request to Congress for a revision of the Congressional resolution on the Formosa Straits clearly to exclude the offshores from the U.S. defense commitment. It might also include proposals to the GRC for internationalization of the offshores or temporary

U.S. commitments

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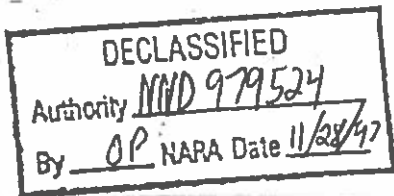
U.S. commitments to defense during a period of gradual withdrawal. A second strategy might be premised upon the assumption that, while no U.S. pressure is likely to produce change in the GRC posture, it would be desirable for the U.S. to make a more limited effort with the GRC "for the record". In this case, the pressures on the GRC would consist wholly of a presentation of the politico-military problems that could be involved in staying on the offshores in the period when the ChiComs have a nuclear capability (including the problems involved in using nuclear weapons to defend the offshores should that prove necessary).

The principal advantage of a successful effort with the GRC would be the elimination of a possible source of great future political difficulty, though admittedly with some considerable immediate political costs. The longer-term political effects on Taiwan would not be entirely negative, however, if the intelligence estimate referred to above is correct - a crisis of this kind might produce a government in Taiwan oriented toward the economic and political development of Taiwan itself.

While it is impossible to predict that the ChiComs will

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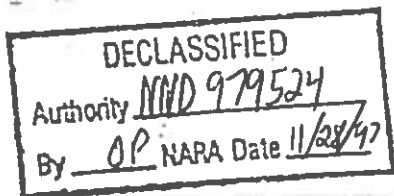
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seek to exploit the offshores situation for political effect once they have a nuclear capability, to Peiping the divisive possibilities of explicit or implicit nuclear threats must look sufficiently inviting and the ultimate objective (control of Taiwan) sufficiently important that such exploitation is at least a possibility.

GRC withdrawal would eliminate an undesirable long-term military commitment. It can also be argued that, while a nuclear capability may very well increase Communist China's caution with respect to stimulating and exploiting an offshores crisis, there is at least a marginal chance that Peiping might miscalculate U.S. reactions and that an effort to exploit the offshores for political effect might in fact lead to a serious military confrontation involving risks for the U.S. which are disproportionate to the value of U.S. objectives in the offshores. More generally, a situation of close physical contact between hostile powers, one of which has nuclear arms and to both of which local objectives are more important than maintenance of peace and of a stable international order, inherently involves at least some dangers of possible miscalculation and escalation to broader conflict.

The offshores

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The offshores ought not to be viewed as a kind of Asian Berlin where periodic tests of will can demonstrate the West's determination and reduce the likelihood of Communist pressures elsewhere. The international support for the U.S. and GRC position in the offshores is nothing like the support for our basic Berlin position. Moreover, the fact that the U.S. prevails in a test of will in the offshores will obviously not substitute for successful resistance to more ambiguous Communist pressures that will certainly continue in Southeast Asia or elsewhere. Once the ChiComs have a nuclear capability it will be difficult, at least for some time to come, for the U.S. to do anything once a crisis begins, but to defend every island.

While public justification of pressure now may be difficult, it could be explained as an effort to eliminate an ambiguous U.S. commitment long recognized to be undesirable.

An attempt to obtain GRC withdrawal made "for the record" might help improve the U.S. political position both domestically and internationally in a future offshores crisis by making clear that the U.S. Government had anticipated the problem and attempted to avoid it by seeking GRC action. It could also increase somewhat U.S. freedom of action in such a crisis.

3. The case

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3. The case for and against a clear commitment to U.S. defense of the offshores. A request to Congress to clarify the Formosa Straits Resolution would, if successful, reduce such marginal possibilities as may exist for Chinese Communist military miscalculation. It would provide a much firmer U.S. political base for action to defend the offshores in the new political environment created by a ChiCom capability. It would provide reassurance to the GRC in the post-detonation period. It would clarify the U.S. intent to U.S. European allies. It would not wholly eliminate, but would probably reduce further, the possibility of ChiCom use of its nuclear capability for political purposes in the offshores.

On the other hand, such action would, contrary to U.S. interest, commit the U.S. indefinitely to defense of the offshores and eliminate any leverage the U.S. may have with the GRC on this issue. If unsuccessful, the effort might make the U.S. commitment even more ambiguous but might at the same time lay the basis for action some time in the future to eliminate the commitment.

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