

THE WHITE HOUSE
WASHINGTON~~SECRET~~

December 22, 1981

MEMORANDUM FOR THE PRESIDENT

FROM: JAMES W. NANCE *Bvd*

SUBJECT: National Security Council Meeting
Tuesday, December 22, 1981 - 2:30 p.m.

You will chair an NSC meeting this afternoon in the Cabinet Room from 2:30 p.m. - 3:30 p.m. There will be one agenda item: Poland.

The attached paper, just delivered, contains the following points:

POLAND

I. To date, the U. S. Government has taken or is taking the following actions against Poland:

- A. Suspend consideration of Poland's request for \$740 million in agricultural assistance.
- B. Withheld the remainder of the undelivered amount of the \$71 million worth of dried milk and butter.
- C. Suspend renewal of EX-IM Bank's \$25 million line of export credit insurance for Poland.

At present we are planning to send a letter to General Jaruzelski.

II. The U. S. Government, for the present, will:

- A. Continue humanitarian food aid to Poland, provided we are guaranteed we can monitor distribution.
- B. Not make the "exceptional circumstance" clause.

~~SECRET~~

State Derivative
RDS-3 12/22/01

DECLASSIFIED / RELEASED

NLS M1287 #7BY SM, NAHA, DATE 10/29/04

III. The U. S. Government will consider the following steps either unilaterally or in concert with Allies:

- A. Establish "no exceptions" policy for COCOM.
- B. Suspend Polish civil aviation privileges in the U. S.
- C. Suspend or postpone IMF consideration of Poland's membership application.
- D. Withhold U. S. surplus fisheries allocations to Poland.
- E. Seek a Papal visit to Warsaw.

SOVIET UNION

Thus far we have taken no concrete steps against the Soviet Union. Our diplomatic representations have been from Under Secretary Stoessel to Bessmertnykh. In addition, Ambassador Nitze put the Soviets on notice that Polish developments could affect future INF talks. We are planning a letter from the President to Brezhnev.

I. Possible Unilateral Actions.

- A. Call for an emergency U. N. Security Council meeting, and, if appropriate, a meeting of the General Assembly to condemn Soviet or Soviet-sponsored repression in Poland.
- B. Play the China Card: (1) High-visibility consultations with the Chinese; (2) Sell high-technology weapons systems to Beijing.
- C. Seek to isolate the USSR economically: (1) Impose total trade embargo; (2) Expel all Soviet commercial representatives; (3) Ban Soviet fishing in U. S. waters; (4) Discourage tourist travel to the USSR; (5) Suspend Aeroflot service and Soviet maritime access to U. S. ports; (6) Suspend negotiations on economic matters; (7) Pressure U. S. banks to curtail credits.
- D. Seek to isolate USSR politically: (1) sharply reduce diplomatic levels; (2) Seek condemnation of USSR in international organizations; (3) Cancel all remaining cultural, scientific and academic exchanges; (4) Escalate radio broadcasting; (5) Request Ambassador Dobrynin's recall, withdraw Ambassador Hartman.

E. Propose a large-scale international assistance program for Poland.

II. Special Cases:

A. Postpone or cancel January 26-28 Haig/Gromyko meetings.

B. Request early Haig/Gromyko meeting to discuss Poland.

C. Postpone INF negotiations.

D. Announce U. S. refusal to set a date for the beginning of START negotiations.

E. Abrogate Helsinki Final Act.

F. Pull out of MBFR negotiations.

III. Possible Actions in Concert with Allies:

A. Suspend fulfillment of existing contracts.

B. Call for emergency CSCE meeting in Poland.

C. Measures parallel to U. S. steps to isolate Soviets.

IV. Military Actions are under further review.

[90081]

Actions vis-a-vis Poland

I. To date the USG has taken or is taking the following actions against Poland as a result of that country's declaration of martial law and use of repressive violence against its populace. We are presently planning to send a letter from the President to General Jaruzelski warning of the consequences which a continuation of the government's use of violence against its populace will have on US-Polish relations and urging the General to move toward a policy of negotiation and compromise:

-- suspended consideration of Poland's request for \$740 million in agricultural assistance for FY 1981-82,

-- withheld the remainder of the undelivered amount of the \$71 million worth of dried milk and butter which we agreed to sell Poland last April,

-- suspended renewal of Exim Bank's \$25 million line of export credit insurance for Poland.

The USG has also decided for the present to:

-- go ahead with humanitarian food aid for Poland provided we get guarantees from the Polish authorities that we can monitor distribution,

-- not invoke the "exceptional circumstances" clause of the 1981 Polish debt agreement at this time.

II. The USG should also consider taking several steps unilaterally or in concert with our Allies.

ACTION:

Establish COCOM "no exceptions" policy for export licenses to Poland.

ANALYSIS

U.S. non-agricultural exports to Poland totalled \$149 million in 1980, of which \$53 million was machinery and transport equipment. Some proportion of this business would be affected causing economic losses to some U.S. suppliers. Unanimous agreement within COCOM would be required to implement such a policy. Agreement would likely be difficult or impossible to obtain; seeking such agreement might therefore detract from the broader goals we have for the COCOM High Level Meeting in January.

DECLASSIFIED / RELEASED

NLS M1287 #8

BY SMF, NANA, 10/29/04

PROS:

- Political demonstration of Western solidarity against GOP and Soviet repression.
- Over long-term could inhibit Polish economic recovery.

CONS:

- Requires unanimous concurrence with our COCOM partners, a difficult and time-consuming process. The goal of overall tightening of COCOM at the January HLM has much greater potential impact than extending "no exceptions" to Poland.
- Has little immediate effect since Poland cannot now afford much Western high-technology and will not be able to for some time.

COSTS:

A fraction of \$149 million in U.S. exports to Poland would be lost to U.S. suppliers. Amount is uncertain due to rapid decline in Polish imports caused by inability to pay.

ACTION:

Suspend Polish civil aviation privileges in the U.S.

ANALYSIS

Suspension of the exchange of notes implementing the ad-referendum aviation agreement recently reached with Poland would allow the aviation bilateral agreement presently in force to lapse on its terminal date which is March 31, 1982. This would abrogate all Polish flight privileges within U.S. airspace as well as Pan Am's privileges within Poland. Pan Am is not currently operating to Poland, but has planned tentatively to resume service next summer.

PROS:

- Low cost to the U.S. since no carrier currently operating to Poland.

~~SECRET~~

CONS:

-- Would be ineffective without similar restrictions by other Western nations. Multilateral agreement to such steps highly unlikely since most countries' aviation rights covered by bilateral agreements.

--- Would make communications with Poland more difficult.

ACTION:

Suspend or postpone IMF consideration of Poland's membership application.

ANALYSIS:

Poland has only just begun the process of gaining membership, which would normally occur by mid-1982. A Fund program for Poland could go into effect by early 1983. Poland's membership would provide the country with substantial hard currency resources. Poland's quota might be on the order of \$800 million, of which only \$200 million would have to be paid in hard currency, the rest would be Polish currency (zloties). Poland would be immediately eligible to withdraw \$400 million of its quota. It would be eligible for a Fund program of 4.5 times its quota (\$3.6 billion) over a five year period if it accepted the Fund's stringent conditions for such a program. The Fund's conditions would be both politically and physically difficult for the Poles, requiring prolonged austerity, substantial general price increases, restraints on wages, and other measures to limit consumption. On the other hand, it is doubtful whether the GOP is either politically strong enough or economically astute enough to institute adequate economic stabilization measures by itself. Voting in the IMF is according to the size of each member's quota, giving the U.S. an effective veto. Therefore, we could act unilaterally. U.S. policy has steadfastly opposed politicization of the IMF, however, on grounds that it is strictly an economic organization. With other repressive Marxist regimes as members, our Allies may refuse to side with us.

PROS:

-- A blow to the prestige of the Polish government. This step amounts to questioning of the legitimacy of the present regime since other repressive Communist governments are members.

~~SECRET~~

-- A severe blow to Polish prospects for economic stabilization and recovery over the medium-term.

-- Greatly increases the cost to the Soviets of supporting Poland over the medium to long-term.

CON:

-- Virtually assures Polish default on Western debts with associated substantial costs to creditor governments.

-- Politicizes the IMF, and may be opposed by allies on that basis.

-- Undercuts any remaining reformist or moderate elements within the GOP.

COSTS:

Could delay Polish repayments of U.S. debts. Would save some eventual costs of supporting Fund program for Poland. Could increase costs if U.S. eventually decides to aid Poland by delaying economic stabilization and recovery.

ACTION:

Withhold U.S. surplus fisheries allocations to Poland.

ANALYSIS:

Poland received U.S. fish allocations of 220,000 metric tons in 1981. The fish are an important source of high protein food in Poland, and are also an important source of scarce convertible currency since some of the catch is sold to U.S. processors among others. Withdrawal of the allocations would constitute a severe blow to Poland's already inadequate food production, and would contribute to hardship and malnutrition.

PROS:

-- Would put considerable pressure on an already beleaguered Polish Government by removing a major source of high protein food.

-- Would force GOP and Soviets to devote additional scarce resources to replacement of fish from U.S. waters.

~~SECRET~~

CONS:

-- A direct use of food as a political weapon would be seen as a blow against Polish people rather than the government.

-- Could lead to further destabilization in Poland.

COSTS:

None to the USG since the fish can be reallocated to other countries. Some U.S. fish processors, especially Mrs. Pauls' Kitchens which has had strong Congressional support, will be affected by the loss of access to attractively priced Polish catch.

ACTION:

Seek a Papal visit to Warsaw. We could formally or informally suggest a Papal visit to the Vatican, pointing out that such a visit would serve as a major inspiration to the Polish people and in addition help avoid violence and encourage the government to enter into a meaningful dialogue with all segments of Polish society.

PRO:

-- If the Pope went to Poland, would serve as a tremendous inspiration to the Polish people.

-- Would focus world attention on the situation in Poland.

-- With the Pope in Poland, chances of a Soviet military intervention might decrease.

-- Could force the Government into meaningful negotiations with the Church and a reconstructed Solidarity.

CON:

-- Vatican may feel we are interfering in internal Church matters.

-- Could lead to such an intense response in Poland that violence might result.

-- Poles might refuse Pope permission to come to Poland at this time.

~~SECRET~~

The allies may be reluctant to undertake actions they perceive as directed against the Polish people as well as actions harmful to them at a time when their own economies are weak. A number of them, for example, have stated that they will continue to provide food assistance to Poland despite the institution of martial law. Their public statements have ranged from tough on the part of the French to bland and cautious from the Dutch. On IMF membership, we are likely to run into considerable opposition from those who think Polish membership is in the West's interest and who oppose politicization of the Fund. On the other hand, it may be easier to gain agreement on establishing a "no-exceptions" policy for export licenses to Poland in COCOM. Finally, we do not know how they will respond to cutting access for the Polish fishing fleet to Western waters, but they will probably oppose suspension of Polish civil aviation privileges in Western Europe. The allies are not likely to oppose the idea of a Papal visit to Poland, but will probably resist putting any pressure on the Vatican.

Of the five options, the last one, a Papal visit to Warsaw would have the most dramatic effect and long-term impact on events in Poland. But it is unlikely that either the Vatican or the GOP would agree to a visit. The economic measures, on the other hand, should be held in reserve. The President is sending a letter to Jaruzelski warning him of the consequences of a continuation or intensification of his repressive policies, and we should wait until he has had an opportunity to react before taking further actions.

~~SECRET~~

POLAND: POSSIBLE ACTIONS AGAINST THE USSR

I. Actions to Date

Thus far since the imposition of martial law in Poland, we have taken no concrete steps against the Soviet Union. Our diplomatic representations have been confined to Under Secretary Stoessel's December 13 meeting with Soviet Charge' Bessmertnykh, during which we handed over the text of Secretary Haig's 4:00 p.m. Brussels statement, and stressed the necessity for non-interference and a return to a process of negotiation and compromise in Poland. Stoessel also underscored our concern over the Polish situation in an informal encounter with Soviet Ambassador Dobrynin on December 18. In addition, at the INF negotiations Paul Nitze put the Soviets on notice that Polish developments could not but affect the future of the talks. We are presently planning a Presidential letter to Brezhnev warning against Soviet intervention and making clear we hold the Soviets responsible. Publicly, the President's December 17 statement put the Soviets on notice that we hold them responsible for the Polish crackdown, and we have placed increasing emphasis on the Soviet role in our public statements since then.

II. Possible Unilateral U.S. Actions

The following are possible actions which we could take unilaterally against the Soviets, if the Polish crisis reaches the point that we want either (1) to seek to deter the Soviets from bringing about a major escalation in repressive action against the Polish people, or (2) to impose punitive sanctions against Moscow following direct Soviet intervention. In some instances, these actions would have a substantial impact on the Soviets regardless of whether the Allies took parallel action; in other cases lack of Allied support would make their effects largely symbolic.

In considering the possible options, we should keep in mind the need to avoid a split among Western nations of the kind that occurred after the Soviet invasion of Afghanistan (and we can count on the Soviets to work hard to this end). At the same time, we should remember that any unilateral action could bring Soviet retaliation in kind against us.

A. Broad policy initiatives:

1. Call for an emergency U.N. Security Council meeting and, if appropriate, a meeting of the General Assembly to condemn Soviet or Soviet-sponsored repression in Poland. This could be part of a general political offensive aimed at highlighting the Soviet role in the Polish crackdown.

Pros: -- Focusing international attention on Soviet/Polish behavior could have an important deterrent effect.

Cons: -- Soviets can block UNSC action; UNGA debate could be counterproductive if it only demonstrated traditional U.N. cleavages.

DECLASSIFIED / RELEASED

NLS M1287#9

2. Play the China Card: (a) High-visibility consultations with the Chinese; (b) sell high-technology weapons systems to Beijing

Pros: -- Signals high international costs of Soviet involvement in Poland.

Cons: -- Would touch such a raw nerve with the Soviets that it could remove the disincentives to massive Soviet intervention in Poland.

-- Chinese may attempt to extract a price with respect to Taiwan, resist political manipulation.

-- Chinese may be unable to pay for the weapons.

3. Seek to isolate the USSR economically: (a) impose total trade embargo, encompassing both agricultural and industrial exports; (b) expel all Soviet commercial representatives; (c) ban Soviet fishing in U.S. waters; (d) discourage tourist travel to the USSR; (e) suspend Aeroflot service to the U.S. and end Soviet maritime access to U.S. ports; (f) suspend negotiations on economic matters; (g) pressure U.S. banks to curtail credits.

Pros: -- Would be strong signal of end to business-as-usual.

-- Curtailing our major agricultural as well as industrial trade is a prerequisite to getting Europeans to impose across-the-board trade restrictions of their own.

-- Would cause immediate short-term economic dislocations for Soviets.

Cons: -- Economic impact would be severely diluted without Allied imposition of corresponding measures.

-- Economic warfare could cause Soviets and Poles to repudiate over \$40 billion in debts to the West.

-- Allies highly unlikely to go along except in case of all-out Soviet intervention; even then, measures not likely to remain in effect for very long.

-- Allies will resist specific aspects of trade embargo, e.g. export of oil/gas extraction technologies, given divergence of view on desirability of assisting Soviet energy sector.

-- Domestic economic interests will resist, particularly if embargo not supported by Allies.

- Would require spending \$3-5 billion to support grain prices.

4. Seek to isolate the USSR politically: (a) sharply reduce levels of diplomatic representation in Moscow and Washington; (b) seek condemnation of USSR in international organizations, e.g. UN, ILO, CSCE; (c) cancel all remaining cultural, scientific, and academic exchange agreements, and discourage private exchanges; (d) escalate radio broadcasting/anti-jamming efforts directed toward the Soviet audience (consider direct-broadcast satellites); (e) request Ambassador Dobrynin's recall, withdraw Ambassador Hartman.

Pros: -- Would be dramatic political slap-in-face for Soviets, symbolizing end to business-as-usual.

- Conveys high and lasting cost of Soviet-sponsored repression in Poland.

Cons: -- Allies would criticize reduction in US-Soviet dialogue at time of crisis.

- Could remove disincentives to massive Soviet intervention in Poland.
- Could precipitate greater Soviet risk-taking in third world.

5. Propose a large-scale international assistance program for Poland (a new Marshall Plan).

Pros: -- Would put U.S. on propoganda high ground.

- Could provide inducement for bringing about end to martial law.
- If implemented, would increase Western influence over Poland at Soviets' expense.

Cons: -- Difficult to keep program from becoming bail-out of Polish economy, relieving Soviets of their share of the burden.

- Would require huge USG budgetary outlays; international financial backing also doubtful.
- Soviets likely to veto Polish acceptance.

B. Special Cases:

1a. Postpone or cancel the January 26-28 Haiq/Gromyko meetings (variant: inform Soviets that U.S. agreement to meetings is "under review") in light of Polish developments.

Pros: -- Will indicate to Soviets that cooperative side of relationship is in jeopardy.

-- "Under review" formula would leave us option to go ahead with meetings if Polish situation improved.

Cons: -- Allies would criticize cut-off of East/West dialogue at moment of crisis.

-- Haig/Gromyko would be useful forum to register our concerns about Poland at Politburo level.

-- Cancelling meetings would impede our efforts to pursue resolution of other regional problems, e.g. Afghanistan, Cuba.

1b. Request early Haig/Gromyko meeting to discuss Polish crisis.

Pros: -- Would provide early forum to drive home to Soviet leadership the consequences of their actions in Poland.

-- Would be applauded by Allies as appropriate enhancement of East-West dialogue in crisis period.

Cons: -- Soviets would likely demand Moscow as venue, which would cast us in role of supplicant.

-- Meeting likely to be unproductive, with Gromyko taking hard line on U.S. "interference" in Polish internal affair.

2. Postpone resumption of INF negotiations (variant: make resumption contingent on developments in Poland).

Pros: -- Denies Soviets high-priority arms control forum.

-- Casts Soviets as responsible for breakdown in INF process.

Cons: -- Allies likely to object absent overt Soviet involvement in Poland, particularly if U.S. move rekindles peace movement.

3. Announce U.S. refusal to set a date for the start of START negotiations.

Pros: -- Would deny Soviets their much-sought resumption of the SALT process.

Cons: -- Soviets could react by ending their informal observance of the SALT II limits.

- Could raise objections on the part of the Allies.
- Later initiation of START could entwine talks in 1984 electoral politics.

4. Abrogate the Helsinki Final Act

- Pros:
- Would dramatize Soviets' flagrant violation of CSCE principles in their dealings with Poland, as well as on human rights.
 - Would signal that we do not accept the Soviet view that the post-war division of Europe gives them special rights to intervene in Eastern Europe.
- Cons:
- This idea was proposed by President Carter after Afghanistan, and then dropped. As then, the Allies are likely to oppose on principle, and to object strongly to U.S. unilateral action without consultation.
 - Undermines the legitimacy of challenging the Soviets on human rights abuses/emigration, based on the Soviets' own adherence to the Final Act,

5. Pull out of the MBFR Negotiations

- Pros:
- Would emphasize how Soviet actions in Poland make a mockery of the notion of force reductions and confidence-building measures in central Europe.
 - Little cost, since talks stalemated anyway.
- Cons:
- Allies, especially Germans, may resist.
 - If done unilaterally, would create strains in Alliance about failure to consult.

III. Actions we would want to take in concert with the Allies .

The Allies have expressed outrage over events in Poland individually, as well as through NATO and the EC-10, but with nuances. Like the US, France has been tough on the Soviets. Others -- the FRG, Canada, Scandinavians,, and the Benelux among them -- have held off direct criticism of the USSR, focusing instead on repression within Poland, although the Allies may be increasingly willing to follow our lead on a robust line toward the Soviets. Italy and the FRG are both reluctant to use major sanctions now on the Soviets, arguing that we should save such ammunition for later, and many others would likely agree. France, toughly anti-Soviet, is consistently reluctant to join in sanctions that hurt French economic interests and often plays a blocking role on COCOM consensus.

On balance, we can expect fair to good support on symbolic and political measures, including tough ones like warning the Soviets on CSCE or INF. But, if we push now for economic measures with teeth, we will face strong resistance and the argument that we are prematurely using up our deterrence.

Possible Allied measures, apart from the NATO-agreed "menu," include:

1. Suspend fulfillment of existing contracts (the NATO-agreed package would only embargo new contracts)

Pros: -- Would increase economic costs to Soviets

Cons: -- Allies will resist since it would cause a major immediate shock to their weak economies.

-- Bad precedent in broader international context.

-- Would bankrupt some individual firms.

2. Call for emergency CSCE meeting on Poland.

Pros: -- Would highlight unacceptability of Polish/Soviet actions in context of Helsinki Final Act, and could act as deterrent.

-- Even if Soviets and friends refused to participate, thereby preventing consensus necessary for convening meeting, just the call for it would be effective in putting Soviets on notice.

Cons: -- Since CSCE procedures require consensus, results of the meeting are likely to be minimal.

3. Measures parallel to U.S. steps to isolate Soviets politically (see item 4 on page 3, above):

Pros: -- Would reinforce political message if Allies joined with us

Cons: -- Across-the-board reduction in East-West contacts will meet stiff Allied resistance.

IV. Assessment

Poland obviously represents a vital interest for the USSR, and the Soviets will intervene no matter what actions we take if they perceive a clear threat to Poland's status as a member of the Warsaw Pact, or a fundamental change in Poland's political orientation. Drastic actions on our part, in addition to being ineffective, seem certain to strain the Alliance to the breaking point, and to preclude or make it immensely difficult for us to capitalize on the Polish

crackdown, as well as to strengthen Allied support for important NATO programs. At the same time, the Polish crisis cannot be short-lived: even a highly repressive martial law regime will not resolve Poland's massive economic problems, which in turn can cause social disorder and prompt Soviet intervention.

Against this somber backdrop, the modalities of applying bold measures against the Soviets become vitally important. Rash actions would undoubtedly divide NATO and prematurely deplete our ammunition; even more moderate actions taken late could make us look foolish and ineffective, even if they have a long-term punitive effect.

On timing, we should apply bold measures only when we see a high probability of irreversible Soviet actions that would throw Poland back to its pre-August, 1980 status. Apart from Soviet military intervention, this could involve such actions within Poland as the trial and imprisonment of Walesa, or widespread and prolonged use of brutality in suppressing human freedoms.

The method of application could be fine-tuned as follows: we would first make clear threats, which convey to Moscow exactly what we expect of the Soviets, and when, and specify what will follow from us if the Soviets refuse to go along. This should be done in diplomatic channels, both in Washington and in Moscow. We could also divide our major actions into two categories: those that do not destroy the core of the relationship, and those that directly affect the core, e.g., INF, START, CSCE Final Act. We would use first category actions in an initial salvo, reserving the second for follow-up action as subsequent events make necessary.

If we wish to pursue a course of this severity, we must be prepared to carry through our threats effectively. The worst possible outcome would be robust words followed by flabby actions. We should immediately commence intensive preparations within the Administration, as well as intensive consultations with our Allies and friends abroad.

Poland

DECLASSIFIED / RL

The Political-Military Responses M1287 #12

to

BY SP, NAHA, DATE 11/29/01Soviet Intervention or Massive Repression

The Alliance is generally agreed that the lack of Western response to an overt Soviet intervention in Poland could seriously shake Western European morale, intimidate third world governments and encourage further Soviet reliance on force as an instrument of policy. It was felt both that the West had to make clear to the Soviets that a price must be paid for their behavior and that the United States retains both the will and the capability to honor its commitments. It was also recognized that the movement of additional Soviet forces into Poland would require improvements in NATO's military posture.

NATO has agreed upon a number of short term military responses in the event of Soviet invasion of Poland. The inter-agency group on Poland has also been examining a number of long term political-military measures which might be taken with or without an overt Soviet intervention. They have not yet been raised with the Allies.

At annex are the short term military measures which the Alliance has agreed to take in the event of a Soviet invasion of Poland. They include activation of a skeleton SHAPE War Headquarters (WBQ), covert actions short of those requiring national agreement and preparations for a NATO formal alert. NATO did not approve an increase in the number of air defense aircraft and missiles on alert, nor implementation of electronic warfare measures.

It is important to note, however, that none of these measures -- with the exception of an immediate increase in the readiness of the Standby Naval Force Atlantic, deployment of AWACS and intensified intelligence gathering -- are applicable in the absence of a Soviet intervention. Also of interest therefore are a number of longer term measures, some of which might be obtainable short of a Soviet intervention, but in response to a rollback of reforms or massive repression in Poland. Two come to mind immediately:

-- Acceleration of the process of ratification of Spanish accession to NATO by national parliaments.

-- Dutch and Belgian acceptance of the current GLCM deployment schedule.

Requests for CW and ERW deployments could also be considered but we see them as so highly contentious that they would be

starters only in the event of a large scale Soviet intervention.

The measures being considered through the interagency process fall into five general categories: defense spending, manpower, defense improvements, steps vis-a-vis the Allies and out-of-area measures. We will need to establish priorities among and within these categories: how many we will be able to pursue will be determined by the extent of public reaction to a Soviet intervention.

1. Spending for Defense. While the current economic situation in both the U.S. and Europe make significant increases in defense spending unlikely, a Soviet intervention in Poland could provide increased support for implementation of current programs and in the case of the Europeans acceleration of specific programs designed to meet the increased threat. The outright suppression of Solidarity, not to mention a Soviet intervention, will make it important that the U.S. avoid cuts in defense spending and security assistance.

2. Manpower Decisions. The single most significant measure the U.S. could unilaterally take would be the return to some form of conscription, but this could polarize the U.S. and take the focus off Poland. Short of reinstating conscription we should continue the current registration program and improve the overall readiness of our reserve components.

We would ask that the Allies also take measures in the manpower area that would directly improve the readiness of NATO forces. These might include improved peacetime manning levels, longer periods of conscription (if we institute the draft), higher standards for the training and equipping of current reserve units, formation of additional reserve units and improved national mobilization systems. In this regard, a major NATO exercise as early as possible in the new year involving reserve units principally would have major symbolic value and lead to longer term improvements.

3. General Defense Improvements. In order to secure public support, measures should be directly related to the increased threat caused by a Soviet intervention in Poland.

Emphasis should be placed on those areas already identified for action in the NATO Force Goals, the LTDP and Phase II of the defense response to Afghanistan. While specific measures would be based on recommendations of the major NATO Commanders consideration should be given to measures in the following general areas:

- Accelerated procurement of readiness stocks, particularly PGMs to ammo stocks.

- Accelerated modernization programs with emphasis on improving anti-armor, air defense, EW and ASW capabilities.
- Acceleration of the NATO Infrastructure Program spending with emphasis on facilities for reinforcements.
- Accelerated implementation of Host Nation Support measures.
- Commitment of additional European civil cargo and long range passenger aircraft for NATO reinforcement purposes, taking into account our SWA needs.
- Increased alliance assistance to Portugal and Turkey.

4. Specific steps with European Nations. In addition to Alliance-wide general defense improvements we considered unilateral measures with selected European nations.

- France. Increased cooperation with France offers a significant opportunity, but this effort would have to be carefully handled through SACEUR channels. Possible measures might include closer coordination of military activities with NATO, increased participation in NATO exercises and French procurement of AWACS aircraft.

- Greece. Events in Poland could make it more difficult for Papandreou to justify to his military withdrawal from the NATO integrated military structure and to eliminate U.S. bases. It could also give a rationale for Greece to retain nuclear weapons. We should take advantage of this to mount an effort to check Papandreou's disengagement.

- Turkey. In addition to encouraging increased alliance aid to Portugal the U.S. should consider significantly increasing aid to Turkey.

5. Out-of-Area Measures. An overt Soviet intervention in Poland would also create the opportunity for responses outside of Europe. We could accelerate the Ikle initiatives to press for host nation support and other measures by the Allies to provide assistance for the possible use of U.S. forces in SW Asia. We would also use the Polish opportunity to encourage further support for a U.S. military presence by Saudi Arabia, Oman and Egypt. Covert and other out-of-area initiatives are being addressed separately.

Steps to Gain Allied Support

Finally, the key to developing a coordinated Western response will be an effective plan for gaining the support of our Allies. Timing will be critical. The measures we eventually propose and the timing of our response will to a large extent depend on the nature of the Soviet intervention and the public reaction. In general we foresee the following gameplan:

- When intervention seems probable, we would mention privately to key Allies the need for an eventual long term defense response.

- At the post-intervention Ministerial we would expect initial public reaction to allow for rapid implementation of agreed Allied political and economic measures.

- At the same time we would press for recognition of the requirement of a long term defense response to the new situation.

- We would allow for public indignation to grow before presenting to the Allies our assessment of the military implications of the Soviet action and unveiling actions which we intended to take.

- As European public indignation swelled, we would begin to press for a limited number of long term defense measures, as well as stronger measures in the political and economic field.

- After several months, we would announce collective steps.

Throughout this process we would seek to ensure that Allied governments do not tacitly accept a Soviet intervention and occupation of Poland.