GENERAL

1. Embassy Moscow's views on Korean conflict--US Embassy Moscow, in assessing the implications of the present Korean conflict, expresses the opinion that the North Korean offensive against the Republic of Korea constitutes a clear-cut Soviet challenge to the United States which should be answered firmly and swiftly because it constitutes a direct threat to US leadership of the free world against Soviet-Communist imperialism. The Embassy points out that the defeat of the Republic of Korea would have grave and unfavorable repercussions for the US position in Japan, Southeast Asia, and in other areas as well, and expresses the view that the US is obligated to make clear to the world without delay that the US is prepared to assist the Republic of Korea maintain its independence by all means at US disposal, including military assistance and vigorous action in the UN Security Council. The Embassy believes that any delay on the part of the US "could suggest" to the USSR the possibility of precipitating with impunity immediate action against Indochina and other points along the boundary of the Soviet sphere. The Embassy also believes that the USSR probably calculated that the US will be inclined to accept "neutralization" of the Korean civil war which would lead to eventual victory by North Korea, thus expanding the Soviet empire without the use of Soviet military forces. The Embassy reiterates its belief that the USSR is not yet ready to risk full-scale war with the West, and comments that the present Korean situation thus offers the US an opportunity to show firmness and determination and, at the same time, to unmask important Soviet weaknesses to the eyes of the world and particularly in Asia, where popular ideas of Soviet power have been grossly exaggerated as a result of recent Soviet political and propaganda successes.
(CIA Comment: CIA concurs in general with Embassy Moscow's estimate of Soviet intent in precipitating civil war in Korea, and further agrees that successful aggression in Korea will encourage the USSR to launch similar ventures elsewhere in the Far East. In sponsoring the aggression in Korea, the Kremlin probably calculated that no firm or effective countermeasures would be taken by the West. However, the Kremlin is not willing to undertake a global war at this time, and firm and effective countermeasures by the West would probably lead the Kremlin to permit a settlement to be negotiated between the North and South Koreans. If the venture in Korea is successful, the Kremlin will fully exploit the "western failure" in Korea in an effort to undermine the western position throughout the world. Effective action by the UN to control the Korean situation is possible only through military sanctions involving the immediate conclusion of "interim agreements" providing for armed contingents from member nations to enforce the UN cease fire order.)