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By	WJK NLDDE Date 3/16/11

~~TOP SECRET~~
SECURITY INFORMATION

October 9, 1953

THE JOINT CHIEFS OF STAFF
Washington 25, D. C.

MEMORANDUM FOR THE SECRETARY OF DEFENSE

Subject: NSC 164, U. S. Objectives and Policies with Respect to Austria.

1. This memorandum is in response to your memorandum dated October 6, 1953, subject as above, which requested the Joint Chiefs of Staff to provide such comments and recommendations as they cared to make on the draft statement of policy entitled: "U. S. Objectives and Policies with Respect to Austria," NSC 164.
2. In previous comments with respect to a peace treaty for Austria, the Joint Chiefs of Staff have consistently stated the requirement that any arrangement for the withdrawal of occupation troops from Austria should provide for the establishment, prior to the withdrawal of Western occupation forces, of Austrian armed forces adequate to maintain internal security. In general, the proposed statement of policy in NSC 164 provides adequate guidance for the achievement of this objective.
3. Subparagraph 16-d of the subject paper introduces a new issue which has not appeared in previous NSC papers concerning United States ~~policy~~ with respect to an Austrian peace treaty; namely, the neutralization of Austria. Although acknowledging that the neutralization of Austria would be contrary to United States interest, the draft policy reflects a readiness to temporize on this issue in any treaty negotiations, and ultimately to accept a degree of Austrian neutralization which might be prejudicial to United States security interests. The draft policy does not delineate the degree of concession on this issue which the United States might be prepared to make in treaty negotiations and thereby precludes definitive comment on this subject. In view of the important strategic geographical position of Austria and the fact that its neutralization or loss to the Soviets would require major revision of existing NATO strategy for the defense of Western Europe, the Joint Chiefs of Staff are of the opinion that neutralization should be strongly resisted as being contrary to United States and NATO security interests; and that the United States should under no conditions accept a degree of neutralization which would prevent the effective cooperation of Austria in Western defense planning or which would restrict the Western Powers in giving aid to Austria in the establishment of adequate internal security forces.

4. Although the provisions of Article 35 of the long draft treaty are primarily economic in character, the Joint Chiefs of Staff desire to point out certain possible military implications which would attend the acceptance of this article. The article as now drafted would permit agencies of the USSR to remain in Austria in control of a large segment of Austrian industry, and it must be assumed that such agencies would be actively used by the USSR to subvert the political and security organizations of the Austrian Government toward the eventual goal of Communist subjugation. The presence of these Soviet agencies in Austria for an extended period would constitute a continuing internal security problem and a constant hazard to the political independence of Austria. Further, the ability of the Austrian Government to raise and maintain armed forces of the size permitted under Article 17 of the draft treaty would be seriously impaired by the Soviet drain upon Austrian economic resources. Under these circumstances, it is almost inevitable that Austria would look to the Western Powers, particularly the United States, for aid in relieving its economic burden. The provision of American aid to Austria to enable that country to make payments to the USSR imposed by treaty could hardly be justified before the American public. In the light of these considerations, the Joint Chiefs of Staff are of the opinion that acceptance of Article 35 would be prejudicial to United States security interests. Subparagraph 16-e of the draft statement of policy should be modified accordingly.

5. In addition to the above comments which would revise subparagraphs 16-d and 16-e of draft NSC 164, certain additional specific revisions to this draft are recommended in the manner indicated in the Appendix hereto.

6. Subject to the above comments, the Joint Chiefs of Staff consider that NSC 164 is an acceptable statement of United States objectives and policies with respect to Austria.

For the Joint Chiefs of Staff:

ARTHUR RADFORD,
Chairman,
Joint Chiefs of Staff.

APPENDIX

RECOMMENDED AMENDMENTS TO NSC 164, DRAFT STATEMENT OF
U. S. OBJECTIVES AND POLICIES WITH RESPECT TO AUSTRIA DATED
OCTOBER 5, 1953

1. Paragraph 17-e, page 11: Amend the first sentence as follows:

"e. Make decisions regarding any proposal for 4-Power withdrawal of troops from Austria prior to a treaty dependent-upon-all-pertinent-factors-and conditions-at-the-time-such-a-proposal-is-made in the light of our estimate of Austria's ability to preserve her political and economic integrity against Soviet-Satellite attempts at subversion."

REASON: For preciseness, and to conform to previously expressed views of the Joint Chiefs of Staff.

2. Subparagraph 17-h, page 12: Delete the word "interin" from the second line.

REASON: For consistency with change proposed in paragraph 7 below.

3. Paragraph 19, page 13: Amend as follows:

"19. ~~Seek-to-persuade~~ Obtain the agreement of the British and French Governments ~~of~~ to the issuance of a Tripartite ~~declaratiien-concerning~~ guarantee of Austria's political and territorial integrity to be issued at the time of withdrawal of troops from Austria. ~~It-is desirable-that-such-a-declaration-be-accompanied-by such-a-commitment-to-raise-and-maintain-forces-adequate for-the-internal-security-and-integrity-of-the-Austrian State-and-covertly-to-cooperate-in-Western-efforts in-case-of-war.~~"

REASON: To strengthen the statement and to permit additional emphasis by means of the two new paragraphs recommended below.

4. Page 13: Add a new paragraph 20 to read as follows:
"20. Obtain, in addition to the Tripartite guarantee, an Austrian commitment to raise and maintain forces adequate for the internal security and integrity of the Austrian State and the acceptance of Western assistance in the formation of these forces."

REASON: Same as paragraph 3.

5. Page 13: Insert a new paragraph 21 to read as follows:
"21. Obtain, on a covert basis, the agreement of the Austrian State to cooperate in Western defense efforts in the event of war."

REASON: Same as paragraph 3.

6. Subparagraph a, page 14, of the Annex to NSC 164:
Amend as follows:

~~"a. All United States personnel under the command of the Commanding General of the United States Forces in Austria should act with utmost correctness in order to give no pretext to the USSR for imposing a blockade."~~

REASON: To include all U. S. personnel in Austria, some of whom are not under the Commanding General, USFA.

7. Paragraph h, page 15, of the Annex to NSC 164:
Amend as follows:

~~"h. We have no information here which would indicate that the imposition of a Soviet blockade of Vienna is imminent. -- However, a blockade could be utilized by the Soviets in the furtherance of their policy as a means of increasing pressure on the Austrian Government or forcing the Western Powers out of Vienna. Caution must be taken in preserving the security of these instructions and no steps should be taken which would lead the Soviet authorities or the Austrian population to believe that we are taking precautionary measures in anticipation of their action, thereby providing a pretext for aggressive or probing measures on their part. This is an interim directive and in any discussions with your British and French colleagues it should be treated as an operational matter. You U. S. authorities are requested to report immediately any action which might be interpreted as a progressive restriction on our access to Vienna."~~

REASON: To delete wording which implies that subject Annex is an interim directive. (The Annex was originally prepared as an interim directive in February 1950.)