

A RAND NOTE

**U.S. Security Assistance to Non-NATO
Countries: The Swedish Case and
Post-Communist Eastern Europe**

Paul M. Cole

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Paul M. Cole

**Prepared for the
United States Air Force**

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PREFACE

Research for this Note was supported by the U.S. Air Force under the auspices of the National Security Strategies Program of Project AIR FORCE, RAND's Air Force sponsored federally funded research and development center. This Note is one of several RAND documents prepared under a project that is examining changes in the former communist countries of Eastern Europe and the implications they may have for the United States. This Note was written in April 1991 and revised slightly in September 1992. The project is intended to be of assistance to Air Force officers concerned with U.S. policy toward Europe and others interested in U.S.-European security cooperation.

SUMMARY

This Note provides background on the issue of Western security assistance to non-NATO nations in Europe. Poland, Czechoslovakia, and Hungary¹ have expressed interest in security cooperation with and membership in NATO. In late March 1991, for example, President Václav Havel of Czechoslovakia became the first head of a former Warsaw Pact country to visit NATO headquarters in Brussels. On June 7, NATO made an unprecedented offer to cooperate with countries that were once members of the Warsaw Pact.

This Note reviews how the United States dealt in the 1950s with requests for security assistance made by two countries that chose not to join NATO. It describes forms of security assistance to non-NATO nations that developed in the 1950s and the policies that regulated this assistance.² U.S. security cooperation with Sweden and assistance to Yugoslavia illustrate how U.S. policy was flexible enough to meet the requirements of two very different cases.

Shortly after World War II, before the Atlantic Pact negotiations got under way, neutral Sweden³ made numerous requests for U.S. security assistance. The U.S. response was, at first, to deny these requests since the United States was looking for formal allies, not clients. By 1949 the United States realized that there were compelling reasons to develop security relations with nations located in strategically important areas even if these countries chose not to join NATO. By 1951 guidelines were developed by Congress to regulate U.S. arms sales, equipment transfers, the protection of information security, intelligence cooperation, and military coordination with non-NATO European nations. Separate categories and controls for a wide range of goods were developed so that applications for U.S. security assistance could be dealt with under a common policy.

Following a National Security Council determination in 1952 that the creation of a strong Swedish military would be in the U.S. interest, the United States responded favorably to a wide range of Swedish requests. Sweden was declared eligible to receive security assistance on a reimbursable basis (sales rather than grants). This was a logical continuation of the defense and security cooperation that Sweden engaged in with NATO

¹East-Central Europe.

²The government documents, interviews, and press reports related to this policy are from Paul M. Cole, "Neutralité du Jour: The Conduct of Sweden's Security Policy Since 1945," Ph.D. diss., Johns Hopkins School of Advanced International Studies, 1990.

³This is not a review of Swedish neutrality. For background on Sweden's foreign policy, see Bengt Sundelius, ed., *Foreign Policies of Northern Europe*, Westview Press, Boulder, CO., 1982.

during the Cold War, as evidenced by recently declassified U.S. government documents and by statements by former local Democratic government officials⁴ under Prime Minister Carl Bildt. Sweden shared raw intelligence with the United States, as shown below, concerning Soviet military activities in the Baltic.

The case of Yugoslavia is discussed briefly to illustrate the fact that U.S. security cooperation took many forms in the 1950s under the terms of the same policy. The Swedish case is an example of how the United States developed a policy that took into consideration several sets of issues: the Western interest in ensuring a pro-Western security orientation; Sweden's geographical proximity to the Soviet Union's frontiers, interests, and sensitivities; and the limitations of Sweden's domestic politics and culture.

Several lessons can be drawn from the U.S. experiences with Sweden and Yugoslavia that may be relevant for U.S. and Western policy toward security cooperation with the countries of post-communist East-Central Europe:

- The extent of security cooperation and assistance was determined by U.S. policy based on a clear statement of the U.S. national interest. The U.S. Congress passed laws⁵ that regulated security assistance.
- Geography was a key factor that shaped U.S. policy interests toward Sweden. Sweden's location gave the West a major stake in its political and strategic orientation. The United States sought to shape this orientation through security cooperation between Sweden and various NATO members.
- Sweden sought security guarantees but did not obtain any bilateral assurances from the United States. American assistance did not constitute a "slippery slope" culminating in a U.S. military commitment or guarantee of Sweden's security.
- The preferred form for U.S.-Swedish security cooperation was bilateral. At times NATO allies took the lead through their own bilateral relations to engage Sweden in security cooperation.
- Military cooperation with Sweden was closely tied to Sweden's willingness to adopt and enforce elements of U.S. trade and security policies. Adherence to the Coordinating Committee on Export Controls (COCOM), for example, was a

⁴Long-time local Democratic Finance Minister Kjell-Olof Feldt said, "Having contacts with NATO and having made preparations for working together was practical politics, regardless of what people and the rest of the world were told at the time. The official record did not square with the facts." "Feldt Confirms State's 'Secret' NATO Contacts," *Foreign Broadcast Information Service*, Europe, August 18, 1992, p. 30.

⁵Public Law 213 and the Vandenberg Resolution are discussed below.

precondition for U.S. arms sales that Sweden fulfilled by making a unilateral commitment to follow COCOM guidelines.

- Officer exchanges and training increased American and Western influence. (This is an area where East European elites have already indicated an interest in working with the West.)
- In the case of East European countries, information security will be a major but not insurmountable barrier to cooperation.
- After 1945, the Soviet Union treated Sweden as a Western nation. The Soviets first encouraged Sweden to develop a strong military force consistent with “armed neutrality,” then backed off from this position. The Soviets expressed disapproval of Sweden’s collaboration with the West and from time to time indicated to Sweden that its de facto alliance membership status was inconsistent with the obligations of neutrality.

The analogy is not perfect, but the analogy is not the point. The purpose of this Note is to present a case study, in abbreviated form, of how the United States dealt with the issue of security assistance in the past. Lessons from the previous case may contribute to a more coherent policy in the present one.

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1. INTRODUCTION

Following the collapse of communism in Eastern Europe, leaders in East-Central Europe¹ initially downplayed the future role of both NATO and the Warsaw Pact. Since the Helsinki process was the frame of reference for the new foreign and security policies envisaged by some of these leaders, the defense agenda was dominated at first by discussions of collective security. NATO and the Warsaw Pact were frequently portrayed as part of an obsolete European order. The future pillars of European security were viewed as the Conference on Security and Cooperation in Europe (CSCE) process and the European Community.

Since mid-1990, however, the agenda has changed for three main reasons. First, East Europeans have a better understanding of the European Community, its security policy aspirations, and how quickly the countries of Eastern Europe might be integrated into it. The same is true with regard to the CSCE.

Second, much of the initial antimilitary sentiment evident in the wake of the revolutions of 1989 has dissipated. Civilian governments have developed a greater appreciation of the role a professional military establishment plays in a constitutional democracy. This trend has been buttressed by center-right conservative political forces in Poland, Czechoslovakia, and Hungary that have placed a premium on the defense of national interests and sovereignty.

Third, uncertainty in the former Soviet Union and civil war in Yugoslavia have heightened the sense of a threat from the East and encouraged the search for more concrete forms of security assistance and cooperation with the West, including closer ties with NATO.² In the case of Poland, important shifts in tactical and operational military thinking can already be documented. These imply that Polish military doctrine will be geared toward defending Poland from an attack from the East.³

Though East European thinking on national security issues is inchoate, the trend toward seeking closer security cooperation with the West is likely to accelerate as these countries complete the process of disengagement from the Warsaw Pact and after Soviet forces are completely withdrawn from their territory.⁴ This trend may be reinforced by the

¹For the purposes of this Note, East-Central Europe refers to Poland, Czechoslovakia, and Hungary.

²See Keith W. Crane, Steven W. Popper, and Barbara A. Kliszewski, *Civil-Military Relations in a Multiparty Democracy*, RAND, R-3941-RC, 1990 and Ronald D. Asmus and Thomas Szayna, *Polish National Security Thinking in a Changing Europe: A Conference Report*, RAND, R-4056-FF 1991.

³Thomas Szayna, *The Military in Post-Communist Poland*, RAND, N-3309-USDP, 1991.

⁴Soviet troops were withdrawn from Czechoslovakia and Hungary in June 1991.

internal political dynamics in the region, viz., the political ascendancy of forces that push more openly for closer ties with the West.

Western policymakers have begun to consider the policy issues and dilemmas raised by these developments. At least three factors have shaped the Western debate over whether and, if so, how to respond to requests from Poland, Czechoslovakia, or Hungary for security cooperation and assistance. The first is a reluctance to provoke anti-Western reactions in Russia. The second factor is the concern within NATO that a debate over ties with East European countries might further complicate and sidetrack efforts to consolidate a new consensus. To many, such a discussion seems fanciful at a time when the alliance is searching for a common defense policy for its current members. The third factor is an American concern that security assistance to Eastern Europe will lead inexorably to security commitments.

The analogy between contemporary Sweden and the post-communist regimes in Poland, Czechoslovakia, and Hungary is certainly not perfect. The analogy is much more relevant if one focuses on Sweden's approach to security cooperation with NATO in the 1950s, 1960s, and 1970s and the U.S. approach to security cooperation with Yugoslavia in the 1950s. Sweden, a long-established democracy by 1945, possessed a developed industrial base and an established tradition of neutrality when the issue of U.S. security assistance surfaced. Poland, Czechoslovakia, and Hungary, all budding democracies with fragile political systems, presently lack the economic and industrial base that could support a defense force as technologically sophisticated as Sweden's. Sweden's policy of neutrality, which was abandoned in favor of a European identity in 1991, also contrasts with Eastern Europe's history of foreign domination and frequent occupation, the postwar Soviet experience being only the most recent example.

The analogy between Cold War Sweden and Yugoslavia and the East-Central European countries of today is nonetheless compelling for several important reasons. First, these countries clearly aspire to become full-fledged members of the Western community; indeed, the desire for "a return to Europe" is one of the most powerful forces driving their foreign and security policy thinking. Second, they are close to Russia and face the same policy dilemma Sweden dealt with in the late 1940s: how to survive in proximity to a great power. Third, from the perspective of American policymakers, these countries fall into the category of pro-Western, non-NATO countries whose geography gives the United States a strong interest in their political-military orientation.

The more important parallel between the Swedish and Yugoslavian cases and the countries of East-Central Europe is geography. The major factor shaping changing U.S.

attitudes toward cooperation with Sweden was the realization of the importance of Sweden's geographic location.⁵ An important reason for Sweden's long history of neutrality is its peripheral geopolitical importance. Even this remote location was important enough to justify U.S. security assistance. East-Central Europe, on the other hand, is of central importance, as its name implies.

This Note focuses on several aspects of U.S. policy toward Sweden. First, it examines how the Swedish case was initially viewed in the broader context of U.S. security assistance to Europe in the immediate postwar period. Second, it examines how American policy came to terms with nonalignment and sought to achieve Western interests when dealing with Sweden. Third, the process that led to American security assistance to Sweden and the criteria that governed the relationship are examined. Fourth, declassified U.S. and Swedish reports concerning intelligence cooperation during the Cold War are discussed. Finally, several broader lessons are identified that may be relevant for American policy on security assistance to other non-NATO countries, including those of post-communist East-Central Europe.

⁵Sweden was also the strongest military power in Scandinavia at that time. While this was important, Sweden was finally more interesting to the United States for its technical resources and industrial base.

2. SECURITY ASSISTANCE TO EUROPE

After World War II, U.S. policy on security assistance to nonallied European nations evolved simultaneously with the formation of NATO. As the North Atlantic Alliance was formed, one of the first questions addressed was how to define its limits.¹ George Kennan pointed out that when building an alliance the problem is not deciding which nations to include; rather, it is determining which nations ought to be excluded. Potential members of NATO, according to British Foreign Minister Ernest Bevin's original idea expressed on January 22, 1948, were nations that bordered the Atlantic Ocean. This geographic approach was considered by the trilateral U.S.-UK-Canada preparatory negotiations. The idea was dropped in favor of a broader concept based on a notion of Western security that defined the North Atlantic Community as the five signatories of the Brussels Treaty plus the United States and Canada. When the Washington Exploratory Talks (WET) got under way on July 6, 1948, the list of potential member states was broadened to include democratic, "like minded," Western nations. These were the United States, Britain, Canada, France, Belgium, the Netherlands, Luxemburg, Norway, Sweden, Denmark, Iceland, Ireland, Switzerland, Portugal, Spain, and Italy. The inclusion of then-undemocratic Spain, Portugal, and Italy shows that the definition of "like minded" did not outweigh the importance of geopolitical factors.

As the outlines of the political bloc systems and the two military alliances in Europe formed, a significant grey zone emerged. Western democracies such as Switzerland and Ireland, for example, expressed no interest in joining the Atlantic Pact. Delegates to the WET understood that Finland, due to its tenuous relationship with the Soviet Union, could not be considered for membership. Norway and Denmark seemed interested but felt compelled first to explore Sweden's proposal for a neutral Scandinavian Defense Union. The WET delegates considered whether to create three classes of membership to deal with the grey zone. These classes ("regular," "non-resident," and "summer crop") did not receive a great deal of attention before being discarded. "With us or against us" thinking prevailed. In 1949 U.S. officials tended to group the nations of Europe into three categories: allies, enemies, and those in the middle.²

¹*Verbatim Transcripts on Washington Exploratory Talks on Security—July 1948–March 1949* (master file).

²"Countries in the middle," a phrase that was widely used in the 1950s, has been attributed by various sources to Secretary of State John Foster Dulles.

American policy toward security assistance to non-NATO members was influenced to an important degree by two factors. The first was mutual security, a concept based on the principle that nations that did not accept the risks of solidarity with the Western Alliance of democracies should not have equal access to U.S. war matériel. This policy, codified in the Mutual Security Assistance Act of 1949, was derived from the Vandenburg Resolution (Senate Resolution 239, June 11, 1948) as was Article Five of the North Atlantic Treaty.³ The second factor was the assessment by many U.S. officials that when given the choice between joining NATO or being left in the cold with no security guarantees or prospects for assistance, nations in the middle would choose to join NATO. U.S. policy was therefore based initially on a two-tiered list of allies and others, with NATO members receiving priority for security assistance. Although applications for assistance made by NATO and non-NATO countries were considered simultaneously, non-NATO orders were filled only after NATO needs had been considered. U.S. policy toward the countries in the middle was closely coordinated with the other significant sources of arms and matériel, Britain and France.

By late 1948 the State Department recognized that some countries in the middle, particularly those in sensitive geographic areas or with peculiar domestic political conditions, should not join NATO. Sweden met both tests. U.S. officials also recognized that U.S. and Western security interests would be served by providing assistance with few restrictions to such countries in the middle as Yugoslavia. The question was how to make this assistance available without encouraging nations that accepted the risks of NATO membership to back out of their commitments.

By 1950, the U.S. approach to security assistance was more complex, more flexible, and more nuanced. Instead of looking for ways to deny assistance to the countries in the middle, the U.S. Congress treated security assistance as an integrated element in a comprehensive national security policy. After the definition of security assistance was broadened to include technology and critical materials, Congress drew up a comprehensive list of "strategic goods" that went beyond weapons and matériel. U.S. policy, as codified in

³Article V states: "The Parties agree that an armed attack against one or more of them in Europe or North America shall be considered an attack on them all and consequently they agree that, if such an armed attack occurs, each of them, in exercise of the right of individual or collective self-defense recognized by Article 51 of the Charter of the United Nations, will assist the Party or Parties so attacked by taking forthwith, individually and in concert with the other Parties, such action as it deems necessary, including the use of armed force, to restore and maintain the security of the North Atlantic area."

Any such armed attack and all measures taken as a result thereof shall immediately be reported to the Security Council. Such measures shall be terminated when the Security Council has taken the measures necessary to restore and maintain international peace and security."

the Battle Act,⁴ created a larger framework “of the total free world program of creating military defenses against aggression, building economic strength and furthering the unity of free nations.” The United States implemented an “operation of strategic trade controls” that involved a “broad range of military, economic, diplomatic and psychological considerations.” This policy was adapted to conditions that prevailed in the various countries in the middle. An illustration of how this policy was applied is given in a later section of this Note.

⁴Mutual Defense Assistance Control Act of 1951: “A program for the denial of strategic goods to the Soviet Bloc.” Public Law 213, 82nd Congress.

3. NEGOTIATING COOPERATION

Of the twenty-two nations that declared neutrality before World War II only five, (Ireland, Portugal, Spain, Switzerland, and Sweden) sustained the policy throughout the war. This was the second time that Sweden's neutrality had paid off in the twentieth century. Public sentiment supported a continuation of what was thought of as Sweden's "traditional" foreign policy. In 1945, Sweden was the most powerful military force in Scandinavia. Sweden refused to establish overt links with the West, leading many to perceive Sweden's policy to be a form of isolationism. During 1945–1946, Swedish Prime Minister Per Albin Hansson referred to Sweden's "independent foreign policy," a euphemism that underlined the central element of neutrality. The Swedish government preferred a regional solution to Nordic security. Sweden's proposal for a Scandinavian Defense Union (SDU) was based on the principles of Sweden's own security policy: no formal links to any alliance in peacetime with the intent to remain neutral in the event of war. After months of negotiations, in 1949 Norway and Denmark rejected Sweden's plan in favor of NATO membership. Sweden's negotiating strategy was to obtain U.S. weapon supplies and security guarantees for the SDU. Sweden cultivated the image of independence yet became increasingly willing to engage in a range of cooperative measures as they were adjusted to the Swedish conditions.

U.S. policy was flexible enough to accommodate Sweden's circumstances. U.S. officials had extensive experience in dealing with Sweden on issues that affected national security. During World War II, the Swedish government engaged in extensive cooperation with the Office of Strategic Services (OSS). In order to end Swedish ball bearing exports to Germany, the State Department devised a negotiating strategy that mixed threats with the prospect for an agreement that "offered cover behind which the Swedish government might retreat."¹ These relationships are evident in U.S.-Swedish relations in the 1950s when the United States provided Sweden cover for its operative security cooperation in order to preserve the image of Swedish aloofness. U.S. policy became directed toward helping Sweden appear "neutral" while developing its defense forces in ways that would make the greatest contribution to Western security.

¹Dean Acheson, *Present at the Creation*, Norton, New York, 1969, p. 52.

Limits to Cooperation

The main issue for the Swedish government was how far cooperation could be taken before it compromised the appearance of Sweden's independence. By 1950 the policy of neutrality was associated with sovereignty, thus Sweden approached cooperative measures in a way that did not appear to contradict the declared policy of neutrality. The United States learned to take into account Sweden's concern for form. By 1955 the Department of State concluded that the value of security cooperation with Sweden was great enough to offset² Stockholm's offensive anti-American rhetoric. The United States, which accepted Sweden's behavior as a cost of doing business, found ways to allow the Swedes to cooperate on their own terms if the result would be a net plus for U.S. or Western security interests. Segments of the Swedish bureaucracy, particularly those that had waged an unsuccessful campaign for NATO membership, sought the widest possible cooperation with the United States on a range of defense issues. Prime Minister Tage Erlander indicated he was willing "to go quite far to cooperate" with the United States,

particularly if it can be done without publicity, for he does not want to fly in the face of Swedish public opinion which, it must be admitted, supports current Swedish foreign policy.³

The political benefits of Swedish cooperation were a subject of great interest to the U.S. government.⁴

Neutrality did not exclude Swedish security cooperation with NATO. The attitude of the East-Central European countries toward nonalignment or neutrality has been hazy. (Initially, all East European countries proclaimed neutrality to be their long-term goal.) Czech President Václav Havel's speech to NATO in 1991 seemed to indicate a desire for complete integration with the West. Some U.S. analysts have raised neutrality as a status that can be assigned to certain nations regardless of their own interests. The East European countries, who have increasingly expressed an interest in becoming more closely associated with NATO,⁵ have tempered their views on this issue for political and military reasons on the grounds that neutrality could harm their efforts to join the European Community. There may be strong pressure in the West to discourage these countries from prematurely pushing for membership in Western collective defense arrangements.

²Department of State Memorandum. G. Hayden Raynor (Director, Office of British Commonwealth and Northern European Affairs), March 18, 1955.

³Letter from Ambassador W. Walter Butterworth to Secretary of State Dean Acheson, April 1, 1952.

⁴Telegram 1321, From: American Embassy Stockholm, To: State, May 1, 1952.

⁵The most outspoken comments have come from Hungarian Prime Minister Josef Antall, who explicitly ruled out neutrality as an option for Hungary.

Security Guarantees

In addition to defense cooperation, the Swedish government made efforts to obtain some form of a U.S. security guarantee.⁶ Swedish officials raised this issue with U.S. government officials in a variety of circumstances. In 1948 Swedish officials proposed, for example, that the United States issue a secret security guarantee to cover the proposed Danish-Norwegian-Swedish defense pact. This went nowhere. Later, Swedish military officers explored the possibility of a unilateral U.S. guarantee of Sweden's security. After both were ruled out by the American government, Swedish officials suggested that a secret deal could be worked out whereby the United States would agree to strike a Soviet invasion force with nuclear weapons.⁷ The United States also declined to participate in this arrangement.

The United States refused to guarantee Sweden's security because Sweden was not considered to be of vital interest to the United States.⁸ By 1960, NSC-6006/1 clearly distinguished between the U.S. commitment to defend Norway and Denmark in the event of an attack and the U.S. interest in Sweden's independence. The main stumbling block from an American view was Sweden's refusal to share the risks and responsibilities of collective security. Swedish policy, however, was based on the assumption that if Sweden were attacked the United States would respond because it would be in the U.S. interest to restore Sweden's independence.⁹ At the same time, Swedish officials insisted that Sweden would not intervene in military conflicts in Europe and that it would be in the interest of the belligerents to see Sweden stay neutral regardless of the nature of the conflict.¹⁰ Eventually Sweden's security policy, the marginal attack doctrine, became based on the assumption, explicitly spelled out by Sweden's foreign minister in the 1950s, that the United States would come to Sweden's defense regardless of Sweden's policy or actions.¹¹ This thinking has been applied by Swedes to U.S. nuclear guarantees (the so-called nuclear umbrella). Swedish officials have asserted that Sweden is protected by the U.S. nuclear umbrella extended to other nations in Europe because the United States cannot limit the geographic dimensions of

⁶Telegram 1316, From: Stockholm, To: State, November 29, 1948.

⁷Letter from the Special Assistant to the Ambassador (Paris) to the Special Assistant to the Secretary of State (S/AE), November 1, 1954.

⁸Central Intelligence Agency Report to the President, "Sweden," SR-7, April 6, 1949.

⁹Bo Hugemark, "Försvaret för neutralitet: Några perspektiv på utvecklingen sedan 1945," *Neutralitet och försvar: Perspektiv på svensk säkerhetspolitik 1809-1985* (A Defense Force for Neutrality: Some Perspectives on Developments Since 1945), Norstedts Tryckeri, Stockholm, 1986, p. 231.

¹⁰This included a Soviet attack on Norway, Denmark, or Finland.

¹¹Swedes regarded a Soviet attack on Sweden as prelude to a wider Soviet-U.S./NATO conflict. This could have important parallels in Eastern Europe. The Poles, like the Swedes, may plan to hold out against an attack for two weeks in anticipation of U.S. assistance.

a nuclear guarantee. Sweden's policy was simply asserted by Stockholm, never backed up by a formal or informal security guarantee from the United States. The policy concerning the nuclear umbrella has never been negated by declared policy. The appearance of a special U.S.-Swedish security relationship cultivated for the domestic Swedish audience permitted Stockholm to base Sweden's security policy on the "help from abroad" doctrine.¹² The myth of American assistance had political and psychological benefits. It reassured Swedes and contributed to what the United States considered to be more substantive security and defense cooperation.

Two points deserve reiteration as they have potential implications for U.S. policy toward East-Central Europe. First, the United States was able to engage in military cooperation without entering into security guarantees with Sweden because Sweden's political and strategic orientation was important but not vital to U.S. interests. Second, by allowing the Swedes to cooperate on what they defined as their own terms, Washington opened the door to a more cooperative relationship and expanded security assistance that ultimately strengthened Swedish defense capabilities in ways that served the interests of Western security.

The Evolution of Security Assistance to Sweden

Before the formation of NATO in early 1949 the United States and Britain denied most of Sweden's requests for weapons and matériel. The goal was to show Sweden that Britain and America distinguished between allies and countries in the middle. The U.S. position began to soften, as the interagency debate over the final draft of NSC-28¹³ shows, after Sweden was shown to be a potential source of uranium. For the first time considerations other than Western solidarity began to influence U.S. policy toward security cooperation with Sweden. The question became how to cooperate, not whether to do so.

U.S. policy on security cooperation with Sweden turned nearly 180 degrees over the following four years. The shift in U.S. policy was most evident on the sale of weapons and matériel to Sweden. Sweden attempted to purchase Bendix radar sets from the United States in the late 1940s. From 1947–1950 the United States turned down and delayed Sweden's request for these radar sets to illustrate the costs Sweden would have to pay for its policy of isolated neutrality. In April 1950, the Swedish ambassador to Washington was informed that the export permit for these radars was being held up because the United

¹²This doctrine assumes that Sweden will receive assistance from one great power if it is attacked by another great power.

¹³"Military Implications of Scandinavian Pact," NSC-28, August 1948, and NSC-28/2, February 1949.

States was "not happy" with Sweden's political attitude. The shipment of these radars was delayed even after they had been paid for in order to send an unmistakable signal to Sweden that allies qualified for the Mutual Defense Assistance Program would receive priority for U.S. matériel.

During 1951 this policy changed. American officials suggested that arms sales might become possible if Sweden agreed to adopt U.S. trade restrictions spelled out in the Battle Act. In 1951 the Swedish government agreed to adopt an East-West trade policy equivalent to that of NATO countries.¹⁴ The United States considered this to be the greatest deviation from neutrality Sweden had made to that point. Sweden chose to emphasize, however, that since its deal with the United States was based on unilateral Swedish declarations, there was no deviation from neutrality. Sweden's explanation for its adherence to COCOM did not detract from the fact that it committed itself to enforcing the terms of the U.S. embargo of strategic goods. Consequently, the U.S. government declared Sweden eligible for arms sales on the same basis as NATO countries and also declared Sweden eligible for priority assistance on certain defense matériel.¹⁵

This process culminated in NSC-121,¹⁶ which recognized the strategic importance of Scandinavia. Henceforth, the United States would "receive sympathetically" requests from Sweden for military assistance "without, however, prejudicing the meeting of higher priority defense requirements." The goal of U.S. policy was no longer to shut Sweden out of NATO completely or to incorporate it completely; rather, the United States sought to realize its interests to the degree that the Swedish circumstances would permit. U.S. policy was to make "every appropriate effort" to encourage Sweden to create a defense force that would serve the interests of the West.

NSC-121 decided three issues. First, Sweden was declared eligible to receive reimbursable military assistance (government-to-government sales). Second, strategic items could be exported to Sweden "in the light of Sweden's actual performance in limiting its exports to the Soviet bloc and in accordance with the same standards as govern the licensing of strategic items to the COCOM countries." Third, Sweden would be encouraged to expand and improve its defense by the exchange of information and officers.

On February 28, 1952, the United States informed Sweden that it was eligible for reimbursable military aid from the United States under the U.S. Mutual Security Assistance Act. The U.S. government agreed to the Swedish government's request that references to

¹⁴Telegram MAC684, From: Stockholm, To: State, December 28, 1951.

¹⁵Telegram 1146, From: State, To: Stockholm, March 14, 1952.

¹⁶"U.S. Policy Toward Scandinavia and Finland," NSC-121, January 8, 1952.

“mutual security” be deleted from the agreement that was signed on July 1. The Swedish government requested that no publicity be given to the arrangement.¹⁷ By 1953 Sweden’s requests for military equipment (training films, ejector seats, vacuum tubes, blueprints for minesweepers, and aircraft) were approved on a routine basis. The United States took steps to safeguard classified information by sending security teams from Washington to Sweden to inspect the procedures and facilities that would be used to protect U.S. secrets.

The United States protected Swedish secrets as well. In the 1950s the Swedish Air Force and other branches of the Swedish defense establishment conducted regular air reconnaissance of the East Baltic. The American Embassy Stockholm was kept informed about these flights by Swedish officials who regularly briefed the Air Force Attaché.¹⁸ In 1950, Swedish intelligence regularly passed along to U.S. officials intercepted radio communications between Soviet aircraft. This was particularly useful in establishing that Soviet fighters were ordered to shoot down a Navy PBY-40 thirty-five miles southwest of Latvia on April 8, 1950.¹⁹ In 1992 the Swedish government began to tell its side of how Sweden cooperated with NATO during the Cold War. In May the Bildt government described how “Sweden secretly worked with the NATO alliance to make its defenses compatible with Western military forces.”²⁰ Practical measures such as widening runways to accommodate NATO aircraft were taken. There are many other measures that have been publicized in Sweden.

U.S. policy in 1960 as set out in NSC-6006/1²¹ was to assist Sweden in every way short of developing a nuclear weapon capability. NSC-6006/1 set out two “major policy guidance” points for Sweden. The first was that the United States would still not make military assistance to Sweden available on a grant basis. Washington was prepared, however, to continue to sell Sweden modern weapon systems from NATO or U.S. production or to authorize licensing arrangements for manufacture in Sweden, provided that such equipment had already been offered to NATO allies.²² An exception to this rule concerned nuclear

¹⁷Memorandum for Major General George E. Olmstead, Department of Defense, From: Special Assistant to the Secretary for Mutual Security Affairs, August 22, 1952. Sweden subsequently publicized the agreement in 1954.

¹⁸A. L. George, *Case Studies of Actual and Alleged Overflights, 1930–1953*, RAND, 1955, pp. 171–198, USAIRA, Stockholm to C/S AF Washington, No. AIR-68, June 18, 1952.

¹⁹A. L. George, *Case Studies of Actual and Alleged Overflights, 1930–1953 (Supplement)*, RAND, 1955, p. 12, “Memorandum of Conversation with Ambassador Boheman,” Swedish Embassy, June 23, 1952.

²⁰Marc Fisher, “Sweden’s Socialist Utopia Gets a Conservative Jolt,” *Washington Post*, May 30, 1992.

²¹“U.S. Policy Toward Scandinavia,” NSC-6006/1, April 1960.

²²NSC Action No. 2204-c noted the U.S. president’s understanding that “each proposal of the sale to Sweden of modern weapons systems, pursuant to paragraph 35-a of NSC-6006 as amended . . . would be handled on a case-by-case basis by the Departments of State and Defense.”

weapons. U.S. policy was to deny Sweden access to U.S. nuclear warheads and to discourage Sweden from producing its own nuclear weapons. Second, through the means referred to in the first point, the United States decided to help Sweden develop early warning, air control, and advanced weapon systems compatible with and complementary to those planned for installation in the territory of neighboring U.S. allies. NSC-6006/1 also raised the issue of "whether the question of assisting in the defense of Sweden should be raised in NATO." The manner in which this issue was raised in NATO, if it was raised at all, is an issue for further research.

Over the years, Sweden has purchased some of the most advanced U.S. weapons available. Arrangements have also been made for licensing and production. Over the 1982-1986 period, by some estimates the United States supplied 74 percent of Sweden's defense imports. Sweden's inventory includes the SIDEWINDER, HELLFIRE, HAWK, numerous electronic systems, and by some estimates up to 70 percent of the components for the VIGGEN combat aircraft. Sweden has been, along with Israel, exempted from the U.S. R&D recoupment requirement. The United States helped Sweden build a high-quality defense force. In a secondary theater such as Scandinavia, such a force is relatively important, particularly air defense forces. Swedish forces were expected to stop or seriously curtail Soviet plans to use Swedish airspace in a conventional war with NATO.

This approach may apply as well to East-Central Europe. Czechoslovakia and Poland have substantial arms industries. (Some 65 percent of Polish weapons are produced domestically.) Czechs have an aircraft industry, Poles manufacture tanks, and Hungarians have the most sophisticated electronics industry in the region. The point is that with the appropriate guidance and assistance, these countries could significantly improve their military capabilities, thereby contributing to deterrence and stability in Europe.

4. SECURITY RISKS

In the 1950s and 1960s, Sweden's military establishment and by some accounts even the Foreign Ministry were thoroughly penetrated by Soviet Intelligence. In 1963, attention in the United States turned to the issue of how much Swedish air force Colonel Stig Wennerstroem's espionage for the Soviet Union had damaged U.S. interests. When Wennerstroem was arrested in Stockholm on June 20, 1963, on charges that he had furnished the Soviet Union with military data on Sweden and "other countries," the "other countries" were understood to be NATO members including the United States. Following Wennerstroem's arrest the Swedish government declared two diplomats at the Russian embassy, Major General Vitali A. Nikolsky, the Soviet army, navy, and air force attaché, and Georgi P. Baranovsky, persona non grata. Speculation developed that Wennerstroem had been fingered by Oleg Penkovsky, a high Soviet official who had been working for both the United States and Britain.¹

Wennerstroem's espionage career began in 1948 when he offered to sell Swedish military information to the Russians. Wennerstroem served as Sweden's air attaché (he was also accredited to the navy) in Washington from 1952 to 1957. He was also the Swedish air force's purchasing agent. His espionage focused on NATO affairs and Sweden's defenses. The motives for Wennerstroem's treason have never been satisfactorily resolved.

The Swedish government had to deal with the "probable loss of the nation's entire defense strategy."² During the fifteen years he worked for the Russians, Wennerstroem had access to Sweden's entire defense strategy and layout. After his arrest, the consensus in Sweden among the government, opposition parties, defense staffs, and newspapers was that by "giving away Sweden" Wennerstroem had crippled its defenses. Wennerstroem had access to the locations, for example, of hundreds of Sweden's fortifications, headquarters, battle stations, hangars, ship tunnels, repair facilities, and storage depots that had been built into granite mountains around the country. As a result of Wennerstroem's espionage an entirely new system of interlocking radar and anti-aircraft missile sites had to be organized.

Because of Wennerstroem's activities in the United States during his tenure as air attaché, the Internal Security Subcommittee of the U.S. Senate published an English language translation³ of the Swedish investigation and interrogation.⁴ The purpose was to

¹Jack Raymond, "Soviet Protests Spy Arrests Here," *The New York Times*, July 4, 1963.

²"Defense Planners in Sweden Press to Close Spy Gap," *The New York Times*, July 19, 1963.

³The Senate translation contains a surprising number of errors. The Swedish word for "missile" (robot) is translated as "robots," for example. Sentences such as "The reports sent to Sweden have been

bring to the attention of the Senate the "ease with which an embassy attaché was able to ferret out United States security data for transmission to the Soviet Union."⁵ According to the Swedish investigation, Wennerstroem's main job in the United States was to avoid duplicating the efforts of other agents, some of whom had access to more important information. Wennerstroem's controller, known to him as the General, focused his efforts on obtaining technical information on new aircraft and electronic equipment. The Swede's job was to gather information on aircraft, rockets, missiles, bombsights, radar, cameras, and the development of electronic microinstruments. Wennerstroem, who was given the code name "Eagle," was instructed to look out for information on nuclear weapons only when the information was being transmitted from the United States to Great Britain. Wennerstroem told Swedish investigators that he "sold U.S. nuclear weapons secrets to the Soviet Union."⁶ The Russians indicated that they did not need additional information about U.S. intercontinental ballistic missile programs since this was covered by well-informed sources.

The larger Soviet goal was to understand the organization and structure of the U.S. defense industry. Wennerstroem's status as the purchasing agent for Sweden's air force, the world's third largest, opened many doors in the United States. Wennerstroem testified:

I went on trips within the U.S.A. and Canada on all imaginable occasions, to aircraft units and the aircraft industries and staffs to the extent this was possible. . . . The background for this situation was the tremendously large group of foreign personnel which passed through the American aircraft units all the time.

This personnel is classified in various ways on the basis of the material which they are allowed to see. Some of them can only see nonrestricted material; others may see only material of a low degree of restriction and others have access to higher classified material.

When, all of a sudden, an air attaché from Sweden appeared, there was, in many cases, nobody who knew that he did not belong to the personnel which usually passed through the installation concerned. If one was questioned what so-called classification was applicable, one could say secret, that is to say by Swedish standards. Often it did not come to one's mind that this was a

searched with the air force agency and found to a relatively great extent" make no sense. The entire translation is of dubious quality.

⁴*The Wennerstroem Spy Case—How It Touched the United States and NATO: Excerpts from the Testimony of Stig Eric Constans Wennerstroem, A Noted Soviet Agent*, U.S. Congress, Senate, 88th Congress, Second Session, Subcommittee to Investigate the Administration of the Internal Security Act and Other Internal Security Laws of the Committee on the Judiciary, U.S. Government Printing Office, Washington, D.C., 1964.

⁵"Senate Gets Wennerstroem Data on Ease of Espionage in the U.S.," *The New York Times*, November 30, 1964.

⁶"Spy Says He Sold U.S. Nuclear Data," *The New York Times*, May 27, 1964.

classification which was applicable to a foreign power and had nothing to do with American.⁷

Wennerstroem learned how to exploit personal contacts to obtain access to material that would have otherwise been denied him. Bribery was not an unusual technique in his repertoire.

In January 1958 a group of Swedish officers, representing all three branches of Sweden's armed services, held talks in Washington concerning Swedish requirements for guided missiles.⁸ The Swedish group, composed primarily of air force officers, was headed by Major General Rapp. The purpose was to try to buy U.S. missiles that until then had been denied to Sweden. During the 1958 visit to the Pentagon by Rapp's delegation, characteristics of various Swedish weapons, including aircraft, were presented by the Swedes in "some detail."

The weaknesses of the various weapon systems used by the Swedes were explored. Air Force weaknesses were considered to lie in defending against attack above 50,000 feet and at comparatively low levels. It was felt that American developed missiles, both ground to air and air to air, would cure these weaknesses. Representatives of the Army and Navy (Coastal Artillery) also indicated that existing weaknesses in the weapons systems of their respective services would be cured by the addition of American missiles.⁹

U.S. military representatives at the talks found the capabilities of "Swedish weapons and aircraft very impressive." General Rapp "got the mistaken impression that the U.S. intended to extract rather substantial political quid pro quos for the sale of missiles" but was reassured that this was not the intention or the case at all. The discussions ended with the recommendation that if the Swedes intended to buy, the negotiations should go through Stig Wennerstroem's successor, Swedish air attaché in Washington, General Lindskog, rather than through the U.S. Embassy in Stockholm. Wennerstroem, who left Washington in June 1957 had, nonetheless, full access to the Swedish delegation's reports and to Sweden's air defense tactics, systems, and capabilities.

At the time of Rapp's visit Wennerstroem was in Stockholm serving as the Chief of the Air Section at the Defense Headquarters where he had responsibility for following Sweden's missile purchases. Wennerstroem was asked during his debriefing by examiner Rune Beckman to describe Rapp's visit to Washington in 1958.

⁷*The Wennerstroem Spy Case*, p. 18.

⁸From: BNA - William M. Kerrigan, To: BNA - Mr. Parsons, Mr. Moline, Mr. Mayer, and Mr. Johnpoll, Subject: Talks on Swedish need for missiles, January 31, 1958.

⁹Kerrigan Memcon, January 31, 1958.

W: One might say that the development began back in 1952 with the signing of the agreement between the U.S.A. and Sweden, i.e. the agreement called a mutual defense assistance agreement between the United States of America and Sweden. The agreement was given the same title in the U.S.A. as the U.S.A.'s similar agreements with the NATO countries and some other countries, e.g. India and Japan.

The purpose of the agreement was from the American standpoint to legalize the selling of war material to Sweden. The result, however, was meager in the beginning because it was hard to come to an agreement between the American Defense Department and State Department on how far to go in selling material classified secret. Those discussions went on the whole time. . . . And what they hung up on most was precisely the [missile] field.

Afterwards it was quite clear one might say . . . that the Defense Department had declared that it was in the American military interest for Sweden's anti-aircraft defenses to be strengthened, and therefore first-class anti-aircraft defense material ought to be supplied to Sweden. The State Department on the other hand was more hesitant, and it took until 1958 before the two Departments got together, and that was what happened during General Rapp's trip.

B: Did you report that phase of development which occurred while General Rapp was over there to the Russians?

W: As concerns trip reports on the rocket field, what I did was to send in either the reports as they were, i.e. photographed, or else make excerpts from them. [I]n any case it is quite clear that my Soviet contact man in Moscow got the whole situation clear in his mind.

B: . . . You were in on all the big briefings and all discussions on that subject after the various delegations came home to Sweden, were you not?

W: Yes. I am not sure that I was in on all the meetings, but in any case I got hold of all the documents in question.¹⁰

Sweden's capabilities and U.S. secrets were completely compromised throughout the late 1950s even after the United States investigated Sweden's ability to protect classified information and determined that Sweden was not a risk.

In March 1958, Swedish Ambassador Boheman wrote to Secretary of State Dulles asking that "appropriate authorities be authorized to undertake the necessary negotiations to make possible the delivery" of U.S. missile systems. Deputy Assistant Secretary of State Frederick Jandry wrote to Boheman on April 3 to acknowledge the Swedish government's interest in purchasing U.S. guided missiles. As a result of this request, the United States proposed that a U.S. team be sent to Sweden to assess Sweden's ability to protect classified

¹⁰*The Wennerstroem Spy Case*, p. 97.

military information. After the Swedish government agreed, a State-Defense Military Information Control Committee traveled to Stockholm to discuss the Swedish security system with Swedish authorities.¹¹ The assessment concluded:

The overall security systems of the Swedish Government and industry is considered competent to protect whatever information the United States may deem appropriate for release to that country.¹²

By February 17 the negotiations were completed. On April 21, 1958, the Department of Defense considered Sweden's request for the purchase of "certain advanced weapons, including the Sidewinder."¹³ The "air defense missile systems and ground and airborne warning and control systems for air defense" that interested the Swedish government were detailed in a letter from Major General Rapp, Vice Chief, Royal Swedish Air Board on March 19, 1958.¹⁴ Rapp's letter followed his visit to Washington during which Sweden's requirements were discussed. The decision was taken between the Departments of State and Defense to offer for sale to Sweden 2000 Sidewinder missiles and related equipment for an estimate \$8 million and was cabled to Stockholm on August 19. This sale was authorized under Section 106 of the Mutual Security Act of 1954 as amended. It was confirmed on January 14, 1959, with a two-year payment schedule for \$9.7 million.¹⁵

On February 27, 1959, another Swedish delegation, again headed by General Rapp, came to Washington to explore the possibility of making "additional missiles available for sale to Sweden—including those with atomic capability. Rapp outlined for the Department of Defense Sweden's "urgent desire to acquire these weapons." Rapp's rationale was that although Sweden was "not and cannot be" expected to become an ally under existing international conditions, it is in the interest of the United States and the West that Sweden be in the best possible position to resist Soviet pressure and aggression, which is the "only real threat to Swedish security." The State Department recognized that Sidewinders had

¹¹Letter From: Frederick Jandry, To: Erik Boheman, Swedish Ambassador, April 3, 1958.

¹²Memorandum From: BNA – Woodbury Willoughby, To: RA – Mr. Timmons, Subject: Sale of U.S. Missiles to Sweden, March 4, 1958.

¹³Memorandum From: Robert S. Barnes, Special Assistant for Mutual Security Coordination, Department of State, To: Director, Office of Programming and Control Office of the Assistant Secretary of Defense, ISA. Subject: Case No. 159 Confirmation of Approval of Sidewinders to Sweden and Transmittal of Swedish Request for Dependable Undertaking, November 21, 1959.

¹⁴Memorandum From: Robert G. Barnes, Special Assistant for Mutual Security Coordination, Department of State, To: Director, Office of Programming and Control, Office of the Assistant Secretary of Defense (ISA), Subject: Swedish Case No. 159, Request involving purchase of military equipment, materials, or services under the Mutual Security Act of 1954, as amended, April 21, 1958.

¹⁵Memorandum for the Special Assistant for Mutual Security Coordination, Department of State, From: John L. Holcombe, Director, Office of Programming and Control, Office of the Assistant Secretary of Defense, Subject: Confirmation of Approval of Sale of Sidewinders to Sweden and Transmittal of Swedish Request for Dependable Undertaking, January 14, 1959.

been sold to Sweden "pursuant to the policy enunciated by NSC-121."¹⁶ Nuclear-capable missiles, however, were another matter.

Wennerstroem turned over the details of Rapp's 1958 visit to Washington to his Russian handlers. This did not include information about "certain diplomatic, political considerations and agreements" that Wennerstroem described as a "codicil added to the 1952 agreement" required by U.S. law. Wennerstroem focused instead on "the contract that was known to have been written, the enterprises in America that had been visited and what was produced in those enterprises," and the names of "officials of those enterprises they had met and what their quality was, so to speak, from the intelligence standpoint."¹⁷ This meant that Soviet intelligence had a list of people who might be approached if the need arose later on.

In October 1959, the U.S. Defense Department invited General Lindskog, the successor to Air Attache Wennerstroem, to pay a call to discuss the issue of Sweden's disorganization. Lindskog was told that the information the U.S. government had on Swedish requirements

is scattered and incomplete. . . . Nowhere do we have a full picture of what Sweden desires of the U.S. Swedish request for classified data have come to us through three channels—State, Defense, the three Services, and in some cases, U.S. manufacturers. Moreover, it is not clear that the basic Swedish requirements indicated almost two years ago are the same at the present time. In addition, [the United States government] lacks the formal government-to-government request needed in this case before any transactions can be approved and commitments made.

Lindskog was informed that the Swedish government was advised to submit a "detailed and comprehensive formal request" and a "comprehensive statement of Swedish desires with respect to U.S. missiles."¹⁸

While at the Defense Command Office in Stockholm from 1957–1961, Colonel Wennerstroem was instructed by his Soviet handlers to keep an eye out for material dealing with Swedish air defense. After coming upon a report entitled, "Stipulations for measures with the objective of increasing air security in Swedish-Norwegian-Danish waters as well as in the frontier area between Sweden and Norway through cooperation between the Danish, Norwegian, and Swedish Air Forces," Wennerstroem photographed the document and passed it to the Russians.¹⁹ The Russians, according to Wennerstroem, had become convinced that

¹⁶"Sale of U.S. Missiles to Sweden," March 4, 1959.

¹⁷*The Wennerstroem Spy Case*, p. 98.

¹⁸Memorandum of Conversation Participants: General Lindskog, Swedish Air Attache, Mr. Hammond – MC, Mr. Margrave – MC, and Mr. Nelson, BNA, Subject: Swedish Request for U.S. Missiles, October 20, 1959.

¹⁹*The Wennerstroem Spy Case*, p. 71.

the Swedish air defense was being incorporated with the NATO air defense of Europe, which was one of the objectives of NSC-121. Wennerstroem reported that at one meeting the Russians told him:

They had information from Norway that Swedish fighter planes were seen at Norwegian airbases and that they had similar information from Denmark. They told me that here we have now full and clear evidence that it is completely incorporated.²⁰

In Wennerstroem's estimation the Soviet conclusions were overblown. There was still ample evidence of Sweden's operational military cooperation with NATO, something that Swedish officials have always gone to great—sometimes absurd—lengths to deny.

The quality of the information concerning U.S. interests that Wennerstroem sold to the Russians has been debated. There is no doubt, however, that the quantity was substantial. By the time of his arrest, according to Secretary of Defense Robert McNamara, any information Wennerstroem had passed to the Russians had become obsolete.²¹ A Pentagon source said that Soviet Intelligence kept Wennerstroem going in a quiet, small way.

They never had him step out of character, and eventually, when in his official capacity as chief of the Swedish Air Force Purchasing Mission here, he was able to get his hands on highly classified information about the Bomarc and HM-55 missiles, the Russians had a tremendous windfall. Apart from this, as far as we have been able to determine, Wennerstroem gave them only routine technical stuff while he was here.²²

Wennerstroem's claims to have worked for U.S. intelligence or having been a courier for the CIA, however, have been widely dismissed.

²⁰Ibid.

²¹Jack Raymond, "McNamara Asserts Spies Fail to Gain U.S. Secrets," *The New York Times*, July 20, 1963.

²²Thomas Whiteside, *An Agent in Place: The Wennerstrom Affair*, The Viking Press, New York, 1966, p. 130.

5. THIRD COUNTRY COOPERATION

U.S. security cooperation with such countries as Sweden was not limited to a bilateral basis. In the 1950s the U.S. Joint Strategic Survey Group recognized that through Norway and Denmark Sweden would receive "all NATO information that went to those countries."¹ U.S. officials also realized that a division of labor involving other key NATO countries could be useful as well. The British, for example, suggested that since Swedes were more willing to talk with them than with Americans, it made sense for Britain to take the lead in developing security relations with Stockholm. (This was outlined in internal British planning as the Hankey Plan.)²

At first the United States demurred, but subsequently the advantages of third country cooperation became clear. The U.S. ambassador to Stockholm recommended on May 1, 1952, that "the U.S. and SHAPE should consider encouraging the Norwegian and Danish Governments to cooperate, or even invite, Swedish overtures re joint planning and strategy." The understanding was that Sweden would "prefer that all such planning be arranged on a clandestine basis and would be more likely to respond favorably to the arrangements handled directly between Scandinavian military authorities (with the permission of their governments) without U.S. and other non-Scandinavian Western Powers entering the picture."³ Sweden's military developed a range of relationships with the British military in addition to its contacts with the U.S. Air Force, for example.

¹Memorandum for the File, Bureau of European Affairs, Department of State, August 18, 1950.

²Records of the British Foreign Office, Minute by Robin Hankey, "Scandinavian Defense and Atlantic Pact," January 17, 1949.

³Telegram 1321, From: Stockholm, To: State, May 1, 1952.

6. A CONTRAST BETWEEN U.S. POLICY TOWARD SWEDEN AND YUGOSLAVIA

The Mutual Defense Assistance Act was applied in markedly different ways toward the non-NATO nations of Yugoslavia and Sweden. In 1948 Marshal Josip Broz Tito broke Yugoslavia out the Soviet bloc, which produced two important results. First, Yugoslavia could follow a more independent foreign policy than the Soviet satellites in Eastern Europe. Second, the risk of a Soviet invasion of Yugoslavia appeared to grow in the early 1950s. By March 1950 a U.S. interdepartmental intelligence estimate concluded that a Soviet bloc military buildup had "given the Satellites the capability of launching a major invasion of Yugoslavia with little warning."¹ The issue for NATO was whether there was a relationship between the security of the West and a socialist southern flank state. Some Western leaders recognized that there was, in Eisenhower's words,

an inescapable relationship between attainment of NATO objectives and the numerous aggressions and activities of the Communists on many fronts throughout the world.²

Until the end of 1950 Yugoslavia was treated like other communist countries in southeast Europe and was subject to the restrictions in East-West trade.

France, Britain, and the United States agreed in early 1951 not to enforce trade restrictions against Yugoslavia, a decision that was shortly followed by Yugoslavian requests for Western arms and equipment. The general Yugoslavian attitude on aid from the West, according to the British ambassador to Belgrade, was very different from the view expressed by Swedish officials concerning Western aid to their country. The Yugoslavs thought that Western assistance

is their due, because of their losses in the war, their courage in standing up to Moscow and the fact that other countries in the anti-Soviet front are getting even more aid. The mere fact that Stalin has rejected Yugoslavia from the Cominform should, they suggest, repay us for any aid we give.³

The British and American response to Yugoslavia's requests revealed general agreement with Tito's assessment of the situation. Both NATO countries went to extraordinary lengths to accommodate Belgrade.

¹*The Papers of Dwight David Eisenhower—NATO and the Campaign of 1952*, The Johns Hopkins University Press, Baltimore, 1989, Vol. XII, pp. 226.

²*Eisenhower Papers*, Vol. XII, p. 224.

³FO 371 102227, Letter from Belgrade to Geoffrey Harrison (FO), January 26, 1952.

By March 1951 U.S. officials reached an "agreement to ship Tito secretly a part of the military equipment he asked for." At Tito's request this was kept, at first, "very quiet."⁴ By April 1951, Tito was prepared to send an envoy to Secretary of Defense Marshall to explain Yugoslavia's capabilities and plans for dealing with an attack and "other eventualities." In April, Dwight Eisenhower, as Supreme Commander Europe, asked for the authority to authorize the Commander in Chief, Allied Forces, Southern Europe, to "coordinate the planning of Greece, Turkey, and Yugoslavia insofar as such planning pertains to NATO and defense of Western Europe." This was interpreted as planning for the coordination of NATO and Yugoslav forces in the event of war. The Joint Chiefs of Staff (JCS) agreed to this plan on May 21.⁵

U.S. Army Chief of Staff Collins informed Eisenhower in August 1951 that "Tito is becoming increasingly amenable to identifying himself more closely with the West."⁶ The JCS would not approve any "large-scale" program of U.S. security assistance to Yugoslavia, however, until

some agreement was made with Tito that would initiate a check by American personnel on the use to which the Jugs would place our equipment and the ability of the Yugoslav Army to employ that equipment. . . . [T]he JCS also are concerned as to what quid pro quo we could obtain for whatever aid we give.⁷

Collins assured Eisenhower that "anything we would do with reference to the M[ilitary] D[efense] A[ssistance] P[rogram] on the quid pro quo that we should endeavor to security, should be in accordance with your over-all plans."

From August to September 1951 a Tripartite Committee including government representatives from Britain, France, and the United States, visited Yugoslavia to determine how the West could contribute to Yugoslavia's security and how Western weapons would be put to use. The Yugoslavian representatives made it clear that Yugoslavia did not want and would not accept obsolete material. "They required modern, powerful material to meet the high type enemy equipment. . . . As their first priority they require weapons that will stop the T-34 Russian tank." The U.S. Department of the Army prepared a list of matériel that would be required to meet the Tripartite Committee's goals. The U.S. Army study concluded:

Originally this list was based on the concept that Yugoslavia would not sign a bilateral agreement with the United States prior to the date the material was

⁴*Eisenhower Papers*, Vol. XII, pp. 226.

⁵*Eisenhower Papers*, Vol. XII, pp. 377.

⁶*Eisenhower Papers*, Vol. XII, pp. 493.

⁷*Eisenhower Papers*, Vol. XII, pp. 494.

required to assist Yugoslavia in resisting actual aggression; so it was proposed to stockpile the material in an area adjacent to Yugoslavia, under the supervision of the Commanding General, Austria,⁸ preferably in the LOC. For this purpose the Army was allocated a total amount of \$55 million for a designated stockpile "C" program.⁹

The Yugoslavs attached such great importance "to military cooperation with the West that they were sending two lieutenant generals to London and Washington as their Military Attachés."¹⁰

On September 20, 1951, Eisenhower wrote to Omar Bradley, Chairman of the Joint Chiefs of Staff. In the first line of the letter, Eisenhower wrote, "I was very glad to receive your letter on 7 September with respect to the problems involved in proceeding with necessary planning for aid in the event Yugoslavia is attacked."¹¹ Eisenhower recommended six measures for dealing with the "Yugoslavian problem." The first called for close coordination with the British. The fourth measure proposed: "The matter should be introduced into NATO to obtain political agreement that *contingent* military plans be developed under my direction by Admiral Carney." The first issue, close planning and bilateral coordination with Britain, became an important issue in Washington.¹²

Eisenhower informed Collins on October 4 and 5 that "no firm military agreements" between NATO and Yugoslavia should be made until appropriate political arrangements had been made. Collins reported to Eisenhower in November after a four-day visit to Yugoslavia that Marshall Tito had assured him of two things. First, in the event of a Soviet invasion the Yugoslavs "would hold the Ljubljana Gap area and would not withdraw their troops into the mountains in order to fight a guerilla war." Second, though Tito desired to discuss the strategic deployment of NATO forces and Eisenhower had not authorized such talks, Collins concluded that "the defense plans of Yugoslavia can be integrated with those of NATO."¹³ On October 12, 1951, the Committee on Appropriations held hearings on the extent to which the United States should assist Yugoslavia.¹⁴ Senator Stan Ellender noted during these

⁸When arms stockpiles were discovered in Austria in the 1950s and 1960s, the British told the Austrians that the weapons were "intended for fighting against Yugoslavs invading" Austria. "Officer Says Gladio Depots Existed Until 1962," Foreign Broadcast Information Service, Western Europe, November 19, 1990.

⁹FO 371 102227 Memo for the Chairman, Joint MDAP Survey Mission for Yugoslavia, Subject: Department of Army Report of Actions of MDAP Survey Mission for Yugoslavia, By: Col. L. S. Bork, GSC, December 1951.

¹⁰FO 371 102227 "Report on Conversation with Yugoslavian Ambassador to UK and Anthony Nutting, Parliamentary Under Secretary of State," January 2, 1952.

¹¹*Eisenhower Papers*, Vol. XII, p. 551.

¹²*Eisenhower Papers*, Vol. XII, pp. 552-553.

¹³*Eisenhower Papers*, Vol. XII, pp. 494-495.

¹⁴U.S. Congress, Senate, *Mutual Security Appropriations for Fiscal Year Ending June 30, 1952*.

hearings that "the only reason why we are voting funds and furnishing supplies to Tito is to prevent the Russians from coming in and gobbling it; that is the purpose of my voting for it, and no other."

On November 14, 1951, a bilateral "Military Assistance Agreement between the United States and Yugoslavia" was signed. The agreement cited the desire to "foster international peace and security within the framework of the Charter of the United Nations." The Yugoslavs agreed to language that Swedish officials objected to in their agreement with the United States. This agreement paved the way for massive amounts of U.S. assistance of all sorts, including the exchange of personnel (see Table 1). By February 1952 Yugoslavia's military attachés in London and Washington were instructed "to engage in full and frank interchange of information about defense matters."¹⁵

Military aid to Yugoslavia was provided on a grant basis while aid to Sweden occurred as government-to-government sales. British Under Secretary of State Nutting was advised to mislead the House of Commons about Western aid to Yugoslavia. After being asked on February 2, 1952 to describe the extent of military aid to Yugoslavia, Nutting was advised to report that "although extremely useful, all the equipment so far provided by the UK to Yugoslavia is obsolescent."¹⁶ His response on February 20 was less elusive than the suggested answer, which was given the same day that the British Chiefs of Staff was advised by the President of Yugoslavia, Dr. Ribar, that "Yugoslavia is now ready to enter into defence

Table 1
U.S. Assistance to Yugoslavia

Materiel	1951	1952	1953
Submachine guns	25,000	57,000	
Machine guns	200	400	500
Gun carriages	20	20	10
H.E. shells	24,000	12,000	12,000
A.A. guns	20	100	180
Heavy A.A. guns	16	80	80
Howitzers	100	140	
A.A. gun shells	20,000	54,000	54,000
Rockets	69,000	112,000	589,000

NOTE: This is a partial list. The United States was also supplying "quantities of radio and communications equipment, including some radar equipment."

¹⁵FO 371 102227 Minute concerning statement by the Yugoslavian Ambassador to London, February 20, 1952.

¹⁶FO 371 102227 "Brief for Parliamentary Question About Military Aid to Yugoslavia," February 2, 1952.

discussions with the United Kingdom regarding the defense of her country.”¹⁷ Tito let it be known that he was not afraid if links between Yugoslavia and Britain became known, though by the end of March he was still reluctant to enter into formal commitments. A British Foreign Officer report, “Western Defense Planning to Counter an Attack on Yugoslavia” was written sometime during the year 1952.¹⁸

As of 1952 the three-year plan for deliveries to Yugoslavia were characterized by the British as “formidable amounts of military assistance” from the United States.¹⁹

¹⁷FO 371 102227 “Conversation Between Lt. Col. V. W. Street, Chiefs of Staff Secretariate, and Dr. Ribar, President of Yugoslavia,” February 20, 1952.

¹⁸FO 371 102165-6-7-8.

¹⁹FO 371 100227, Minute, January 4, 1952.

7. CULTURAL CONSIDERATIONS

A key to doing business with Swedish officials in the 1950s was to appreciate their style and mannerisms. This is an important consideration as Americans establish ties with East-Central European cultures. Americans were struck by the extreme reserve of the Swedes, which is often marked by a polite facade, "their way of saying, 'yes' even if they mean 'no,' their continual apologizing," and their repeated use of the word "Thanks."¹ All of these traits have been cited as signs that Swedish society shares many similarities with Oriental cultures.

An understanding of the origins of Sweden's security policy also helped the United States shape Sweden's defenses in ways that were compatible with U.S. interests. U.S. officials learned how to discuss defense issues with Swedes in order to avoid disagreements caused by terminology. Sweden's Social Democrats, for example, use terms such as "marginal defense," "neutrality defense," and "incident preparations"—a lexicon quite different from Western notions of deterrence and solidarity.² A small number of officials in the Swedish defense establishment, particularly the military, found it more productive to "speak American" when discussing security problems. Americans in turn had to learn the Swedish lexicon for use in public which helped pave the way for the substantive agreements reached in private.

Negotiating style was a source of friction between the United States and Sweden under Social Democratic government. Americans preferred straightforward dialogue even when this meant discussing difficult issues face-to-face. Swedish socialists found this approach to be offensive. The Swedish negotiating style is to seek a consensus or preferably a *fait accompli* that can be challenged only with great difficulty. Norwegian officials referred to this aspect of Sweden's conduct as "patently dishonest," the British viewed it as "slick and unreliable," while Americans thought of it as clumsy and ineffective. Swedes, on the other hand, found the Anglo-Saxon negotiating style to be vulgar or an expression of what Swedish Social Democrats referred to as "great power arrogance." Americans were told by Norwegian Foreign Ministry officials that when Norwegians were informed of "X" by Americans, they took note of it as information. When Swedes were informed of the same "X," they responded by recoiling from what they perceived to be American pressure tactics. William Colby, who

¹Werner Wiskari, "A Difference in Pace," *The New York Times*, February 18, 1961.

²For example, Western officials use the word "solidarity" to mean shared risks and responsibilities within an alliance that defends democratic principles. The same word, when used by Swedish officials, means party-political (usually Marxist) identification with Third World issues (e.g., "solidarity" with the Cuban revolution).

was stationed in Stockholm in the 1950s, notes that the Swedish reaction to disagreeable information is to “go home and sulk.”

The United States learned to understand Sweden’s preference for excessive secrecy in security affairs. Americans found that Swedes prefer not to sign agreements if they can be avoided. Within the Swedish bureaucracy, Swedes resolve sensitive issues on a one-on-one basis in order to avoid accountability or publicity. In the 1950s, for example, high-ranking Swedish military officers made secret trips to the United States where they attempted to deal directly, as they would at home, with U.S. manufacturers, the Department of Defense, and armed services representatives. The State Department pointed out that while such conduct was expected in Sweden, it merely muddled the picture in the United States.

Sweden’s behavior was derived both from cultural sources and political reality. Swedes avoided moves that would openly provoke the Soviets, hence their preference for secrecy and obfuscation. Similarly, when Hungarians, Poles, and Czechs speak today of “all-around defense” and “defense of all borders” they do not place equal importance on defending the West. These are euphemisms that justify the redeployment of troops and changing threat perceptions. Hungarians are not expected to defend their border with Austria, and Poles are not likely to worry about the Czech border. Likewise, Sweden’s references to potential military threats from Denmark or Norway undermine, rather than enhance, the credibility and the realism of Sweden’s defense policy of *touts azimuths*.³

The Swedish government attempted to apply their “fait accompli” negotiating style to the problem of how to acquire U.S. nuclear weapons. In 1954 Sweden sounded out the possibility of obtaining storage facilities and delivery systems for nuclear weapons. The Swedish strategy, as it was understood by U.S. officials, was to say to the United States, “We have the facilities, we have the missiles, do you want to retain some control over the warheads or force us to buy them elsewhere?” NSC-6006/1 determined that it would not be in the U.S. interest to provide nuclear weapons to Sweden. U.S. officials understood Sweden’s behavior, which improved the U.S. negotiating position.

³This is the 360 degree defense doctrine. See Adam Roberts, *Nations in Arms: The Theory and Practice of Territorial Defense*, Praeger Publishers, New York, 1976, particularly Chapter Three, “Sweden: The Sources of Security,” and Chapter Four, “Sweden’s Total Defense.”

8. CONCLUSIONS

American policy on security cooperation with Sweden and Yugoslavia in the 1950s shows that it is possible to develop a policy flexible enough to adapt to three conflicting sets of issues: the American interest in helping ensure the independence and territorial integrity of another state, the problems of regional geopolitics, and the limiting factors of politics and culture that may prevent or delay security cooperation.

Several broad lessons can be drawn from the U.S. experience with Sweden and Yugoslavia that may be relevant for future U.S. and Western policy toward security cooperation with the countries of post-communist East-Central Europe.

- Geography was a key factor shaping U.S. policy interests toward Sweden. Sweden's location gave the West a major stake in its political and strategic orientation, which it was believed could be shaped by bilateral security cooperation with key NATO members.
- Sweden sought but did not obtain a unilateral security guarantee from the United States. The two countries nonetheless worked out a pattern of mutually beneficial cooperation. American assistance did not constitute a "slippery slope."
- The preferred form for U.S.-Swedish cooperation was bilateral. This was in part because of the Swedish desire for secrecy. At times it proved useful to allow other Western allies in NATO to take the lead through their own bilateral relations to engage Sweden in security cooperation.
- Military cooperation with Sweden was closely tied to Sweden's willingness to observe COCOM regulations. Arms sales were contingent upon Sweden adopting and enforcing elements of U.S. trade and security policies.
- Information, officer exchanges, and training proved to be useful venues for increasing American and Western influence.
- Soviet penetration proved a problem. In the case of East European countries emerging from forty years of Soviet domination, information security will continue to be a serious problem.

The main point is that none of the limiting factors is an adequate justification for denying assistance or for refusing to engage in a security and defense dialogue with the

countries of East Central Europe. If the political will is forthcoming, a mutually satisfying relationship can be created that contributes to the security of all concerned.

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