

~~SECRET ATTACHMENT~~

DEPARTMENT OF STATE

THE DIRECTOR OF INTELLIGENCE AND RESEARCH

TO : S/S - Mr. Battle
From : INR - Roger Hilsman
Subject : Berlin Problem

I attach herewith and suggest that you transmit to the White House copies of two memoranda we have just finished, relating to significant aspects of the Berlin problem.

One deals with the sequence of events that might be anticipated should we use an airlift. It is important, we feel, because it corrects implications in other papers that have circulated on this subject, and tries to show that an airlift would in a pinch be both practicable and profitable.

The second paper suggests that a long-range US national effort, even if of no greater magnitude than would be involved in developing full employment, might force upon the USSR competitive allocations of resources that would be injurious to the Soviet economy. A clear portent that such a program was being initiated by the US would thus have markedly deterrent effect on Soviet policy.

Attachment:

The Berlin Crisis, US Military Expenditures,
and Soviet Allocation Problems (C)
Airlift and the Berlin Crisis (S)

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Done 7/5