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The President

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COPY NO. 1

NATIONAL SECURITY COUNCIL

PROGRESS REPORT

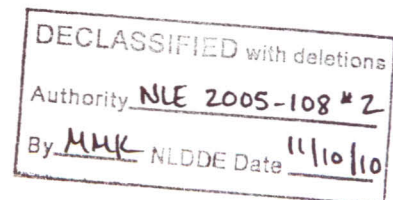
by

THE ACTING SECRETARY OF STATE

on the implementation of

NSC 26 SERIES

August 7, 1953



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SUMMARY

Seventh Progress Report on NSC 26 Series "Removal and Demolition of Oil Facilities, Equipment and Supplies in the Middle East".

The attached report contains views of the Department of Defense and the Joint Chiefs of Staff on the following items: transfer of denial planning responsibility to the British Government for the Persian Gulf Sheikdoms of Kuwait, Bahrein, and Qatar; use of Dhahran Air Base facilities for denial planning; the services of a military officer to work with Aramco technicians; and increased Department of Defense participation in denial planning. The report reflects the views of the Secretary of State transmitted by letter of July 9 to the Secretary of Defense [redacted] concerning continued planning in Washington and the roles of [redacted] the Department of Defense in denial planning.

The report contemplates the establishment of inter-agency planning groups, consideration of increased Department of Defense responsibility in respect to denial plans, the formulation of arrangements in respect to such increased responsibility and the desirability of preparing a simplified document on NSC 26 for purposes of clarity and brevity.



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DEPARTMENT OF STATE

Washington

August 7, 1953

MEMORANDUM FOR MR. JAMES S. LAY, JR.
EXECUTIVE SECRETARY, NATIONAL SECURITY COUNCIL

Subject: Seventh Progress Report on NSC-26 Series "Removal and Demolition of Oil Facilities Equipment and Supplies in the Middle East."

NSC 26/2 was approved as Government policy on January 10, 1949 on the subject under reference. Six progress reports have previously been made on the NSC 26 series. It is requested that this Seventh Progress Report as of July 1, 1953 be circulated to the members of the Council for their information.

Action Taken

On January 19, 1953 the Secretary of State sent a letter to the Secretary of Defense transmitting copies of the minutes and conclusions of U. S./U. K. September 1952 discussions in London regarding denial planning in the Middle East and requesting his views in respect to the certain questions bearing on the project. These questions as interpreted by the JCS are: (1) Should the primary responsibility for denial planning and implementation in the Persian Gulf sheikhdoms of Kuwait, Bahrein and Qatar be transferred from the U. S. Government to the U. K. Government? (2) Should Dhahran Air Base facilities be utilized for denial planning for security reasons? (3) Should an Aramco request for the services of a military officer to work with Company technicians in implementation of denial plans be granted? (4) Should the Department of Defense participation in denial planning be increased and if so, to what extent?

Assistant Secretary of Defense Frank C. Nash, by letter of April 13, 1953, transmitted the views of the Joint Chiefs of Staff in reply to the above mentioned questions and indicated the concurrence of Defense in the JCS views. The views of the JCS on the above mentioned questions are set forth seriatim as follows:

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1. The Joint Chiefs of Staff concur with the view that responsibility for denial planning and execution for Kuwait, Bahrein and Qatar be transferred to the U. K. Government.

2. In accordance with paragraph 10 of NSC 26/2, all military forces of the United States stationed in Saudi Arabia and all facilities at their disposal are available to assist in the preparation or execution of denial plans so far as possible, consistent with their primary mission. Dhahran Air Base facilities are barely adequate for the performance of the primary mission of the base. However, the Joint Chiefs of Staff believe that due to the overriding security considerations connected with denial planning, facilities at Dhahran Air Base should be made available for this purpose. They request that if the decision is made to conduct denial planning at Dhahran Air Base, the Chief of Staff, U. S. Air Force be notified so that necessary arrangements can be made.

3. It is the opinion of the Joint Chiefs of Staff that a suitably qualified reservist in the employ of Aramco could be placed on active duty at the appropriate time provided necessary advance arrangements are made.

4. In a memorandum dated September 2, 1948, in commenting to the Secretary of Defense on NSC 26, from which NSC 26/2 was derived, the Joint Chiefs of Staff recognized that the assignment of responsibility for denial planning to the Department of State was generally correct since negotiations on the governmental level were involved and since the oil activities concerned were under commercial control. Further, the concept for denial planning and its implementation by Aramco personnel as enunciated in NSC 26/2 is still considered sound. The problems of procedure surrounding implementation of denial plans can still be solved within the framework of NSC 26/2 without broadening Department of Defense participation.

Identical new letters, dated July 9, 1953, have been transmitted by the Secretary of State to the Secretary of Defense

[redacted] In order to protect the security of the project, simplify it and render it capable of execution as a "last resort" wartime measure, these letters suggest the following arrangements: (a) that denial planning continue in Washington within inter-agency policy and technical planning groups, including consultations with the oil companies concerned,

[redacted] and (c) that the Secretary of Defense have the responsibility for execution of

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denial plans after consultation with the Secretary of State and subject to prior agreement by State and Defense on basic arrangements. Representatives for the Department of State on the inter-agency policy and technical planning groups are designated in the above mentioned letters and the addressees are invited to designate their representatives for such groups.



Action Contemplated



1. It is expected that the recommended policy and technical planning groups will be formally established to handle problems related to denial planning involving inter-agency consultation. Informal groups are already active pending receipt of replies from the Secretary of Defense [redacted] to recent letters from the Secretary of State.

2. A major question for inter-agency consideration will be the desirability and extent of increased Department of Defense responsibility for planning and execution of denial plans. Aramco in early 1952 declined to continue surface denial planning in Saudi Arabia unless and until the Saudi Government should be informed thereof and consent thereto. Aramco feared a security leak which might jeopardize its concession and considered that surface denial planning and training in use of explosives had reached a point where a disclosure of the existence of such planning was a strong likelihood. It may be noted also that Aramco is currently involved in very delicate negotiations with the Saudi Government concerning the latter's demand for increased benefits from the Aramco and Tapline concessions. These could also be jeopardized by such a disclosure. Aramco simultaneously offered to pursue denial planning with the U. S. Government at Washington, and such planning has taken place to a very limited degree. While limited planning has continued primarily through informal inter-agency consultations in Washington, it cannot be assured that

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this constitutes effective planning for the highly selective surface denial originally contemplated [redacted] In view of the cessation of company field planning, it also cannot be assumed that existing plans are current or adequate, nor that a corps of trained Company technicians is still available to implement existing plans in an effective way should the occasion arise. The feeling that planning in Washington alone has been an inadequate substitute for planning both here and in the field has contributed to a belief by the Department of State that adequate planning as well as effective execution of denial plans require a substantial delegation of authority for planning and execution by the Secretary of State to the Secretary of Defense. This would involve a shift of emphasis in current planning operations so that Defense would assume primary responsibility for developing technical plans, [redacted]

[redacted] Defense would review existing technical plans in the light of its contemplated execution responsibilities, and would modify them appropriately. It would also develop less selective denial plans for rapid implementation under contingencies precluding the effective implementation of existing denial plans. It would develop these plans in liaison with the inter-agency technical planning group, which in turn would submit them to the inter-agency policy planning group. (These are the groups cited under preceding paragraph 1.) Such a delegation of increased responsibilities to the Secretary of Defense would accord with the very nature of execution operations since these operations would be "last resort" para-military or military measures in the face of hostile aggression. Furthermore, such a delegation would better concert our planning with that of the British Government which has since the inception of the project charged its military authorities with execution responsibilities.

3. Another problem that is likely to be the subject of inter-agency discussion is that of formulating mutually agreed arrangements under which execution of denial plans is carried out by the Secretary of Defense subject to consultation with the Secretary of State. It is contemplated that the details of these arrangements will be worked out initially in the inter-agency policy and technical planning groups and be the subject of continuing review. Among other things, they will encompass the establishment of a mutually agreed channel for effecting the execution of plans as a military or para-military measures in accordance with the preceding paragraph 2.

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4. Finally, it is contemplated that a simplified version of the NSC 26 series will be prepared. The original document and numerous supplements should be superseded by a single paper for purposes of clarity and brevity. It is also contemplated that the new paper will incorporate the delegation of responsibilities outlined in preceding paragraphs 2 and 3, and will eliminate all provisions for denial planning in respect to well plugging except that the interested U. S. agencies may assist the oil companies concerned when specifically requested. This will accord with the Department's view that the oil companies and foreign governments concerned have the primary interest in protecting the reserves and should, therefore, have the primary responsibility for undertaking the necessary measures to safeguard them. Furthermore, denial planning in respect to well plugging is of such extensive scope that if undertaken by other than the companies themselves might pose a not inconsiderable threat to the security of the project. Moreover, a primary wartime objective of denial planning can be accomplished, namely, that of denying to the enemy surface stocks and equipment, without the necessity of governmental participation in well plugging denial plans.

5. Another feature of a simplified paper could be a stipulation to the effect that the British Government have responsibility in liaison with the U. S. Government for denial planning and execution in respect to the Persian Gulf sheikhdoms of Bahrein, Kuwait and Qatar. The British Government has control of the external relations of these sheikhdoms, has a political representative assigned to each and is in a logical position to carry out denial responsibility. The Department of Defense [redacted] agreed to this transfer. The British Government has indicated informally it is prepared to consider the question of the transfer when formally presented.

/s/ W. D. SMITH

W. B. Smith
Acting Secretary

