~~SECRET~~ October 2, 1961

MEMORANDUM FOR THE SECRETARY

From : L - Abram Chayes

Through : S/S

Subject : The Berlin Game.

Last week-end I, together with a number of other State Department officers and officials from other parts of the government, played the Berlin Game organized by Tom Schelling and the Rand Corporation. It involves three days of political-military decision making by "Red" and "Blue" policy officials on a scenario growing out of the Berlin situation.

In our scenario, the game started with a full-scale revolt in East Berlin with signs that it threatened to spread to the rest of the GDR. The Blue team, captained by Harry Rowen of Paul Nitze's office and of which I was a member opened by moving into East Berlin "to maintain order" and in effect to support the revolt. The Red team, captained by Marty Hillenbrand, had no difficulty beating us hollow. The weakness of Blue's over-all position was so brutally exposed that I was disturbed enough not to be able to get to sleep Saturday night, midway in the game. In the small hours of Sunday morning I wrote the attached memorandum. The first page with minor modifications was adopted by the Blue team as its estimate of the situation at the end of the game Sunday night; Red's independent estimate of the situation corresponded almost exactly on major points and with considerable further elaboration.

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The conclusions drawn were supported in whole or in part by a number of the players, including Admiral Lee of our Berlin Task Force, who is Special Assistant to Paul Nitze, though not by the Rand-ites of the "Control" group.

I thought you might be interested in seeing the memorandum. A number of State Department officers in the game thought I should send it to you. I also attach a copy of a letter to Tom Schelling giving some further reactions.

Attachments:

1. Draft memorandum on Berlin game by Abram Chayes dated October 1, 1961.

2. Letter to Mr. Thomas Schelling, from Abram Chayes, dated October 2, 1961.

L:AChayes:mlm

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October 2, 1961

Dear Tom,

Thanks again for inviting me to participate in the week-end exercise. Despite your warning against over-learning, I remain profoundly disturbed.

It seemed to me that the advice of Control summed up as: "Play a bolder, riskier, strategy. Bluff harder and more skillfully." To me this seemed a complete misreading of the situation.

There are four possible outcomes of a bluffing strategy. (1) Blue will decide that the stakes have become so high it must go all the way; (2) Red, after a certain amount of escalation, will believe we are not bluffing and will pre-empt; (3) Red will call the bluff and Blue will fold; or (4) Red will fold. Only in the latter case has Blue gained. Even if it is the most probable outcome, the other outcomes are likely enough and the risks attached to them so high that the risks outweigh the potential gains of a bluffing strategy from the beginning.

For me, it became psychologically harder to bluff the further into the engagement we got. I wonder if it is pure coincidence that the one Blue team which has played a risky strategy is the only one which recognized (along with Control) that it was beaten.

It takes the risky strategy to disclose unmercifully the poverty of Blue's position.

Professor Thomas C. Schelling
6 Divinity Avenue
Cambridge 38, Massachusetts

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The fact is Red is playing chess, while Blue must play poker. It ain't good.

I am sending you a copy of my 3 A. M. Sunday morning masterpiece just in case you didn't get one.

Thanks again for the game.

Best regards,

Abram Chayes

Enclosure

AJChayes:mlm
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DRAFT

Blue has been badly beaten.

We have lost a major conventional engagement and have demonstrated, properly, I think, that we will not resort to a nuclear first strike, even of a limited character. We have already lost two of our "vital interests" in Berlin -- viability and access -- and in the negotiations, will have to settle for something fairly close to the Soviet demands. Unlike 1949, where, although we did not beat the Russians, we maintained our own position, this encounter will confirm, rather than negate, Khrushchev's estimate of the balance of forces. This is true although Khrushchev may have been badly scared for awhile.

The confidence of the Allies, has been shaken, if not in American leadership, then in the potentialition of the alliance. The one possibility of gain from the situation might be a real determination on the part of the alliance for a sustained large-scale conventional buildup. But it is at least as likely that a drift toward neutralism and progressive devitalization of the alliance will set in.

The outcome would not have been substantially different, in general terms, if Blue had taken the alternative opening option and refused to go into East Berlin.

From this, the following conclusions may be drawn:

1. Khrushchev is right -- the US will not initiate nuclear war over Berlin. More generally the US will not strike first with nuclear weapons, tactical or strategic, absent a major conventional attack on

western

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western Europe. The Soviet deterrent is at least as effective as ours. This situation cannot be changed by measures available to us in this short run.

2. Khrushchev is wrong -- it is possible to have a substantial conventional engagement without going to nuclear war -- but

a. Under present circumstances the USSR will dominate such an engagement -- they can meet and control successive conventional escalation, continuously thrusting the choice to go to nuclear back on Blue.

b. The talk about "increased options" from a short term conventional buildup is nonsense. The only additional option is the ability in all circumstances to test Red determination to engage Blue conventional forces directly. In the existing situation there is little reason to doubt that determination. Moreover, once Blue exercises the option and Red determination is demonstrated, the losses sketched at the outset of this paper follows almost inevitably.

c. Blue conventional escalation, and a fortiori peripheral measure like blockade, do not convey a determination to resort to nuclear weapons, and may suggest the opposite.

d. Red is greatly advantaged by having at all times a set of concrete, limited, achievable military objectives in the Berlin situation which Blue has not.

3. It is extraordinarily difficult for either side to make conciliatory gestures once an engagement has begun. This enhances the importance of outside mediatory bodies, notably the UN. (Schelling has appreciated this phenomenon brilliantly in The Strategy of Conflict,

so

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so it is rather remarkable that he devalues the UN so sharply in the Berlin game.) The absence of a Secretary General during an intense Berlin crisis would be a serious disadvantage to us.

4. All this leads me to believe that our overall strategy toward Berlin is profoundly misconceived. If a military engagement comes, the Soviet can probably impose a Berlin solution pretty close to what it is now demanding, and can at the same time achieve many of its more far-reaching goals. We can probably do a good deal better than that in negotiations, especially so since, apart from the prestige factor, many of the Soviet approaches to central European problems do not conflict with our interests and may indeed enhance them. As to our announced vital interests in Berlin, the likelihood of protecting them at the conference table is much greater than by military action.

We should therefore (a) press for early negotiation with a list of proposals that are relatively accommodating to the USSR on such matters as dealings with the GDR, termination of occupation status, boundaries and security measures, while calling for new guarantees of presence and access. (b) Try to deflate rather than inflate our political and prestige commitment to the status quo. (c) Consider engaging the UN substantially at an early stage as a third party to propose solutions which we would find it more difficult to accept in direct East-West negotiations.

L:AChayes:lml
10/2/61

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