KOREA

1. **Enemy continues build-up in central sector** -- UN forces in the south have reached their objectives in the hilly terrain just south and east of the city of Chinju, but considerable time will be required to wipe out bypassed enemy pockets which are now harassing lines of communication. The enemy continues to build up troops and equipment in the central sector, where UN forces are increasing their efforts to liquidate stubbornly-held bridgeheads east of the Naktong River. To the northeast in the Pohang-Yongdok area, North Korean forces still hold the smoldering city of Pohang and UN troops are maintaining their defense perimeter around the adjacent fighter airfield. UN naval units bombarded the North Korean port of Chinnampo on the west coast and sank two enemy ships; UN air units continued to provide close support for ground troops along the entire front.

2. **Kirk's estimate of Soviet intent** -- US Ambassador Kirk in Moscow reports that neither the Korean conflict nor the obvious increase in the intensity of the war of nerves has altered the Embassy's basic opinion that the Soviet leaders do not desire to engage the USSR in a global conflict in the near future. The Ambassador feels that the Soviet action in Korea was merely a step forward in the Kremlin's program to make the most effective use of Soviet capabilities for championing world peace movements and simultaneously creating a war scare. Kirk is convinced that the Kremlin did not expect the North Korean invasion to bring about united condemnation by 53 UN members or to provoke an increase in Western defense preparations to cope with an eventual major crisis. Kirk believes that the Kremlin, in the light of this new situation, is now considering the relative merits of: (a) touching off at least initially localized
hostilities through a Satellite state on another scene (China or the Balkans), as a means of draining the free world's resources and increasing the strain on its solidarity; and (b) allowing a settlement to work itself out in Korea, perhaps over Soviet protests, and permitting a world-wide atmosphere of relaxation to set in, thereby "giving the huge military preparations in the West no place to go." Kirk comments that the Kremlin may wish, by permitting the Korean situation to work itself out and by maintaining the "mystery of Soviet strength," to keep the West so expensively mobilized that the economic burden will cause disaffection among Western peoples and make them more receptive to Soviet blandishments. Kirk suggests that the peace movement and a continuation or intensification of the present war of nerves would be features of such a long-range Soviet program.