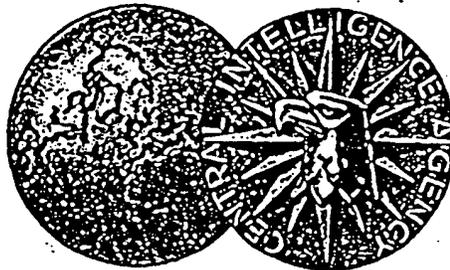


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PROSPECTS FOR SOVIET CONTROL OF A COMMUNIST CHINA



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PROSPECTS FOR SOVIET CONTROL OF A COMMUNIST CHINA *

SUMMARY

It is the intention of the Soviet Union to advance toward its goal of eventual world domination by adding to the Soviet orbit the enormous territory and population of China, and by employing China to facilitate Soviet expansion into other Far Eastern areas.

A coalition government formed by the Chinese Communists, while representing a temporary tactical maneuver, will contain no elements capable of offering real opposition to the Communists.

A moderate Chinese Communist policy toward small business proprietors, landowners, and peasants will help to gain popular support, at least until the government feels strong enough to launch into the more vigorous phases of communization.

The Communist timetable in China will be flexible and will be influenced by internal conditions in China generally, as well as by the international situation. The complexities of ruling a country like China will, undoubtedly, retard the consolidation of Communist control, but these complexities in themselves probably cannot, in the long run, prevent it.

The Chinese Communists will support Soviet foreign policy by diplomatic moves calculated to embarrass the Western Powers, by blatant anti-Western propaganda, and by assistance to the Communist parties and nationalist movements of Asia.

Foreign loans which involve no political commitments will be negotiated by the Chinese Communists wherever possible, and foreign trade (under state supervision) will undoubtedly be continued with non-Communist countries. This policy does not imply permanent benevolence toward foreign business interests in China.

The Soviet Union will attempt to use the CCP as its chief instrument to consolidate control over China as it has successfully used the various national Communist parties of Eastern Europe. The strong influence exerted by the Soviet Union over the Chinese Party has been variously revealed and provides ample indication that the present leadership of the Chinese Communists identifies itself solidly with international Communism as promulgated by Moscow. The Kremlin will endeavor to prevent possible cleavages in the Party leadership from jeopardizing eventual Soviet control over China.

The present Sino-Soviet Treaty can be directed at the US and its allies, and other agreements may provide for a high degree of economic and military integration between the USSR and China. At the same time, in accordance with its strategy of creating on its borders easily dominated political entities, the Soviet Government will probably press for political autonomy in all present Chinese border areas adjacent to the USSR.

Note: The intelligence organizations of the Departments of State, Army, Navy, and the Air Force have concurred in this report. The information herein is as of 12 April 1949.

* This paper discusses a pattern of developments which should become apparent prior to 1951.

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It must be emphasized that the process of consolidation of Soviet control over China will unquestionably encounter considerable difficulty, in view of the many potential points of conflict between the USSR and the Chinese Communists, e.g., the issues of US aid, control of peripheral areas, control of assistance to Communist movements in other Far Eastern areas, and the subservience which Moscow will undoubtedly demand of the CCP. While some opposition to Moscow control probably exists in the CCP, for such opposition to be effective the dissident groups must wrest the control apparatus from the pro-Moscow leadership, or that leadership itself must change its policy toward Moscow. Until evidence is available that an effective opposition is developing, it is concluded that the CCP will remain loyal to Moscow.

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PROSPECTS FOR SOVIET CONTROL OF A COMMUNIST CHINA

1. SOVIET INTENTIONS IN CHINA.

Present Soviet policy is aimed at eventual world domination, to be achieved through the establishment of national Communist regimes controlled and directed from Moscow.

Soviet intentions in China are twofold. The first involves adding to the Soviet orbit the enormous territory and population of China (thereby bringing under Soviet control three-fourths of the Eurasian land mass) and, conversely, denying China to the West as a potential base of operations against the USSR. The second embraces use of China as an advance base to facilitate Soviet penetration of Southeast Asia, including Indonesia and the Philippines; the outflanking of India-Pakistan and the strategically important areas of the Middle and Near East; and eventually control of the entire Asiatic continent and the Western Pacific.

2. PROSPECTS FOR CHINESE COMMUNIST CONTROL OF CHINA.

a. *Communist-Controlled "Coalition."*

The Communists have announced that they will form a coalition government upon coming to power in China. By their own definition, such a coalition government will be one "led by the Chinese Communist Party, the various democratic parties and the representatives of the various people's associations which truly represent the Chinese people," and will exclude all "reactionary elements." The coalition will enable the CCP to claim establishment of a truly representative government for all China. The coalition will be Communist-controlled from the outset, which from a Marxist point of view, will be a "revolutionary" phase beyond that seen in those Eastern European governments in which the Communist minority parties entered legally and later wrested control from the others. Thus the coalition will avoid what is usually a difficult and dangerous step on the road to Communist dictatorship, but the CCP will still be faced with the problem of gaining the support of the people it claims to represent.

b. *Chinese Communist Internal Policy.*

The internal policies of the Communist-controlled government will be determined, not by the policies currently in force in the USSR, but by the present stage of development of the Chinese revolution according to orthodox Communist theory. This stage, at the moment of Communist victory in the Chinese civil war, would correspond roughly to that represented in the Bolshevik Revolution, when in 1920 the Bolsheviks had defeated their enemies inside Russia. The NEP (New Economic Policy), a temporary tactical retreat, was aimed at conciliating the hostile elements in the Russian population and thereby hastening the economic reconstruction of the country. Mao Tse-tung's concept of "interim capitalism," the first stage of revolution in a "colonial" area, has much the same ends in view.

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The moderate CCP policy toward small business proprietors and landowners, as well as the peasant class, will probably gain wide support for the Communist regime. While the basis for future development of Chinese industry will, in all likelihood, be established by the nationalization of large-scale industrial and commercial enterprises, the toleration of small business by the regime at this time should win the favor of a large segment of the population. Limited agricultural reforms, on the other hand, such as reduction of land rents and interest rates, and land distribution, will be welcomed by the peasants. Agricultural cooperatives are also likely to be a goal of the Communist Government. Collectivization on the Soviet model, however, will probably not be attempted on a large scale for many years to come, both because of the opposition it would arouse among the peasants and because it is at the present time technically impracticable in southern China's rice-growing areas.

A government-sponsored movement to increase the size of fields under cultivation would, nevertheless, help to create the physical conditions necessary for the development of collective farms. Through preferential taxes, subsidies for cooperative farmers, and a system of machine-tractor stations for use of the cooperatives alone, a strong trend in the direction of collectivized agriculture could be established.

The Communist Government can be expected eventually to incorporate these economic aspirations in a Three- or Five-Year Plan which will lay down the blueprint for development in the immediate future.

At the outset, the Communists will devote their energy toward establishing complete control over the central government. (The strength of this government may, however, be reduced by Soviet territorial annexations in Sinkiang and Inner Mongolia, and by the maintenance of a special Soviet position in Manchuria.) As control of this central government is consolidated in the various areas, local governments, theoretically exercising complete autonomy within their own territories, will be created along the lines of the Soviet political structure, and eventually the form, if not the name of a "Union of Democratic Republics" of China will be utilized.

In addition, a constitution modeled on that of the Soviet Union will be drafted to provide, on paper, for freedom of speech, worship, and assembly, while guaranteeing local and racial autonomy, and the right to use their own languages in schools, courts, and other official institutions to China's minority groups. The constitution may also provide for the limited nationalization of industry envisaged by Chinese Communist leaders as applicable in the present stage of revolution.

The Communists, in "reorganizing" the armed forces, will eliminate those elements which have already proved unreliable, and devise means to detect others as they appear.

The Communists also will not neglect to integrate existing Communist police organizations into the present Nationalist police force, attempting to improve, perhaps with the aid of Russian specialists, the secret police which they have formed on the Soviet model.

c. Obstacles to Communist Consolidation of Power.

In implementing the measures outlined above, the Communist timetable will be flexible and will be influenced by internal conditions in China generally, as well as by

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the international situation. The underdeveloped and often non-existent communications in this vast country render most difficult any effective centralized control. Other formidable obstacles to Communist consolidation of power in China are: (1) The problems inherent in collectivizing a small-scale agrarian economy; (2) the difficulties involved in superimposing state control on the present decentralized financial structure; and (3) the cultural conservatism of the Chinese people and their stubborn resistance to encroachment on their innate sense of property rights. The complexities of ruling a country like China will, undoubtedly, retard the consolidation of Communist control, but these complexities in themselves probably cannot, in the long run, prevent it.

3. CHINESE COMMUNIST FOREIGN POLICY.

a. *Pro-Soviet and Anti-Western.*

In accordance with the frequently expressed belief of Communist spokesmen that "the world is divided into two camps," Chinese Communist leaders may be expected to give aggressive support to the diplomacy of the "progressive-democratic countries." This will involve Chinese diplomatic measures calculated to advance the ends of Soviet foreign policy and to embarrass the Western Powers; blatant anti-Western propaganda; and assistance to the Communist parties and nationalist movements of Asia.

The new government will continue to explain its actions against the Western Powers in terms of protecting Asia against Western (particularly US) "imperialism," and of safeguarding China's territorial integrity and national sovereignty. The Communist government will probably bring pressure to bear upon the US to withdraw its military forces from Tsingtao or from any future bases established on Taiwan; and, in time, upon Great Britain to give up Hongkong. China will continue to assert its claim to Taiwan, and perhaps, to the Ryukyu Archipelago, which is presently under US occupation.

b. *Foreign Trade and Assistance.*

It seems likely that foreign loans which involve no political commitments will be negotiated wherever possible, and foreign trade (under state supervision) will undoubtedly be continued. Trade agreements with non-Communist countries will for the most part be calculated to procure for China petroleum, machinery, steel, manufactured goods, and other products which cannot be readily supplied by the Soviet Union. The USSR will seek to obtain, by means of a trade agreement with the new government, required amounts of such Chinese products useful to it as tin, antimony, and tungsten, supplying (or promising to supply) in return Soviet manufactured goods and possibly agricultural products. In addition to these direct economic advantages for itself, the USSR will endeavor to make use of Chinese trade and the resources of Manchuria to exert political pressure upon Japan and the countries of Southeast Asia.

The Communists have given some indication that they would like foreigners to continue "business as usual." This seems to be a move calculated to win easier recognition for their government and minimize foreign opposition to the change of regime. Such a policy recognizes the transitional contribution that foreign interests

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can make to economic and social stability; it does not imply permanent benevolence toward foreign business interests in China.

4. SOVIET RELATIONS WITH THE CHINESE COMMUNISTS.

a. *The CCP as a Soviet Instrument.*

The Soviet Union will attempt to use the CCP as the chief instrument to extend its control over China as it has successfully used various national Communist parties of Eastern Europe. While the basic techniques for the extension of Soviet control will be drawn from the experience gained in Eastern Europe, these techniques will be adapted to the peculiarities of China: its vast size as compared with the countries of Eastern Europe, the absence of Soviet military occupation except in parts of Manchuria, and the lack of ethnic and cultural bonds with the Soviet Union. In addition, Stalin will be mindful of the unfortunate results of Moscow's attempt to direct developments in China during the 1920's.

b. *Solidarity of Chinese Communists with Moscow.*

Coming at a time when it would appear to the advantage of the Chinese Communists to profess some degree of independence, the constant profession by the leaders of the Chinese Communist Party of their place in the world Communist movement and reiteration of the absolute primacy of the Soviet Union in this movement, is ample indication that the present leadership of the Chinese Communists identifies itself solidly with international Communism as promulgated by Moscow.

The Chinese Communists have not deviated in any way from the Soviet line on international affairs, as was strikingly demonstrated, for example, in their endorsement of the Cominform condemnation of Tito. Whether this action was the result of Soviet pressure or of the ideological affinity of the CCP to the world Communist cause, it revealed the powerful influence exerted by the Soviet Union over the Chinese Party. By this action, furthermore, the CCP Central Committee was condemning a tendency toward national independence which many of its members might previously have thought compatible with the international Communist movement and certainly applicable to their own country.

Later, Mao Tse-tung, in commemorating the 31st anniversary of the Bolshevik revolution, called on the "revolutionary forces" throughout the world to unite behind the Soviet Union against "American imperialism." A more recent revelation of the strong pro-Soviet orientation of the Chinese Communists was the series of articles by Liu Shao-chi, Deputy Chairman of the CCP Politburo, reconciling nationalism and "proletarian internationalism." The author clearly announced that the Chinese Communist Party is committed to a positive pro-Soviet line. "Neutrality," he said, "is impossible. If you do not stand in the imperialist camp helping American imperialism and its stooges to enslave the world and your own nation, you must stand in the anti-imperialist camp. . . ."

c. *Soviet Liaison with CCP.*

The Soviet Union in its relations with the Chinese Communists has, in the past, been most circumspect. It may be assumed that Soviet-CCP liaison exists, and

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It has been frequently claimed by the Chinese Nationalist Government and others that military and political advice is given to the Chinese Communist leaders by Russians. However, there is no positive evidence to substantiate these claims. The proximity to the USSR of Chinese Communists in North China and Manchuria would make liaison easy and concealment of such liaison effective. Furthermore, it is a basic practice of the Kremlin carefully to hide its connections with foreign Communists until their accession to power.

The consolidation of Communist control in China during the first phase will probably be influenced by Soviet representatives operating unobtrusively under the cover of diplomatic, technical, commercial, or military missions. Undoubtedly, additional Russian diplomatic and consular officers, as well as cultural and newspaper representatives, will be sent to China soon after the Communist accession to power. These people will be charged with keeping a watchful eye on the activities of the Chinese Communists. As a recent *Pravda* article pointed out: "The experience of the Communist Party of the Soviet Union is basically, fundamentally, and essentially acceptable to, and compulsory for, the Communist parties of all lands that are fighting for a socialist revolution or have launched upon the building of socialism."

d. *Chinese Communist Leadership.*

Almost half of the present members of the CCP Central Committee and the Political Bureau have had training in Moscow, and many other members have received indoctrination through the French Communist Party. Although training in Moscow or Paris is no guarantee of fidelity, such training is regarded by the Kremlin as one of the most important factors in developing the loyalty and discipline of non-Soviet Communists.

e. *Soviet Methods to Effect Compliance of CCP.*

The Soviet Union and those Communist leaders whose loyalty to the Kremlin is unquestioned are well aware of the danger of cleavages in the Party leadership and will endeavor to prevent the development of any movement which might jeopardize the Soviet effort to establish control over China.

A tested tactic employed by the USSR in maintaining control over local parties is the establishment of a system of checks and balances within the party leadership through pitting one personality against another. Although it has been claimed that the relationship between Mao Tse-tung and Li Li-san might lend itself to such a technique, at present evidence is lacking either that Li's standing in the Party, or his actual power in Manchuria, is sufficient to be an effective check on Mao. It is likely that the principle of checks and balances is operating within the CCP, but its application to specific figures is unknown.

f. *Soviet-Chinese Mutual Assistance Pacts.*

The Soviet Union will continue to include China in its existing system of mutual assistance pacts with countries bordering on the Soviet Union. The Sino-Soviet Treaty of Friendship and Alliance, signed in August 1945, provides that both the USSR and China will "undertake . . . jointly all measures in their power to render

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impossible a repetition of aggression . . . by Japan." Thus, the Treaty can be aimed at the US and its allies, while ostensibly intended for a former enemy. Additional agreements will probably call for "close collaboration in the interests of peace" and the "strengthening of economic and cultural ties," and may provide for a high degree of economic and military integration between the two countries, including the dispatch of military and technical "advisers" to China, the construction, reconstruction, and equipping of airfields in Chinese territory, and the formation of Soviet-Chinese stock companies for the development of industrial and mineral resources, especially those which contribute directly to the Soviet military potential.

Similar pacts have been concluded by the Soviet Union with the "Mongolian People's Republic" and the "Democratic People's Republic" of Northern Korea. An interlocking series of bilateral agreements among the Far Eastern "republics" may also be negotiated.

g. Political Control of Peripheral Areas.

The Soviet Government will probably press for political autonomy of all present Chinese border areas adjacent to the USSR. Such an arrangement might open the way for eventual Soviet annexation of these areas. In any event the policy would be in accordance with the Kremlin's strategy of creating easily dominated political entities on the Soviet borders.

In line with guaranteeing Soviet economic interests in Manchuria, the USSR will probably retain some special rights in Dairen and in the Port Arthur naval base area. This is possible under the 1945 Sino-Soviet Treaty of Friendship and Alliance, which provides for the special Soviet position in Manchuria.

The Soviet Government, while attempting to establish in Manchuria the virtual autonomy of an absolutely reliable wing of the Chinese Communist Party, will not necessarily attempt to deprive the Chinese Communist Government of a nominal sovereignty over Manchuria, but will certainly seek to preserve hegemony in that area. In this manner, the USSR could better insure its access to the raw materials of Manchuria, while at the same time creating a safeguard against possible political deviations on the part of Chinese Communist leaders.

In all likelihood, the USSR favors the formation of an autonomous territory of Sinkiang, possibly with a view to creating a new Soviet Union Republic at some time in the future.

The Soviet Union might also induce a Chinese Communist Government to relinquish its claim to sections of Inner Mongolia, in favor of the Mongolian People's Republic.

5. POTENTIAL POINTS OF CONFLICT BETWEEN THE USSR AND CHINESE COMMUNISTS.

a. The Issue of US Aid.

The USSR, intent upon the elimination of US influence from China, would almost certainly disapprove a Communist effort to obtain US aid under ECA. Although it is most unlikely that the issue of US aid could in itself effect a change in the orientation of a Communist-dominated government, it is possible that this issue, especially

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if the USSR were unable or unwilling to supply the aid itself, would strengthen the influence of those groups within the CCP that seek to avoid Soviet domination.

b. The Issue of the Border Areas.

The issue of control of peripheral areas will probably prove to be one of the most important testing grounds of Sino-Soviet relations. The objective of the USSR in seeking control of these areas is primarily to strengthen its basic strategic position in the Far East. If, however, it appears to the Chinese Communists, as it may, that the USSR is attempting to weaken the Communist Government of China by depriving it (whether actually or in effect) of control over the border regions, the possibility of a schism within the CCP or between the CCP and Moscow will be increased. While the Communist Government of China would probably not risk open rebellion against the USSR over the issue of border areas, aggressive and clumsy maneuvers by the USSR in those areas would probably result in the disaffection and insubordination of a significant section of the party.

c. The Issue of Communist Movements in the Far East.

The USSR will of course welcome the assistance of the CCP in promoting the growth of Communism in the Far East, but the USSR must prevent the CCP from exercising independently a major influence over these movements. The USSR will attempt to control this assistance through existing Soviet channels for liaison and direction. This will be one of the most important areas of potential conflict between the USSR and the Chinese Communists.

d. The Issue of Subservience to Moscow.

As extension of Soviet control over the CCP becomes more obvious, it can be expected that some cleavages in the Communist high command will occur, possibly resulting in the defection of certain leaders. Adding to the potential dangers facing the Soviet Union in its consolidation of power is the large number of present members of the Chinese Communist Party who are not convinced Stalinists, and hence not altogether reliable as Communists. Those leaders who wish to oppose Moscow control are potential rallying points for the lukewarm elements in the party and the population. For such opposition to be effective, however, the dissident groups must wrest the control apparatus (i.e., party organization, secret police, army) from the pro-Moscow leadership, or that leadership itself must change its policy toward Moscow. Until evidence is available that an effective opposition is developing, it follows that the Chinese Communists will remain allies of Moscow.

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