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THE CHINESE OFFSHORE ISLANDS

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I. CHINESE NATIONALIST SITUATION IN THE QUEMOYS

A. Nationalist Strength

Chinese Nationalist strength on the Quemoys is spread over four islands--Quemoy, Little Quemoy, Ta-tan and Erh-tan. Total Nationalist troop strength is approximately 42,100, including service troops and headquarters personnel. In addition, there are about 6,000 lightly-armed guerrillas. The civilian populace numbers perhaps 6,000.

On Quemoy itself, there are an estimated 34,000 1. regular troops, plus guerrillas, all subordinate to the VIII Corps, which includes the 33rd, 34th, 68th and 69th infantry divisions. The 69th division is minus the 205th regimental combat team which has been detached for garrison duty on the Matsus, another island group about 200 miles These divisions are all American-trained farther north. and MDAP-equipped and are rated as good divisions by the MAAG, although all are about 15 percent understrength. These units have three battalions of 75mm pack howitzers as organic artillery. In addition to the MAAG-trained units there is one division remaining from the old Quemoy garrison; this is the 45th division of the 19th Army and contains only about 6,600 men. It has not been trained

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by MAAG, does not have MDAP equipment, and is not highly regarded.

Additional units on Quemoy under Corps control include the following:

Artillery

- 5 155mm guns (GPF)
- 3 Bns 105mm howitzers (36 pieces)
- 4 companies of 4.2 mortars (6 mortars per company)

Armor

There are reported to be approximately 50 light tanks on Quemoy of which 22 are being held in reserve near the final defense perimeter, which is being established around the high ground at the eastern end of the island.

2. Little Quemoy is held by the 34th division (less one regiment) which has a total of 4,500 men. The division has its organic artillery (one battalion of 75mm pack howitzers) and 20 light tanks.

3. Ta-tan and Erh-tan are held by a battalion of regular troops totalling about 700 men.

B. Nationalist Reinforcement Capabilities

The Nationalists have alerted 11,000 men for possible reinforcement of the Quemoy garrison. These reinforcements include 4,000 men from a marine brigade which can be

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lifted from Tsoying on Formosa by Nationalist naval landing ships and 7,000 men from the lst infantry division which has been ordered to prepare for lift from Kaohsiung by commercial type vessels. There is a 9 September report that the 19th infantry division and a battalion of artillery are now aboard ship for transport to Quemoy.

C. Nationalist Troop Dispositions

The Quemoy commander has divided the island into six defense areas and an observer on the island reports the troops soundly deployed within the limits imposed by the terrain. The 68th division holds the northwest area; the 69th division has the central plain; the northeast area is the responsibility of the 33rd division; the southwest sector is held by the 134th regiment plus remnants of the old garrison still remaining on the island; the 45th division garrisons the southeast sector. The 34th division provides the garrison on Little Quemoy and the two smaller islands.

The bulk of Nationalist artillery and three of the four mortar companies are emplaced on the western end of Quemoy where Nationalist guns can lay down supporting fires for the defense of Little Quemoy and where their 155mm guns can reach the Amoy area.

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The Nationalists are reported to be setting up a final defense perimeter around the base of T'ai Wu mountain on the eastern end of Quemoy. Guerrilla troops are reported moving into this area and digging new fortifications. A reserve battalion of light tanks is being held near the defense perimeter.

D. Nationalist Air, Naval, and Logistical Support

The Nationalists are capable of supporting the Quemoy garrison by approximately 175 air sorties per day. This figure includes 117 sorties by F-47 fighters, 45 sorties by F-84 fighters, and 13 bomber sorties. The Nationalists reportedly flew F-84 sorties on 8 September. The maximum Nationalist air effort to date has been a raid on Communist shore installations in which about 75 sorties were flown against heavy Communist antiaircraft fire.

Naval support for Quemoy garrison can be given by 2 destroyers, 3 destroyer-escorts, 2 patrol gunboats, 2 smaller patrol vessels, and about 10 armored junks. The DD's carry five-inch guns and the smaller patrol vessels are armed with three-inch guns. They could be used for neutralization of Communist shore batteries on the southeast coast of Amoy, and the Nationalists are counting on naval forces to prevent successful Communist landings on the southern beaches of Quemoy.

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Approximately 15 days' supply are estimated to be on Quemoy at the present time, assuming a limited offensive or defensive combat situation. About 45 days' additional supply are estimated to be available on Formosa for transport to Quemoy. Resupply of the Quemoy garrison would probably be carried out over the southern beaches by LST.

E. Nationalist Morale on the Quemoys

An American naval officer who was on Quemoy just before the Communist bombardment began on 3 September reported that both civilians and troops on the island were "jittery." Later reports, however, indicate that the troops steadied subsequent to the Communist artillery attack and morale is now said to be "not low," although it could be improved. Nationalist counter-battery fire on Communist gun positions and Nationalist air strikes against Communist targets lifted the spirits of the garrison. As of 7 September the troops were reported by their commander to be "ready to fight, and hoping the Communists would attack." Life in Quemoy town was said to be rapidly returning to normal with civilians moving about freely and children playing outside. In Taipei, Chiang Kai-shek told Ambassador Rankin that he believed an announcement of US intent to defend the

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offshore islands would have an "instantaneous effect for good all through the Far East" and urged that, if the US decided not to intervene, the decision not be released.

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H. Lines of Communication

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The Liaolo airstrip on the southeast corner of Quemoy is out of effective range of Chinese Communist artillery. It is clay, in good condition, 3,280 feet long, 100 feet wide. The field is capable of taking C-46, C-47, PBY, AT-6 operationally in dry weather. F-47 or even B-26 bombers could use the strip only for emergency landing. The island's roads and trails are adequate for internal movement. The port area of Quemoy town is suitable for only light craft. The principal anchorage for ships supplying Quemoy is west of the town on the west side of the island. The island can be safely supplied by ships standing off the southern beach.

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2. Americans from MAAG on Quemoy now number five-three officers and two enlisted men. Three additional officers and two enlisted men will be sent to Quemoy on 10 September. Plans for their evaucation are not known.

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II. CHINESE COMMUNIST SITUATION IN THE QUEMOYS

A. Communist Strength in the Area

Ground: It is estimated that 150,000 Commu-1. nist troops would be required to capture the Quemoys from the Nationalists. In the immediate vicinity, at Amoy, the Chinese Communists have at least one army and elements of a water transport division. Chinese Nationalist sources have reported the presence in this area of an additional army. Within 150 miles of Amoy there are: a) another army at Swatow; b) an army at Foochow to the north; and c) the remainder of the water transport division. Thus the number of troops within 150 miles of the Quemoys and available almost immediately for an attack is at least 160,000, and possibly as many as 200,000. The combat capability of all these troops is considered good, and one of the armies reported in the area had considerable combat experience in Korea.

2. <u>Air</u>: Two Communist jet figher divisions are presently known to be within combat radius of Quemoy, but these units, located at Canton and Nanchang, are not close enough to provide effective fighter cover for operations in the Quemoy area. Light piston bombers, now based at Shanghai, Changsha, and Canton,

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are in range to launch air strikes against Quemoy or other Nationalist bases. There are at least four airfields--Chuhsien, Chienou, Nantai and Kaochi--between Shanghai and Amoy which lie closer to Quemoy and which might be used by jet fighters or bombers. The absence of effective communications leading to Chienou, Nantai and Kaochi would make logistical support of these fields extremely difficult, however.

Naval: Chinese Communist naval strength in the 3. Amoy area is negligible, consisting of about six minor patrol boats, 15-20 motor junks, and 400-500 junks of all types normally used for fishing and light coastal transport. This represents normal naval strength in the area. As yet, no naval strength has been brought in from other areas, but frigates, gunboats, and LST's could be deployed from the Shanghai area within 48-72 There are questionable current reports of the hours. sighting of 11 Communist "landing craft" (about the size of LSM's) east of Haitantou Island about 120 miles northeast of Quemoy, and of the sighting of a Communist "light cruiser" steaming southeast about 60 miles northeast of Quemoy.

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B. Communist Capabilities for Reinforcement

Chinese Communist capabilities for reinforcing 1. the Amoy area are poor; it is assumed that, if an attack is planned, they have most of their needed shells and supplies already on hand. The area is not served by Chinese Communist merchant shipping, except for limited movement of launches and small junks. It is 500 miles from the Hangchow-Nanchang railway and 500 miles from Canton, the two nearest supply sources, over poor and low-capacity roads. Taking all road conditions into account (mountainous terrain, recent heavy rains, 10to-20-foot width, fair weather condition, ferries, length, etc.), it is believed that capacity for trucklift into Amoy is under 1,000 tons a day, and probably considerably under. This means that armies and important munitions can be moved in, but that it would be difficult or impossible to activate at the same time a jet fighter division with its high daily fuel consumption (100 tons or more).

Chinese Communist capabilities for supplying forces on Amoy island have just been considerably improved by the temporary completion (with pontoons) of a bridge running north from the northern tip of Amoy Island to the mainland, a bridge which has been under 9 Sept 54 Page 14

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construction since December 1953. Heretofore all traffic with the mainland has been ferried. This bridge, however, would be vulnerable to Nationalist air interdiction.

C. Disposition of Communist Troops and Weapons

Chinese Nationalist sources report that fourteen 120 and 155mm Communist guns have been active from Tateng and Amoy Islands, and claim to have destroyed five of these in air attacks since 6 September. Of the Communist troops in the area, one army, the 31st, is believed to be located at Amoy, 15 miles west of Quemoy; the Chinese Nationalists report two Communist divisions north of Quemoy; the Nationalists also state that the 41st Army has moved from Swatow, over 100 miles southwest of Quemoy, to Changpu, 30 miles southwest of Quemoy; one regiment of the water transport division is believed located at Lienho, on the coast ten miles north of Quemoy.

D. Amphibious Lift Capability

The Chinese Communists could provide immediate water lift in an attack against Quemoy for at least 30,000 troops and could reinforce these quickly with greater numbers, drawing upon the 400-500 junks and small craft in the area. ((Typical junk sightings by Nationalist sources in the Amoy area since 3 September have been

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as follows: 30 wooden boats anchored in vicinity of Hsiangchichiao (Navy CTF 74); 110 wooden boats anchored in the vicinity of Yungning, 30 wooden boats near Wuyu, over 100 wooden boats in the vicinity of Shinhu (Navy CTF 72); about 300 junks of all types concentrated in area from Chenhai to Shuitou ONI reports that there are normally about 500 junks in the area,

and that most of these belong to the civilian populace.))

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III. CURRENT CLASHES IN THE QUEMOY AREA

A. July and August

Following Communist propaganda threats in July and early August, in mid-August there were unconfirmed reports of troop movements into the Amoy area opposite the Quemoys. At least one army, with a strength of 50,000, was said to be involved. At the same time, the Communists stepped up reconnaissance raids at night, apparently to test the Quemoy garrison and collect intelligence by taking prisoners.

B. The 3 September Bombardment

On 3 September Communist artillery, located near Amoy and on the Tateng Islands, shelled the northern and western sides of Big Quemoy, saturated Little Quemoy, and hit at Nationalist naval vessels at anchor along the west coast of Big Quemoy and between the Quemoys and Tatan Island. Six thousand rounds of 120mm and 155mm artillery were poured in during a five-hour barrage. The shelling was unexpectedly accurate and later reports say that the Communists pinpointing was due to Communist agents on Quemoy who directed the Communist shelling. Two Americans of the US Military Assistance Advisory Group were killed in the shelling; Nationalist personnel losses

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have not been revealed. Several small Nationalist naval vessels were damaged; at least one was sunk.

C. American and Nationalist Reaction

Reaction was quick. By the morning of 5 September, three carriers, a cruiser and three destroyer divisions of the Seventh Fleet were standing by, patrolling the waters in the Formosa Straits at a distance of several miles from Quemoy; and Nationalist naval and air forces began to strike at targets on the mainland coast in an effort to knock out enemy artillery and disrupt any Communist attempt to assemble an invasion force.

D. Results of Nationalist Raids

The Nationalists report that a 76-plane air strike on 7 September destroyed 5 of 14 Communist artillery positions, and that only three Nationalist planes were damaged. The Taipei press has made large claims, probably exaggerated, of great fires at storage points, hundreds of junks sunk, and blows at Communist troop concentrations. Peiping Radio admits that at least 60 persons in the vicinity of Amoy have been killed by Nationalist bombing. Mainland artillery is said to have shot down at least six Nationalist planes and damaged about 25 others. Peiping on 8 September declared that "anger is aroused" among the Fukien populace.

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E. Current Communist Activity

The Communists have continued to fire at Nationalist positions on the Quemoys, but only sporadically since 3 September. There have been no confirmed reports of Communist air activity in the area, and Communist naval and ground force activity in the area is not unusual. Chinese Communist radars along the East China coast continue to be active on a 24-hour basis tracking American and Nationalist air patrols.

F. Background Information on Amoy

Amoy is a city of 200,000 located on an island off the Fukien coast. It has no important industries, but it has long been an important trading center for agriculture, fish and handicraft products.

Amoy is 500 miles from the nearest railroad, and road connections with inland points are poor. The city's airfield is not in use. If it were not for British shipping, Amoy would be isolated by sea as well; the Chinese Communist merchant marine has not ventured to serve any Fukien port due to fear of Nationalist naval forces. The Inner and Outer Harbors of Amoy--deep, large and well-sheltered--would make it an excellent naval base.

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IV. OTHER OFFSHORE ISLANDS

A. Tachen Islands

1. Chinese Nationalist strength on the Tachens is believed to be 15,000 troops. Of these, 10,000 represent one of Taipei's best divisions, the 46th, and the remaining 5,000 are guerrillas used in occasional raids on the Chinese mainland. The Tachen-based forces are positioned at strategic locations on the islands, and their combat status is considered excellent; they are, however, vulnerable to Communist air attack and seaborne invasion at night.

Nationalist naval forces in the Tachen area normally include one destroyer escort and about ten small patrol craft. These are vulnerable to Communist air attack. Air support for the Tachens is provided by Formosa-based F-47 conventional fighters, far from a match for Communist jets.

The Nationalist Ministry of Defense has pledged all-out efforts to provide land, sea and air forces to protect the Tachens in the event of invasion. The Nationalists' ability to reinforce, however, would depend on whether Communist military activities were under way against other islands under Nationalist control. Significant numbers of ground forces could not be

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transported without the help of American naval forces in the area. Air forces would have to continue to operate from their bases on Formosa; naval support could be drawn from the two destroyers now at Quemoy and two destroyer escorts and about 100 patrol craft now in Formosan waters.

The Tachens are valuable to the Nationalists as listening posts, for advance warning in the event of air and sea attacks on Formosa, and as bases for operations against the mainland.

2. The 450,000 Chinese Communist troops in the East China area provide sufficient force to take any of the Nationalist-held offshore islands. At least three armies are deployed within 150 miles of the Tachens, any one of which is considered sufficient to take the Tachens with co-ordinated naval and air support. The Tachens are particularly vulnerable to air attacks by the large numbers of aircraft of all types located in the Shanghai area.

3. In mid-May, the Communists occupied six undefended islands within 20 miles of the Tachens. Beginning at about that time, clashes between Nationalist and Communist naval and air forces became frequent, and reports of concentrations of troop-carrying vessels in

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mainland ports opposite the Tachens suggested that a Communist invasion was planned. The appearance of the US Seventh Fleet in the Tachen area in early June and again in August has served to quiet Communist military activity there, however, and recent action in the Tachens has been confined to infrequent air clashes. Reports in mid-August indicated that a division of Communist troops may have moved into Sungmen, a coastal port directly west of the Tachens, so the Communist threat there continues.

4. The mainland area opposite the Tachens would seem logistically a good point from which to stage an attack. It is only about 150 miles from the rail hub at Hangchow, and is serviced by the Communist merchant marine. An invasion could be supported by air cover from the Ningpo airfield, as well as air bases at Shanghai and Hangchow.

B. Matsu Islands (including White Dog Islands)

1. Chinese Nationalist strength in the Matsu group is believed to be only 9,000 regulars and guerrillas. The Nationalists have capabilities for reinforcement similar to those noted above for the Tachens.

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The Matsus, like the Tachens, are of value to the Nationalists as listening posts, advance warning points in event of air and sea attacks on Formosa, and as bases for operations against the mainland.

2. Chinese Communist strength in East China is easily sufficient to overwhelm the Nationalist garrison on the Matsus as well as other island bases. While not so vulnerable to Communist air action as the Tachens, the Matsus could probably be taken by a Communist division (17,000 troops). The Communists could muster such a force for an invasion of the Matsus with virtually no warning. Communist capture of these islands would be of far less value than either Quemoy or the Tachens, but possession of these bases would permit Communist harassment of Nationalist attempts to keep the Tachens supplied.

3. No clashes between Communist and Nationalist forces in the Matsu area have been reported this year, but an increase in the number of Communist junks and patrol vessels near the Matsus led American observers on Formosa to expect a Communist attack on the islands last July. Communist activity near the Matsus since then, however, has suggested no plan for an invasion.

4. Like the Amoy area, the Foochow-Matsu area is

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isolated from Chinese Communist supply centers, of which the nearest are Canton and Hangchow. It is not serviced by the regular Chinese Communist merchant marine and is 400 miles from the nearest railroad over poor, mountainous roads. Supply capability at this time, in view of recent rains, is certainly less than 1,000 tons a day and probably less than 500 tons a day. Due to supply difficulties the Communists could not count on effective jet operations at or staged through Nantai Airfield at Foochow.

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V. INDICATIONS OF COMMUNIST INTENTIONS

Peiping Radio began in early July to threaten to "liberate" the offshore islands as well as Formosa. Moreover, the Communists were believed to have the capability of taking any of these islands against Nationalist opposition alone. It was therefore thought likely, prior to the Communist bombardment of the Quemoys on 3 September, that the Communists would soon undertake probing actions designed to test US intentions as regards defense of the offshore islands. The Communists' timing may have been influenced by a desire to affect the Manila conference, but an early test of US intentions seemed to be coming in any event.

The Communists certainly observed the movement of strong American naval and air forces into Formosan waters on 5 September. Continuing Communist uncertainty as to US intentions has been suggested by Peiping's failure even to mention the US action, in contrast to the immediate and extensive publicity given the US naval visit to the Tachen islands last month.

The Communists have chosen to proceed cautiously. They have taken no action against US forces and have not indicated that they are readying their forces for an attempted invasion of the Quemoys at this time.

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While the Communists' estimate of their prospects against strong US forces is uncertain, it is believed that the Communists would judge that an attempted invasion would be at least as likely to fail as to succeed. They surely realize that failure of an attempted invasion would mean much greater loss of face than would postponement of the Quemoy operation.

Continued Nationalist raids on the Amoy area, however, increasingly entails a loss of face for the Communists. Such Nationalist action thus appears likely to increase the prospect for Communist retaliation against the Quemoys and for a Communist venture against the Tachen or the Matsu islands. An additional possibility is that of Communist air raids against Formosa.

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APPENDIX

FORMOSA

A. Chinese Nationalist Capabilities

1. Total Nationalist ground force strength is approximately 422,000 men. Of these, about 345,000 are combat forces, the rest being supply and service troops. A sizable proportion of the troops assigned to combat units are considered unfit for combat, and effective troops are now estimated to number about 285,000.

Nationalist ground force strength on Formosa is about 354,000 men, currently being reorganized into two field armies which will divide responsibility for defense of the island on either side of an east-west line dividing the island into northern and southern sectors.

The Nationalist navy has 56 major vessels including 3 destroyers, 6 destroyer escorts, 38 patrol craft and 9 minelayers. In addition there are 35 amphibious vessels and 18 auxiliaries plus about 100 minor units. These vessels are manned by approximately 28,000 officers and men. Also included in the naval forces are two marine brigades totalling about 15,000 men.

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Except for the performance of the DE squadrons and the new DD's, the Nationalist navy has been disappointing to American advisers in MAAG. Although the Nationalists have recently shown greater combat aggressiveness in small unit engagements with the Communists they are still judged incapable of joint operations with American fleet units.

The Nationalist air force now has about 850 aircraft, of which approximately 415 are combat types. In the combat units are included 81 jets (75 F-84G and 6 RT-33) but most of their planes are obsolete World War II types. Their communications and early warning equipment are also inadequate. Although the Nationalist air force has the capability for daylight air defense of Formosa and for tactical bombing missions its capacity for night interception and strategical bombing is nil.

There are 22 operational air fields on Formosa of which 10 have permanent concrete runways. The remainder have natural surface runways. Fields with concrete runways are at Chia-yi, Hsin-chu, Ping-tung north and Ping-tung south, Sung Shan, Taichung, Tainan, Tao-yuan and Yilien.

2. Although reorganization is expected to improve the defensive capability of the Nationalist armed forces,

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they are still believed unable to defend Formosa for more than a week in the absence of active United States support. The main reason for this weakness is the inadequate organization for logistical support of combat units.

3. Morale on Formosa is good at the present time, thanks to faith that American support will be forthcoming in the event of Communist attacks on any Nationalist base.

The native Formosans, though they are not enthusiastic about the Nationalist government and would be pleased to see the mainlanders return to the mainland, are not disaffected. They are expected to fight in defense of the island if necessary. In the absence of continued strong American support, however, Communist efforts to subvert the native Formosans might be successful.

B. Chinese Communist Capabilities

1. Total Communist ground force strength includes an estimated 2,250,000 troops in 153 infantry divisions, 47 independent combat regiments and 35 battalions. The largest concentration of these troops is in Korea, where there are over 700,000. Next in size are the forces in East China, from the Shantung Peninsula to Fukien Province, where there are an estimated 460,000 troops. It is these troops in the East China area which directly menace all

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Nationalist-held islands as well as Formosa. Forces now in the area can be augmented quickly by troops from other areas. Additional ground strength is available from 1,000,000 military and quasimilitary public security troops, of which there are at least 50,000 in East China. These security forces can be counted on to preserve internal security during military operations and to participate in coastal defense operations in support of any campaign.

2. Communist air strength in tactical units is about 1,500 aircraft, including 700 MIG jet fighters and about 150 IL-28 jet bombers. Primary concentrations of jet fighters are in the Shanghai area of East China, where there are about 225, and in Manchuria near the Yalu River where there are approximately 200. With the exception of about 20 jet bombers assigned to a naval air unit at Tsingtao, all other IL-28's are based at Peiping in North China or in Manchuria. Ten TU-4 long-range bombers are based at Peiping. Conventional TU-2 light bombers number about 200 and are based in virtually all areas of China. Almost all MIG-15 units were combat-trained in Korea; none of the bomber forces have been similarly experienced.

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Communist naval strength is negligible. 3. It consists of one inoperational light cruiser which defected from the Nationalists in 1949; nine frigates (similar to the destroyer escort); four large gun boats; three smaller gun boats; about 50 motor torpedo boats; approximately 50 American-type landing craft; and 300 miscellaneous service In the past year, the Soviets have apparently vessels. made available to the Chinese Communists at least three submarines--a small coastal type and two long-range subs-which constitute a serious threat to the Nationalist navy, considered vulnerable to submerged attack. The capability of the Chinese Communist navy to make use of these submarines at this time is uncertain, however. Primary naval bases are at Dairen, Tsingtao, Shanghai and Canton. Strength at other coastal ports is virtually non-existent.

4. It is estimated that eight Chinese Communist armies (about 400,000 troops) would be used for an assault on Formosa. The extremely limited Communist capability to provide sea lift of these troops would permit, according to estimates, only two of these armies to be transported to Formosa for the initial assault. An additional three armies could follow within 30 days. About 2,500 airborne troops could be dropped on the

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island. With their relatively large numbers of jet aircraft, the Communists could soon establish air superiority over the Nationalist air force, and bombers would be free to soften Nationalist defenses in support of ground troops. Without direct American military support, it is estimated that Formosa would fall in a very short time.

5. Light bombers based at Shanghai, Canton and Changsha are within striking distance of Formosa; all of these are TU-2 types similar to the American B-25. There are about 75 in the Shanghai area, 60 at Changsha, and about 15 at Canton. Ten TU-4 medium bombers, similar to the B-29, are based at Peiping within range of Formosa. It is doubtful that these bombers would be used against Formosa unless jet fighters were available to fly cover against Nationalist aircraft during bombing missions. At present, the nearest jet fighter units are at Canton, Ningpo and Nanchang. All are now out of range of Formosa, and would have to be moved to bases closer in. At least four fields along the coast between Shanghai and Canton could be readied in two to four weeks to be used as bases for these aircraft, although continued supply of these fields in the absence of effective communications in this area would be difficult.

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Improvement of radar coverage along the coast opposite Formosa would be expected prior to initiation of air attacks on Formosa, and modern ground-control and navigational equipment would first have to be installed at the advanced airfields.

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