

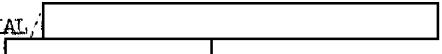
CENTRAL INTELLIGENCE AGENCY

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INFORMATION REPORT

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SUBJECT Economic and Military Situation in China and the MPR as Observed by a Delegate to the Asian and Pacific Peace Conference DATE DISTR. 22 June 1953

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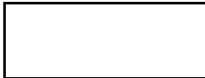
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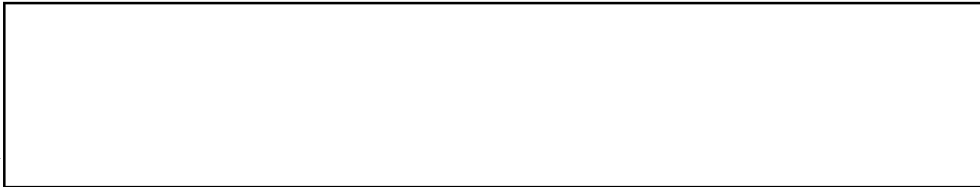


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2. On the day the group arrived, there were about 80 planes on West Field, half of which were fighters and the rest twin engine bombers. No jet aircraft were seen on the field. At the southern end of the airport, there were anti-aircraft gun emplacements and three towers, each 30-40 meters high. No wires were visible between these towers.
3. After landing, the delegates were asked for passports and baggage tickets. There was no customs inspection at the field. They were asked to fill out a regular visa form. After remaining at the airport for an hour, the delegates were divided into groups and taken to the Hotel of Peace in Peiping.
4. On the south side of the road between West Field and Peiping, there were cement infantry barracks. The buildings were not camouflaged, but had a barbed wire fence, eight wires high, around the installation. Guards were at the entrance.
5. The Hotel of Peace in Peiping, according to Chinese officials, had been completed by the workers of China in 35 days. It is a nine-story building with 25 to 30 rooms to a floor; it has modern plumbing, dial telephones in each room, elevators, a barber shop, a dining room on the first floor which serves Chinese food, and one on the terrace which serves occidental food. The chairman of each delegation was assigned a pleasant single room.

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6. The delegations from Vietnam, New Zealand, Australia, Latin America, Canada, Indonesia, Malaya, Iran, Morocco, France, and the Philippine Islands stayed at the Hotel of Peace. The Japanese delegation of 14 to 17 people was in the Peking Hotel. They had left Japan secretly, and when the PPC was over, remained in China because an order had apparently been issued for their arrest on their return to Japan. Similarly the Philippine delegation had secretly left their country in small fishing boats after the Philippine government had refused to issue them passports.
7. From 7 to 10 p. m. on 28 September, the delegates participated in a question-answer period in a large ballroom of the Hotel of Peace. The questioning was directed through two girl interpreters by SHEEN (fnu), secretary general of the Chinese Youth Organization,¹ and another official. The delegates were asked various questions on the political, economic and cultural aspects of their countries. This session was apparently held by Chinese to collect as much information as they could on each country and also as a means of getting to know each delegate better. The delegates were later told that individuals would see them within three or four days to discuss these subjects further.
8. On the morning of 29 September, each delegation met separately to prepare discussions of problems to be presented at the PPC. Colombia, as the only nation with troops in Korea, was asked to be present at the Korean problem discussions. The Chilean delegation was to make a report on the liberation of all peoples of the world; the Japanese on the rearmament of Japan; the Costa Rican, on women and children; the Mexican, on cultural problems.
9. In the afternoon of 29 September, the delegates toured Peiping. There were few automobiles; streetcars were old. There were many bicycles and charcoal-burning buses. Traffic was directed by traffic police. They saw no gun emplacements in Peiping. Water for drinking was used directly from the faucet; it contained a certain amount of chlorine.
10. On the evening of 30 September, the delegates were invited by MAO Tse-tung to a large banquet held in the Hotel of Peace. There were some 10,000 people congregated outside the building. In all, about 1,000 people were invited to the banquet, including delegates from all over the mainland of China. Delegates from other countries numbered 435. Chinese Government officials there were CHOU En-lai, LIU Shao-ch'i, ministers, and vice-ministers, and heads of all departments of the government. The tables were arranged in such a way that the delegates were able to circulate easily to meet MAO and other delegates there. MAO looked very healthy, gay and happy. There were no apparent security precautions taken to safeguard MAO's life. As the delegates entered the hall, three or four Chinese, dressed like the other Chinese Government officials, that is, in a dark blue gown with a high collar, checked their special tickets and the badge which designated them as delegates. Seated next to MAO at the banquet were the chiefs of the delegations from India, Korea and Chile. They, as well the delegation from the Democratic Republic of Vietnam, seemed to be on very friendly terms with MAO. Speeches were made by the delegates from India and Korea. Manuel Cruz, chairman of the Philippine delegation, was loudly cheered when he walked over to MAO's table. In a private conversation later, Cruz stated that the Communists dominate 15 to 20 percent of the Philippine Island population. Cruz spoke fluent Chinese, having been educated in China, as well as Spanish, English and Portuguese. At 10 p.m. at the close of the banquet, MAO and CHU Teh shook hands with all the delegates.

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11. At 9 a.m. on 1 October, Communist China's national day, the delegates assembled in specially assigned places in front of the Red Square in Peiping to view a parade. In the presidential box were many Chinese officials; to their right, the delegates to the PPC and Chinese representatives from the mainland. The parade began at 10 a.m. and lasted until 4 p.m. The first part was the infantry, consisting of 22 groups of 120 troops each, all very well equipped and well dressed. Following the infantry were the paratroopers, 12 groups of cavalry in groups of 90 men each, the medical corps, machine gunners on motorcycles in groups of 100, the horse-drawn artillery whose assignment was mountain work, and numerous trucks, including half tracks mounting anti-aircraft machine guns, and jeeps carrying guns. Most of the jeeps and trucks were American-made. In addition, there were some 200 tanks of all sizes up to 70 tons, carrying guns of heavy, medium and light construction, which also appeared to be American-made. There were some Russian-made tanks. Following the tanks were trucks with long-range searchlights. Approximately 300 planes, including fighters, twin-engine and four-engine transports and about 150 jets in groups of three, flew overhead. Some of the pilots according to Chinese officials were women; everyone in the parade was Chinese. After the military units, marched children and representatives of various civilian organizations. In all, approximately 700,000 marched in the parade.
12. The parade appeared to be planned to impress the delegates with China's well-equipped manpower. The spectators seemed pleased with what they saw. Russian delegates to the PPC were also well satisfied with the parade and its organization. There were 12 delegates from the USSR and a few Russian guests sitting in the Presidential box; one of these was a marshal wearing many decorations. The Russian delegates were all in uniform. There were also some Russian civilians present who live in Peiping and work for research organizations, act as advisers in factories and professors in schools. The Chinese have been learning Russian, as well various other languages in their schools, and the Russians have learned Chinese in China's schools and universities. Military representatives from the satellite countries, including a Czechoslovakian army officer, were guests of the government and sat in special places designated for guests. They did not mix with the delegates. There were also some diplomatic groups present.
13. In the evening of 1 October, the delegates returned to the Red Square and watched group dancing on the streets. This was the first time they had a chance to mix with the local population. The delegates were nicely treated with the Chinese showing no hostility nor animosity toward them. The dancing had apparently been pre-arranged.
14. From 2 to 12 October, the delegates were at the PPC attending meetings and working on the agenda of the following days. During the conferences the Indian and Pakistanian delegations appeared to be on very good terms with the Chinese. The Indian people, according to Chinese writers and newspapermen, consider China their second motherland and have a great deal of admiration for the country. The Japanese delegation stated that Japanese rearmament was a threat to Asian peace and that Japan would eventually turn on the nation that rearmed it. There were some trade transactions set up between the Chinese and various countries during the PPC. China offered tea, cotton, silk, jewelry in return for the goods of other countries, or for cash. The Chinese were always careful to avoid secret meetings, having the delegates present at all times.

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15. During the delegates' stay in Peiping, they were apparently never followed, normally taking tours of the city in escorted groups. However, when some of them wandered away from the groups, they were always brought back to the hotel by children. When they had time for themselves, some of them went to the local market and walked around the city. They visited museums, art galleries, and on one occasion a school where illiterates were taught by a new method which makes use of only some 600 to 900 Chinese characters. They noted that on the street corners of Peiping there were bulletin boards used for economic, political and commercial news. On the same boards was a great deal of anti-American propaganda. There were series of cartoons depicting the enemies of China and showing American planes dropping germ warfare bombs. When the delegates first arrived in Peiping they were issued masks for protection against germs. Later source learned that farmers in the interior of China had been ordered to kill all insects in their area and to keep a record for the government of those killed. Millions of flies, mosquitoes and rats have been killed as a result of this order.
16. On two days between 2 and 12 October, the delegates drove out to some villages 40 kilometers north of Peiping to see the farms and observe the progress of the Chinese agrarian reform. The roads in the Peiping area were generally in poor condition, except for the road from West Field to Peiping, which was asphalt. Many of the buses in Peiping were Russian-made. They were gas-powered and named "Stalin." Russian automobiles in the area were called "Borlobov" and looked like the American Packard. The head of each delegation had a car assigned to him.
17. Delegates noted many small shops in Peiping, all with fixed price control. The price of rice was pro-rated according to the amount of work done by a person. Magazines in French, English and Chinese were on sale, as well as American razor blades.
18. On one occasion during the period of 2 to 12 October, the delegates were offered the opportunity to visit prison camps in Korea, but were later denied the trip. The reason given was the frequency of United Nations' raids, which made the trip dangerous. They did visit a political prison opposite the Temple of Heaven; this was a model prison.
19. From 13 to 20 October, the delegates met with representatives of the Chinese Communist Government, and at the end of this period began their tour of China.
20. On 20 October, the group left Peiping for Shanghai by train. Their train, which was used for the entire tour of China, was 14 cars long, and had both dark green and dark blue pullman-style cars.
21. Between Peiping and Tientsin, on 20 October there were machine gun emplacements every five to ten kilometers. The replacements were mostly concrete pillboxes. Soldiers were stationed only at strategic points; while quite a few of the pillboxes were abandoned. At least eight freight trains of about 40 cars each passed during this four-hour trip. The freight trains were carrying cotton. About ten new factories for cement and other construction material were noted along this route, starting about 15 minutes after leaving Peiping.

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22. The train stopped in Tientsin for approximately 15 minutes, then left for Linchao (Linhsiao)³ along a single-track railroad. Between Tientsin and Linchao there were newly constructed factories and homes, and a petroleum storage area west of the railroad close to Tientsin. At Linchao new construction for the maintenance of trains was noted. There were train yards and about 20 buildings in Linchao. From Linchao, the train continued to P'uk'ou (N 32-06, E 118-44), where they crossed the Yangtze River by ferry, still remaining on the train. It took from 20 to 30 minutes to cross the river to Nanking, where they arrived at 11:50 p.m. on 20 October. The railroad line between Linchao and Nanking was single track. Many ships were noted on the Yangtze River at Nanking. At 3 a.m. 21 October the train left Nanking and arrived in Shanghai at 10:30 a.m. The railroad line between Nanking and Shanghai was double track. There was quite a bit of train movement in this section.
23. On arrival in Shanghai, the delegates were met at the railroad station by some 200,000 people representing various organizations of the city, who paraded from the station to the Cathay Mansions, where the delegates were to stay. The Cathay Mansions is a 10-story building in the center of the old French Concession of Shanghai, directly in front of the Lyceum Theatre.
24. In the afternoon of 21 October, the delegates visited a State factory for white cotton textiles in the northern part of Shanghai, close to the river, about a half-hour drive from the hotel. Of the 4000 employees in the factory, 60 percent were women. Delegates were told employees have schools for children and housing. The manager of the mill showed them around and described the mechanics of the work done there. The factory which was constructed in 1922, had been in Japanese hands and was later taken over by the Chinese Communists. At the time the delegates toured it was being remodeled for a estimated capacity of 10,000 workers. Part of the factory was flooded at this time because of a flood of the Yangtze River in October. When the delegates arrived in Shanghai, the flood water was going up, but had not seemed to damage either Nanking or Hankow. All personnel in the factory were Chinese. The machinery was marked Dobson-Berlow, Ltd., Bolton (1931); Kanoya; Jido (1922); Sussakusko; Howard; Bulik; Togada Works, Osaka (1922). The plant had its own power plant operated by steam. According to the manager of the mill, about 200,000 people are engaged in the textile industry in China.
25. On the evening of 22 October, a dinner was given the delegates by the Mayor of Shanghai at the Cathay Mansions. About 700 people were there.
26. On the morning of 23 October, the delegates toured the House of Culture in Shanghai, which was formerly a club for diplomats of foreign countries, about 10 blocks from the Cathay Mansions.⁴ It is a two-story building, built on an angle of a corner. It had a swimming pool, a long bar which was being used as a conference room, and a small park behind the building. The building had apparently been remodeled. A new method for the construction of buildings were shown the delegates, in which concrete cement blocks are used, covered with fresh cement on top, then pressed down. They were also shown a new method for sanding wood floors, for making bolts and screws and for switching rails on railroads. According to representatives in the House of Culture, China has been producing new trains and locomotives, mainly in Mukden. MAO had been given the first car of a new train made in Mukden.

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27. In the afternoon of 23 October, the workers of Shanghai held a special meeting in a large amphitheatre for the delegates. There were some 30,000 people gathered, including the delegates of the PPC, some Soviet officials, and a special delegation from Canton. The president of the Soviet delegation, Smisnov (Tnu) was hailed and applauded when he spoke. He mentioned the friendliness existing between the USSR and China and spoke of the various accomplishments of the Soviet Union in the past 30 years. He stated that the Soviet Union had completely recovered after the war, and that the Chinese people, following in the footsteps of the Soviet Union, were building up their country as the Russians had re-built theirs. The USSR, he said, was ready to talk peace, but if she is attacked, she is ready for war. At this gathering, at all that the delegates attended, pictures of Lenin, Stalin and MAO were widely displayed. Outside the amphitheatre, the crowd was divided into groups of 100, each having its own cheerleader.
28. Throughout their stay in Shanghai, the delegates were warned not to go out into the city alone. On two occasions, when one delegate tried, he was followed and brought back to the hotel. The men who followed explained that Shanghai was full of traitors, that is, people who did not belong to the Party and that if anything should happen to him, it would be an international incident, which they wanted to avoid. During the entire trip through China, government officials took great care to safeguard the lives of the delegates. There were always soldiers around or civilians who guided the group through tours. The delegates were quite often followed by the pioneers, children about 12 to 15 years of age who were distinguished by red neckerchiefs. There were no curfews imposed in Shanghai. At almost every corner were two or three military men. The police were instructed not to bother the delegates. They wore a green khaki uniform with an arm band that had Chinese characters on it, and carried rifles with bayonets.
29. On 24 October, the delegates visited another factory in Shanghai, which dyed the cotton textiles from the first factory they visited. The cloth was used for civilian clothing. This factory had also once belonged to the Japanese. It had about 150 workers and was being enlarged to hold more people. The machinery was old, but in good condition. The manager of the factory told the delegates that new methods for increasing production were being used. The workers were getting 100 percent more pay than under the old regime. Cost of production had been reduced by 20 percent, while production itself had been increased by 8 percent. Percentages given were based on the 1949 index. According to the manager, all factories in China have increased production and have improved working conditions within factories. All factories in Shanghai were guarded by military police. Special permits had to be obtained from the government for entry. Factory workers showed identification cards when they entered the factory grounds. Two machine guns were at the entrance of the dye factory.
30. The delegates noted few automobiles in Shanghai, but many pedicabs. The streets of Shanghai were always crowded. There were a few electric streetcars, which were always very crowded, with long lines waiting to get on. There were also some charcoal and gasoline buses. Some of the automobiles had gasoline engines; other used charcoal. Air raid precautions were strictly adhered to in Shanghai. The delegates were told to keep their windows closed at night so that no light would show outside. Streets were poorly lighted with only about two bulbs per city block. Houses had only about one-half the desirable amount of light. The reason given for this by the Chinese authorities was a campaign to increase production, for which a large amount of electric power was being used for manufacturing at night.

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31. The people of Shanghai looked healthy and well-fed, although it was difficult to tell whether they were rich or poor because they all dressed in the same way. The only distinction between an officer's and soldier's uniform was the material; the officer's being of a better grade. In the same way, party functionaries and officials dressed in a finer cloth than most of the people. There were no beggars seen throughout their trip in China. The delegates were told that anyone who does beg is taken to jail.
32. The delegates were told that the mouth of the Yangtze River was mined because the Chinese feared an attack by CHIANG Kai-shek.
33. In the afternoon of 24 October, the delegates visited a school for small children in Shanghai. They were greeted by more than 200 children and their teachers. The school building was large and comfortable, had a dining room, a clinic, with free medical treatment for each child and rooms for dancing. There was one teacher in charge of every group of five children. When a child reaches the age of one year (sic) in China, he is taken to school and from this age on is taught the Marxist theory of Communism.
34. On 25 October State-owned stores in Shanghai were toured. The stores seemed well-stocked and those seen carried silks, handicrafts and luggage. Prices on these articles appeared to be reasonable. The few people who were in the stores appeared to be of the working class. They were dressed in cotton drill pants, jackets and caps, and had rubber-soled shoes. The same day they visited a government housing project for the workers of the metal industry. They were told that the government had planned to build 20,000 buildings and had at that time completed approximately 1,000. The latter were already occupied. The buildings were two-story concrete row houses with one family occupying both levels. The ground floor had a living room, dining room, kitchen and bathroom. The upper floor had three small bedrooms. All rooms were relatively small. The kitchens were equipped with a coal stove; the bathroom, a small bathtub, shower, toilet and washbasin.
35. At about 5 p.m. on 25 October, the delegates visited a section of the Shanghai inner port. There were a few small ships, one of which appeared to be a river gunboat. They were told that at the mouth of the river, there were a number of installations.
36. Quite a few Russian civilians were seen in Shanghai. No Soviet military were seen. The Russians were usually discernible by their clothing and speech. Most of them wore felt hats of a very poor quality. They did not appear to be specially privileged individuals. Some were seen riding in rickshas; others in cars. Hotels in Shanghai have all been taken over by the State; people living in hotels were required to have a government permit. Ordinarily hotels were reserved for special missions.
37. On 26 October between 9 and 10 a.m., the delegates left Shanghai for Hangchow in the same train they had taken from Peiping. The roads between the two cities were poor with no automobile movement. The only stops made by the train were those to permit freight or passenger trains to pass. There were trains about every half hour; the freight trains had never less than 20 cars, and one had up to 45 cars. The Chinese were very proud of the maintenance of their railroads, evidenced by the fact that railroad workers are among the most privileged group of workers in China. Along the rail line between Shanghai and Hangchow, as throughout all of China, there were a large number of concrete sentry houses, especially along bridges where the sentries were armed. They arrived Hangchow between 1 and 2 p.m. where they were met by a cheering crowd of people. The railroad station was in very good condition. It was concrete and had a tin roof.

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38. On 27 October, the delegates visited the Needle Pagoda in Hangchow from which they noted a good deal of commercial traffic on the lake. In the same area of Hangchow, there were some small factories for the manufacture of machinery, silk, jute sack, soap, paper and chemicals. They were primarily small plants within a five acre area each about 400 square meters in size, with about 200 people employed. The buildings were concrete.
39. North of Hangchow outside the city wall was one of the largest jute plants seen by the delegates in China. The road approaching the plant was in very poor condition. The road crossed over a large old bridge which came to a steep arch. About 8,000 to 10,000 people were employed in the plant. The jute plant was in two sections; the old section which had been in use for 18 years and was built under the Nationalist regime, and the new section on which construction was begun in January 1952. Machinery in the old section was marked Robertson-Orchard; new machinery was built in Shanghai, Wuhsi and Lanchow. The plant was well guarded. Workers who were single men were quartered in barracks built on the plant grounds; there were two, three or four men to a room. They were not permitted to leave the plant area. Married men lived off the plant grounds nearby.
40. On 28 October at 10 a.m. their train left Hangchow for Wuhsi (N 31-35, E 120-18). They passed Shanghai without entering the city, proceeded to Soochow by 2 p.m. where they observed many metallurgical plants; some oil tanks west of the Soochow station were also noted. Between Soochow and Wuhsi, a few aircraft, mostly fighters of piston engine type, were seen. They appeared to be training planes. No airports were seen. There was one coal mine in this area. The route taken paralleled the Grand Canal on which there was a large number of vessels. At 3 p.m. they arrived at Wuhsi. The delegates were lodged in a building which was regularly used as a school of fine arts. It was outside the city of Wuhsi, on a hill overlooking a lake. The guest house had its own power plant for electricity. The delegates visited rest homes and hospitals in the lake area. In the area north of Wuhsi, between the city and guest house, and on the lake shore, were barracks, apparently for infantry troops. Some of the buildings were frame; others were straw and bamboo. Troops in five or six groups of about 100 men each were in the area. They appeared to be in training, and were equipped with rifles, machine guns, and mortars. There were some military vehicles in the area, but no tanks or armored cars. Three large buildings about 200 to 300 feet long and two-stories high were visible from the road. The camp had a barbed wire fence about eight strands high around it.
41. On the morning of 29 October, the delegates left the guest house and returned to Wuhsi to visit a silk mill and some silk shops. Between noon and 1 p.m. they left Wuhsi on their way north to Mukden. They crossed the Yangtze River at Nanking by ferry. Many trains, most of which were freight trains, moved on and off the ferry. Their train of 14 cars occupied the whole ferry, with seven cars in a line plus the locomotive. The delegates were not permitted to get off the train while on the ferry which was guarded by soldiers.
42. On 30 October between 8 and 9 a.m. the delegates arrived at Hofei (N 31-54, E 117-18). From Hofei they travelled by bus to Fushihlin, which was about 45 kilometers from Hofei. The road paralleled for a considerable distance one of the tributaries of the Huai River. The land appeared to be all farm land. Few cars and trucks were on the road, but there were many people. The road was macadam and about 10 meters wide. They stopped about half-way for lunch and arrived in Fushihlin at 7 p.m. where they were met by soldiers and workers who were engaged in the construction of a dam on the Huai River.

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About 15,000 men were employed in its construction, of which 10,000 were civilian laborers and the rest were soldiers, who worked on a special part of the dam. The soldiers were there to learn engineering and hydroelectric techniques. Shelters of straw and grass had been built for both the workers and soldiers. The delegates were housed in the military barracks within the military camp itself. On 31 October the delegates were shown the dam itself and were told that it was to be 70 meters high and 517 meters long. Two sluices were being built for irrigation and four for electrical generation. There were 157 pieces of machinery used to build the dam, most of which were tampers and drills. The dam was due to be completed by the end of 1953. The designer was an engineer named WANG (fnu). Russian advisers had reviewed all the plans and proposals prior to construction; however, no Russians were seen in the area at the time of the delegates' visit. WANG and an army general, who was also an engineer and who was in command of the district, were in charge. All civilian workers had contracts and were not permitted to visit their homes until the contracts expired. On the road approaching Fushihlin there was a guard detachment, and all through the construction area were soldiers on guard duty. In the evening of 31 October, the military held a banquet for the delegates after which they played a game of basketball with the delegates, which the soldiers won.

43. On 1 November at about 7 a.m. the delegates left Fushihlin and returned to Hofei where they arrived about 4:30 p.m. At 7 p.m. they left Hofei by train going north toward Mukden. They did not return to Nanking, but went directly to Tsinan (N 36-41, E 117-00) on what appeared to be a new rail line and arrived in Tsinan at about noon of 2 November. The line was single track until they approached Tsinan where it was double track. At Tsinan there was a large railroad marshalling yard with lines running east and west. From Tsinan to Taipai, which is a small city just south of the Yellow River, the track was double, and from Taipai to Tientsin (N 39-08, E 117-12) single track. In the area of Taipai they passed four trains loaded with tanks of Russian construction and with ammunition. On the two trains going south, some of the tanks had holes in them, as if penetrated by artillery fire. The two trains heading north had tanks which appeared to be freshly painted and apparently repaired and placed in combat-ready condition. Each train averaged from 40 to 45 cars. All but two or three of the cars were boxcars; the others were flatcars. Tanks were loaded two to a flatcar with four to six on each train. Artillery shells in bundles of three were on one of the trains. They included both expended shell cases and live ammunition.
44. After leaving Tientsin at 7 p.m. on 2 November, they passed several troop trains heading north. The troop trains averaging about 40-45 cars in length had been side-tracked to allow the delegates' train to pass.
45. On 3 November between 8:30 and 9 a.m. the delegates arrived in Mukden. Two or three kilometers south of Mukden, there was a large number of machine gun emplacements, rifle pits and anti-aircraft emplacements built on both sides of the railroad tracks. Most of them were concrete. Just west of the railroad station was an airport with fighter planes and some two-motor planes on it. Between the railroad station and the airport were piles of wheat from which soldiers were taking out aerial bombs. The wheat piles were almost continuous in this area and were in an irregular pattern. There were factories east of the railroad station, but no wheat piles were visible. Very few planes were noted in the Mukden area. Those seen were conventional type planes and one jet plane. In the railroad station there were many rusty and old trains, some with bullet holes in them. They were probably left over from the "liberation". Fifteen trucks with soldiers were in the railroad station. The trucks were Russian-made, had six wheels, four of which were in the rear. They were marked USSR in Russian.

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46. Mukden had the largest volume of automobile, truck and streetcar traffic seen by the delegates in all of China. There were a great many Russian men, women, and children on the streets. Names of stores were both in Russian and Chinese. Factories in Mukden seemed to be concentrated in the area of the railroad station. The delegates were housed in a hotel about 20 blocks from the station in the city itself in front of what were formerly Japanese government buildings.
47. The delegates visited an industrial exhibition in Mukden on 3 November which was in a five-story building about 4 blocks from the hotel toward the railroad station. The exhibition was divided into five parts:
- (1) Products of the Hansa factory, consisting of nickel steel, steel bars, galvanized iron, various thicknesses of steel plates, railroad wheels and rails. A new coupling device for railroad cars, extra hard steel for ball bearings which are made in Dairen, steel wire and steel bombs were also displayed.
 - (2) Mining machines made by a factory in Fushun, lathes, dies, coal pulverizers, woodworking tools, electric heaters, ovens, ship pumps.
 - (3) Electrical equipment such as high tension resistors, generators, inductors, electrical measuring devices, and elevators.
 - (4) Hand tools of various types, bicycles, farm implements.
 - (5) Rubber and chemical products of which one section was devoted to chemical engineering and included paints and paint products, and a chemical called "Chemical 666" used in anti-bacteriological warfare. Paints for painting vessels are no longer imported in China.
48. On 4 November, the delegates visited factory number 1 in Mukden where light machinery is produced.¹⁰ The factory is in the city itself east of the railroad, surrounded by a wire fence and guarded by soldiers. The director of the factory, HUANG (fnu) told the delegates that the factory had been torn down by the Japanese, was looted by the KMT and had been rebuilt by the people with the assistance of Russian technicians. It had a foundry, casting and die cutting shops, and produced lathes, abrasive machinery, and polishing machinery used to make small precision parts. The machinery came from the Soviet Union and was marked "NSTSG" and "TOS-MAS". The Chinese stated that they were manufacturing heavy machinery in another factory using Russian patents. The factory was also equipped with air raid shelters, the entrances to which were built up about three or four feet above the surface of the ground and had a wooden ramp stairway running down into what appeared to be caves. In the area of this factory were a number of heavy machinery factories and steel mills with what appeared to be blast furnaces. There were also high towers burning off gas. The delegates were told that there were about 2000 factories in the Mukden area. Machinery being built was to be distributed in factories throughout China. New factories were being constructed in the industrial area near the railroad station.
49. On 4 November the delegates were also shown a school of medicine in Mukden. Students in China go into medical school directly from a secondary school for a period of three to four years, after which they go into the army. After a period of time in the army they return to medical school to finish their formal training. The first three to four year course is designed to get the students out to take care of China's most urgent medical needs. The medical school had about 2,200 students and was being enlarged to hold 5,000.

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50. At 10 a.m. on 5 November the delegates left Mukden by bus for Fushun (W 41-53, E 123-54) to visit one of the coal mines. The coal mines in Fushun employ 8,900 people. Fushun also has iron mines and oil refineries. The open-cut mine was 6,000 meters long, 1,200 meters wide and 175 meters deep. It was completely mechanized, having machinery to cut and drill coal out of the face of the mine, as well as loading equipment and railroad cars to haul out the coal. The upper surface of the mine consisted of shale which is used in the production of petroleum products. Later they visited a shaft coal mine.
51. In the area of the coal mine there was a factory used for the processing of the coal into coal tar by-products and petroleum. The plant had about 10 processing areas. Every ten minutes a train arrived at the plant from the mine with from 8 to 10 carloads of shale. Approximately 15 furnaces were used for extracting petroleum from the shale and about 50 storage tanks were used for the finished products. The tanks were about 30 meters high with a diameter of 30 to 40 meters. One section of tanks was used for paraffin; another for sulphuric acid. The factory and tanks had been built about 1928 by the Japanese and were later rebuilt by the Chinese Communists. The factory area was restricted and closely guarded by soldiers. After leaving the factory the delegates returned to Mukden.
52. The road between Mukden and Fushun was dirt and stone with many holes in it. An airfield about 10 minutes out of Mukden was noted on the north side of the road, near a place referred to as the Mausoleum of the Manchu Dynasty. Only one or two planes were visible on the field. There were piles of Kapliang between the air field and the road.
53. On 6 November the delegates went to a farm cooperative near Fushun where cattle, pigs and corn were raised. The only machinery noted was one tractor and a combine. In the afternoon of 6 November they returned to Mukden and visited a political school used to reform former Kuomintang members.
54. There were many soldiers noted on the streets of Mukden, including a platoon of airmen, and quite a few women in military uniforms. There were also a good many Russian civilians, who, according to the Chinese were technicians in factories. They lived in houses west of the hotel where the delegates stayed, but in no one group in the area. Stores in Mukden appeared to be very well stocked and many people were buying. They carried Chinese style clothing such as woolen suits, overcoats with thick cotton padding in them, as well as luxury items such as cologne, soaps, and cigarettes. There were large numbers of soldiers in and around the stores who were apparently on police duty. All factory workers in Mukden were required to have an identification card and from time to time police in the city made spot checks. If someone appeared suspicious to the police they were stopped and asked for identification papers. None of the delegates was stopped because they wore the PFC badge.
55. At 7 a.m. on 7 November the delegates left Mukden by train and returned to Peiping by 2 p.m. of the same day. They remained in Peiping until 10 November. While there, they took a trip to the Great Wall along with about 100 Russians who were in China on an artistic and cultural mission because November was the month of Chinese-Russian friendship.

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56. At 5 a.m. on 10 November the delegates left Peiping by air for the USSR. The aircraft, a dark green twin engine plane, had an all-Chinese crew. The first stop was Shangri-la Airfield¹² where they arrived at 11 a.m. The airfield was in a desert area with hills on the east and west sides. There were no hangers or buildings on the field; however, there were tents. All personnel at the field were military and appeared to be Mongolians. Their uniforms were dark green and resembled Russian uniforms. The ~~commander~~ of the airport and about 10 soldiers were at the field. There were no military aircraft at the field. The only other plane at the field had a group of Chinese youth who were going to Poland. On arrival, the delegates were asked to show their passports. The passports were not stamped. Runways were not marked on the field. The area of the field was very large and the sand hard enough for a light aircraft to land on it. There were no fortifications at the field. About one kilometer from the field on the mountain-side were houses with sloping roofs. Many camels were in the area near the airport and on the hills. While at the field the delegates went into the ~~Commander's~~ tent and some of the other tents. The ~~Commander's~~ tent was about 10 meters wide and had a small portable coal stove in it. Both planes were left in the open. Gasoline for re-fueling was brought in to Shangri-la by fuel trucks probably from Ulan Bator. The relationship between the Chinese and Mongols was very friendly. The Mongols as a general rule spoke Russian among themselves. There were only a few women at the field and those were members of families of personnel.
57. At 4 p.m. on 10 November the delegates left Shangri-la and flew to Ulan Bator where they arrived at 5:30 p.m. There had been a heavy ~~snow~~ storm in the area. Radio clearance for take-off had been given their plane prior to take-off in Shangri-la. A Mongolian member of the Peace Committee greeted the delegates when they landed. There were three concrete buildings at the airport, each one-story high. Runways were of sand that had been smoothed over with machines, and were covered with approximately one foot of snow at this time. There were 10 soldiers at the airport.
58. At 6 p.m. on 10 November the delegates were taken into Ulan Bator where they stayed at the only hotel in the city. It was a three-story building which was very modern; it had central heating, but no bath or showers. Between the airport and the city, they noted from 20 to 40 factories, some of which produced steel, leather, wool, razor blades and tools. The Ulan Bator region specializes in livestock and the wool industry for which camels hair is used. There were also coal mines in the Ulan Bator area and the delegates were told that the ore was processed in one of the factories. Prior to entering the city there were military check points. The road between the airport and the city was one lane and asphalt. In the valley they noted "burning" towers of steel which were from 20 to 30 meters high. Three and four-story buildings of cement were near the towers.
59. The city of Ulan Bator had a population of about 150,000 people. All streets were paved with asphalt. The people looked very healthy and strong; their diet seemed to consist mostly of meat. The temperature at the time of the delegate's stay was 34 degrees below zero. In touring the city, the delegates looked at parks and monuments. At the theatre they saw a motion picture on Mongolia which was similar to a newsreel. They were told that the power plant for the city was near the river and toward the hills.
60. On each floor at the hotel there was one person who was responsible for the activities of all persons on that floor and who was also in charge of the telephone. There was one telephone in the hotel. There was also a radio that was amplified for everyone in the hotel. The radio station was a local station.

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61. The railroad station in Ulan Bator was in the city and about three kilometers from the airport. It had a long one-story building and a single track line. Two freight trains transporting livestock in flat covered cars were noted, Telegraph lines paralleled the rail line.
62. At 8 a.m. on 11 November the delegates left Ulan Bator on the same aircraft for the USSR and Europe.

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	Comments
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1. Although there is information that FENG Wen-pin (7458/2429/1755) lost his position as secretary-general of the China New Democratic Youth Corps on 2 September 1952, this may be the man whose last name only source remembers.
2. The largest tanks the Chinese Communists are known to possess are 51 tons, which are the Soviet JS-1 and JS-2.
3. Possibly Linch'eng (N 34-52, E 117-20).
4. This place may be the former British Country Club on Nanking Road, Central.
5. Probably West Lake.
6. Probably T'ai Hu.
7. This may be Fotzuling (N 31-22, E 116-16) where Chinese Communist broadcasts report a reservoir in construction as part of the Huai River Project.
8. Possibly P'i River (N 31-42, E 116-22) on which Fotzuling is situated.
9. Possibly Tahsien (N-37-27, E 116-17)
10. This factory may be the Manchu Machine Tool Company.
11. Possibly the Fushun Shale Oil Plant.
12. The exact location of this airfield is undetermined.

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